EuroCHRIE 2024 Conference Proceedings: ‘Building Bridges and Overcoming Challenges’

Proudly Hosted by Al Rayyan International University College in Doha, Qatar

Editors

Ivan Ninov, Ph.D.

Christoper S. Dutt, Ph.D.

Ali Abdallah, Ph.D.

Organising Committee

Conference Chair: Prof. Ivan Ninov

Conference Secretary: Ms. Lorena Hornido

Scientific Committee Co-Chair: Dr. Christopher S. Dutt

Scientific Committee Co-Chair & Volunteers Coordinator: Dr. Ali Abdallah

Programme Coordinator: Dr. Gulbahar Abdallah

Catering Coordinator: Ms. Helen Morris

Marketing & Volunteers Coordinator: Ms. Khadija Ibtihaj

Facilities, Transportation, & Logistics Coordinator: Mr. Otmane Sadoki

Student MCs Coordinator: Ms. Darine Chaaya

How to cite this document:

Ninov, I., Dutt, C.S., & Abdallah, A. (Eds.) (2024). *Building Bridges and Overcoming Challenges.* Proceedings of the EuroCHRIE conference 2024 4-7 November, in Doha, Qatar.

How to cite a paper in this edited volume:

Author A. (2024). Title of paper. In I., Ninov, C. S., Dutt, & A. Abdallah (Eds.) (2024). *Building Bridges and Overcoming Challenges* (pp.XX-XX). Proceedings of the EuroCHRIE conference 2024 4-7 November, in Doha, Qatar.

Contents

Introduction from the Editors

Professor Ivan Ninov, Conference Chair

Dr. Ali Abdallah, Scientific Committee Co-Chair

Dr. Christopher S. Dutt, Scientific Committee Co-Chair

The theme for the 2024 edition of EuroCHRIE in Doha, Qatar, considered "Building Bridges and Overcoming Challenges", asking participants to consider how society can come together to address the challenges faced around the globe.

The conference was split into 7 tracks; Technology, Sustainability, Customer Experience, Education, The New Consumers, The Employees' Perspective, and a General track. Authors were offered the option to submit their full paper to this conference proceedings, or only the abstract. All posters and Lecturer's Lounges have their abstracts included. These proceedings provide the full papers, followed by the abstracts of the full papers, lecturer's lounge, and posters presented at the conference.

Submissions through Track 1, Technology, considered the role of technology to provide solutions to challenges faced by the tourism and hospitality sectors, and society as a whole. Authors here considered how technology can help managed talent within organisations (Kichuk, Hui, & Kourtidis, 2024), and the role of AI in restaurants (Božić & Zrnić, 2024), amongst numerous other topics.

In Track 2, Sustainability, authors were asked to discuss how hospitality and tourism can contribute to a more sustainable future. Submissions included topics looking at how industry and academia can work tougher to promote awareness (Germanier , 2024), how hospitality can be regenerated to promote sustainability (Inversini, Talhouk, & Daou, 2024), how luxury travel can be sustainable (Ali & Maton, 2024), and critiqued the effectiveness of past sustainability initiatives (Varga & Muñoz-Barriga, 2024). These topics were supplemented by many additional papers, posters, and two very insightful keynote speeches by Ghanim al Sulaiti, CEO of Enbat Holdings and Founder of Evergreen Organics, and Prof. Willy Legrand, a world-renowned expert on sustainable management.

The third track explored the Customer Experience, focussing on enhancing our understanding of the customers we serve and their experiences with us. Papers on this track considered aspects such as the impact upon customer satisfaction and loyalty of digital technology adoption (Alotaibi, 2024), and adding insight on the process of restaurant food and beverage recommendations (Scander, Forsberg, Mihnea, & Wendin 2024).

The conference's fourth track invited discussion on a key component of EuroCHRIE, Education. Here, authors considered how we prepare the next generation of industry leaders for the opportunities and challenges they will face in the future. The full papers submitted to this track benchmarked colleges in the UK and Oman (Zeaiter & Al Sheidi, 2024), considered how best to support developing entrepreneurs (Zehrer, Glowka, Wieser, & Pirhofer, 2024), explored big data and blockchain in education (Belgacem & Al Shuaili, 2024), and analysed the new generation's perspectives of hospitality education (Jollain, 2024).

The fifth track, The New Consumers, explored the future types of travellers that business are likely to encounter. Topics addressed elements such as the post-COVID consumer, sustainability, and technology adoption. All papers are published here as abstracts, so look out for the full paper publication in the future.

The sixth track addressed The Employees' Perspective, asking authors to discuss the challenges faced by employees in hospitality and tourism. These papers explored a wider array of areas relating to employees, including the difference between expatriate and local workers in hotels (Nikishova & Germanier, 2024).

The final track, the General track, invited submissions related to any area of tourism and hospitality. These papers addressed the return on investment of human capital in hotels (Brien & Vidwans, 2024), a time series analyses of hotel performance data in Doha, Dubai, and London (Atapattu, Abeynayake, & Mulholland, 2024), personalisation in luxury hotels (Baloglu & Baloglu, 2024), how best to support leaders in hospitality (Gladka & Darioly, 2024), and overtourism (Korze, 2024).

We, the organisers of EuroCHRIE 2024, hope all attendees found the discussions here to be insightful. We hope these discussions and papers presented in these proceedings serve as a guide and support to future teachers, students, and practitioners to help grow and develop this wonderful sector of hospitality and tourism.

Acknowledgements

We would like to thank all authors for their submissions and presentations at the EuroCHRIE 2024 in Doha, Qatar. We would also like to sincerely thank the reviewers who gave up their precious time to review all these submissions and helped to ensure that what was presented here was of high quality. Thanks also go to the moderators who facilitated the smooth running of the concurrent sessions and supported authors during their presentations. Finally, congratulations to the winners of the EuroCHRIE 2024 Best Paper and Best Poster award.

EuroCHRIE

QATAR - 2024

Hospitality and Tourism in a New Era: Building Bridges and Overcoming Challenges

Full Papers Track 1 – Technology

1.1 Talent management strategies and practices in the age of digital transformation: Building bridges to successful hospitality organisations in the UK, Greece, and Hong Kong

Aliaksei Kichuk, Tracy Hui, Michalis Kourtidis

Birmingham City University

Abstract

The paper examines Talent Management strategies and practices in the age of digital transformation in 3, 4, and 5-star hotels in the UK, Greece, and Hong Kong. Using a mixed-methods research approach, the study first conducted an online survey with 63 participants from hotels in the countries mentioned above. Secondly, 20 semi-structured interviews were conducted with UK hotel professionals. The results show that hotels that are more mature in digitalisation and digitisation have created a culture of confidence and trust in technology which is conducive to integrating emerging technologies and AI in Talent Management strategies and practices. This is a pilot study that aims to understand the stage in which hotel companies are currently in the digital transformation of TM.

Key Words:

Talent Management (TM), artificial intelligence (AI), hospitality industry, TAM, UTAUT

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Paper

Introduction

We live in the age of changing mindsets and the rapid development of artificial intelligence (AI) and emerging technologies in all industries around the world. The penetration of advanced technologies in the form of digitisation and automation of processes in the management of human resources in the hospitality industry, as in all sectors of the economy, is identified as one of the new and necessary challenges in the sector (Promsri, 2019; Verhoef et al., 2021). The application of AI and emerging technologies has become evident for HRM strategies such as talent acquisition (Johnson et al., 2020; Pillai & Sivathanu, 2020), talent training and development (Aguinis et al., 2024), talent retention (Kim et al., 2024; Stone et al., 2024). However, it is not certain that employees are aware of the benefits and have accepted advanced technology with equal enthusiasm to what the current narrative claims. The Technology Acceptance Theory (TAM) (Davis, 1989) highlights challenges to be overcome, so that resourcing and managing talents can benefit from digital transformation. This paper addresses the gap by providing an analysis of how emerging technologies and AI impact Talent Management (TM) strategies of recruitment, development, and retention in UK, Greek, and Hong Kong hotel organisations. The study answers the following research questions using mixed methods approach:

1. How much are hotels aware of emerging technologies and AI in talent management and what are their perspectives in using them?
2. What types of emerging technologies and AI do hotels use and to what extent are they used in talent management?

3. What strategies and with what consistency do hotels use emerging technologies and AI in the recruitment, development, and retention of talents?

Literature Review

Digital, Digitalisation, Digital Transformation, and AI

Digitisation is a socio-technical process of converting analogue formats into digital ones (Sandberg et al., 2020) and applying digitalisation techniques to broader social and institutional contexts that make digital technologies infrastructural (Nylen & Holmström, 2015). Digital transformation is a profound change in organisational activities, boundaries, and goals to exploit the possibilities of digital technologies (Matt et al., 2015; Vial, 2019). AI is a decision-support tool that can be used for a wide range of business processes (Wirtz et al., 2018). The AI developed in recent years concerns such complex processes as classification, optimisation, estimation, and image recognition (Agrawal et al., 2019). Therefore, digital transformation is considered a broader concept than information technology-enabled (IT-enabled) organisational change (Vial, 2019), as it is deeply intertwined with multiple levels of organisational reality.

AI for Talent Acquisition

Digitalisation of TM mainly covers three core functions of HRM: hiring, training and development, and retention (Guerra, Danvilla-del-Valle & Mendez-Suarez, 2023). Beginning with recruitment and selection, AI is seen as a new building block that makes it possible to recruit talented employees more effectively. Khandelwal & Upadhyay (2021) claim that recruiting talent and managing diversity can be a major challenge and AI can successfully overcome these challenges. The benefits of using AI for this purpose are manifold. First, AI-based tools such as Applicant Tracking Systems (ATS) enable HR managers to screen resumes, evaluate candidates, and predict the match with a job with remarkable accuracy (Agnihotri et al., 2023). Second, AI can be used to provide analysis based on interviews and organisational needs and suggest appropriate salaries and benefits based on candidates' qualifications (Chowdhury et al., 2022). Third, Van Esch et al. (2019) claim that candidates are more likely to apply online via social media, company websites, mobile applications, and chatbot talent assistants than through traditional recruitment methods.

AI for Talent Training and Development

AI is essential for the training and development of hospitality employees to improve their skills and provide them with an engaging environment (Faqihi & Miah, 2023). The integration of AI can create personalised learning paths that can develop skills, career goals, and performance data to recommend relevant courses and resources (Bashynska et al., 2023). Gamification helps employees to better understand their current skills and the different career paths within the organisation (Simpson & Jenkins, 2015). Chatbots can assess employees' skills, recommend training courses, and connect them with their mentors in the workplace (Nawaz & Gomes, 2019). The application of AR/VR can facilitate the design and delivery of training programmes at different stages of professional development. The use of various AI technologies can help organisations create a learning culture that can be inclusive and provide the ability to close training and development gaps (Kaushal et al., 2023).

AI for Talent Retention

Schiemann et al. (2018) have highlighted that the key to HR for organisations is employee retention, which leads to quality and higher profitability. The key to using AI effectively for employee retention lies in combining big data and machine learning with the human touch (Dorasami, 2021). In addition, AI predictive analytics algorithms identify individuals even before employees consciously intend to leave the company (Das et al. 2022). Through their day-to-day work and behaviour, employees give many signals about their intentions that allow companies to create predictive statistical models that understand and predict turnover. This information can be used by managers to retain talented employees and offer tailored incentives, rewards, and recognition strategies (Grillo, 2015).

Accepting the use of advanced technology and AI

The adoption of technology in organisations does not occur automatically after operation systems adapt accordingly. Human actors first need to embrace it and endorse its applicability to their work. Technology Acceptance Theory (TAM) states that this is influenced by people's understanding that technology applications in question are useful for their work and easy to use (Davis, 1989). This is fundamentally based on the reasoned action theory (Ajzen & Fishbein, 1980) in which cognitive understandings of initiatives drive people's attitudes and behaviours. Digital transformation in hotel organisations, which belong to a labour-intensive industry, require more than establishing a technical capability in the workplace. The conditions in which it takes place also need to accommodate the needs of employees according to their positions, encouraging and motivating them to make best of use of them consistently (Ye & Chen, 2024). Therefore, according to the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2003) acceptance of technology is a matter of what people expect of the outcomes from its use (performance expectancy), of the effort they put in it (effort expectancy), the support they receive from their community (social influence), and conditions in which use of technology takes place in their workplace (facilitating conditions).

Methodology

A mixed-method research approach was used in the study which ensured the validity of the data collected and the triangulation of results (Cresswell & Poth, 2016). The research was ethically approved by Birmingham City University.

First, the quantitative research stage used online survey approaching employees in 3- to 5-star hotels in the

UK, Greece, and Hong Kong. The survey took place in the first quarter of 2024. It was designed to measure the perceptions and usage of emerging technologies and AI in talent management, with reference to the technology use scale of the TAM (Davis, 1989) and UTAUT models (Venkatesh et al., 2003).

We adapted 8 questions from UTAUT to identity the performance and effort expectancy of using the emerging technologies (1 being 'Strongly Disagree' and 5 being 'Strongly Agree'). Respondents were also asked to rate the frequency on a Likert-type 7-point scale (1 being 'Never' and 7 being 'Always') with which their company uses 10 emerging technologies in TM. Adopting the statement that TM covers three core HRM functions: talent acquisition, development, and retention, several questions aimed to explore the frequency of use of AI specifically in the abovementioned functions. In addition, 7 questions centred around creating a work culture that encourages and facilitates employees to use technologies at work.

A total of 63 valid responses were received. Most respondents work in the UK (71.43%), with less coming from Greece (23.81%) and a few from Hong Kong (4.76%). The selection of those countries was based on two main arguments: (i) they reside in three very different cultural locations, so the findings could potentially show variations which can lead to useful discussions – UK being a very representative western country; Greece being a very traditional touristic destination of the Southeast Mediterranean; and Hong Kong being a progressed East-Asian destination with strong ties with the west. (ii) The researchers were very familiar with the hospitality management market of each one of those countries, so access to participants was easier. Most of the participants worked in companies with 50-299 employees (63.49%). For further characteristics of survey respondents, please refer to Table 1.

Table 1. Characteristics of Survey Respondents

Demographic	Number	Percent
Gender:		
Male	41	65.08%
Female	22	34.92%
Age:		
18-24 years old	1	1.59%
25-34 years old	19	30.16%
35-44 years old	30	47.62%
45-54 years old	9	14.29%
Over 55 years old	4	6.35%
Education:		
Technical/vocational training or equivalent	18	28.57%
High school/college graduate	5	7.94%
Associate degree/diploma or equivalent	9	14.29%
Bachelor’s degree	14	22.22%
Master’s degree or above	17	26.98%
Job Rank:		
General staff	6	9.52%
Specialist	16	25.40%
Manager	23	36.51%
Senior Manager	12	19.05%
C-Level Executive (CEO, CMO, etc)	4	6.35%
Company Owner	2	3.17%
Work Location:		
UK	45	71.43%
Greece	15	23.81%
Hong Kong	3	4.76%
Company Size:		
1 – 49	1	1.59%
50 – 299	40	63.49%
300 – 999	17	26.98%
1,000 - 4,999	4	6.35%
5,000 or more	1	1.59%

Following some key findings from the survey which referred to a different attitude of organisations who were more familiar with digitalisation we took a qualitative step in the study focusing only on the UK. Thus, to gain a more in-depth understanding of the actual practices and examples of how hotels currently use emerging technologies and AI in TM 20 semi-structured interviews were conducted from January to February 2024 via MS Teams. The participants were employed in 3- and 4-star hotels. Non-probability purposive sampling was adopted which involved the deliberate selection of the individuals suitable for the research purposes (Polkinghorne, 1988). The selection of participants for the interviews and the survey was based on relative criteria: hotel star rating, position held, hotel department, years of experience and nationality (Jones et al. 2013). The interviews lasted 60-90 minutes. Table 2 provides an overview of the categories of interviewees. A total of 11 managers, 7 from the HR department and 4 from other functions, as well as 9 non-managerial employees, were interviewed. To maintain anonymity, all interviewees were recorded as participants 1, 2, etc.

Table 2. Characteristics of Interview Respondents

Participant Number	Hotel Star Rating	Position Held	Hotel Department	Years of Experience	Nationality
Participant 1	3*	HR Manager	Human Resources	5	Polish
Participant 2	4*	Hotel Manager	Management	8	English
Participant 3	4*	F&B Assistant	Front of House	6	English
Participant 4	3*	Reception Manager	Front of House	7	Latvian
Participant 5	4*	HR Manager	Human Resources	4	English
Participant 6	4*	Pastry Chef	Kitchen	3	Portuguese
Participant 7	3*	HR Manager	Human Resources	12	Latvian
Participant 8	3*	HR Officer	Human Resources	7	English
Participant 9	4*	Night Manager	Nights	8	Italian
Participant 10	4*	Guest services staff	Conference & Banqueting	7	Bulgarian
Participant 11	4*	C&B staff	Conference & Banqueting	5	Romanian
Participant 12	3*	Duty Manager	Management	10	Bulgarian
Participant 13	4*	Guest services Assistant	Conference & Banqueting	7	Polish
Participant 14	3*	Sommelier	Conference & Banqueting	8	English
Participant 15	3*	HR Manager	Human Resources	10	English
Participant 16	4*	Receptionist	Front of House	4	Italian
Participant 17	3*	HR Manager	Human Resources	7	Bulgarian
Participant 18	4*	Bar staff	F&B	5	English
Participant 19	4*	Cluster HR Manager	Human Resources	11	English
Participant 20	4*	Chef de partie	Kitchen	5	Lithuanian

Findings and Discussion of Quantitative Data

Performance and Effort Expectancy

As illustrated in Table 3, the respondents generally agreed on the usefulness of emerging technologies in their jobs (M = 3.96, SD = 0.68). They also perceived emerging technologies as easy to use (M = 3.87, SD = 0.81)). The data aligns with a SHRM feature article by Zielinski (2023), which indicates that organisations recognise the benefits of using emerging technologies.

Table 3. Performance and Effort Expectancy

Items	Mean	Standard Deviation
Performance Expectancy:		
I find emerging technologies useful in my daily life.	3.83	0.64
Using emerging technologies increases my chances of achieving things that are important to me.	3.94	0.62
Using emerging technologies helps me to accomplish things more quickly.	3.94	0.76
Using emerging technologies increases my productivity.	4.14	0.67
Overall	3.96	0.68
Effort Expectancy:		
Learning how to use emerging technologies is easy for me.	3.98	0.81
My interaction with emerging technologies is clear and understandable.	3.90	0.87
I find emerging technologies easy to use.	3.83	0.79
It is easy for me to become skilful at using emerging technologies.	3.78	0.75
Overall	3.87	0.81

Usage of Emerging Technologies (and AI) in TM

The quantitative data from this study (see Table 4) suggests that these technologies are not yet widely used in the hospitality industry. Despite the increasing popularity of emerging technologies in the business world and their use in TM is a notable trend (Wiblen & Marler, 2021), respondents occasionally used data analytics (M = 4.38, SD = 1.17), cloud technologies (M = 4.29, SD = 1.20), mobile applications (M = 4.27, SD = 1.39) and automation (M = 4.13, SD = 1.22) in TM, while they rarely use the other 6 types of technologies in TM.

Regarding the use of AI in TM, the mean values for talent acquisition (M = 3.84, SD = 1.56), talent development (M = 3.75, SD = 1.49), and talent retention (M = 3.70, SD = 1.47) indicate a tendency towards infrequent to occasional use.

Table 4. Usage of Emerging Technologies (and AI) in Talent Management

Items	Mean	Standard Deviation
Usage of Emerging Technologies in Talent Management:		
My organisation uses artificial intelligence in talent management.	3.95	1.52
My organisation uses automation in talent management.	4.13	1.22
My organisation uses blockchain in talent management.	3.62	1.51
My organisation uses cloud technologies in talent management.	4.29	1.20
My organisation uses data analytics in talent management.	4.38	1.17
My organisation uses gamification in talent management.	3.75	1.56
My organisation uses machine learning in talent management.	3.81	1.46
My organisation uses mobile applications in talent management.	4.27	1.39
My organisation uses virtual reality (VR) / augmented reality (AR) in talent management.	3.84	1.57
My organisation uses wearable technologies in talent management.	3.95	1.60
Overall	4.00	1.44
Usage of AI in Talent Acquisition:		
My organisation uses AI to review resumes, CVs, and cover letters.	3.90	1.51
My organisation uses AI to produce an automated employee recruitment.	3.62	1.59
My organisation uses AI to customise job specifications and find appropriate candidates.	3.83	1.41
My organisation uses AI to shortlist candidates for interviews.	3.98	1.73
My organisation uses AI to produce job descriptions.	3.86	1.56
My organisation uses AI to generate specific interview questions prior to interviews.	3.83	1.57
Overall	3.84	1.56
Usage of AI in Talent Development:		
My organisation uses AI to identify learning & development needs.	3.56	1.38
My organisation uses AI to develop learning activities and materials.	3.86	1.40
My organisation uses AI to customise personalised development opportunities.	3.65	1.47
My organisation uses AI to analyse learning & development data.	3.83	1.56
My organisation uses AI to evaluate the effectiveness of talent development strategies.	3.87	1.63
Overall	3.75	1.49
Usage of AI in Talent Retention:		
My organisation uses AI to identify factors contributing to employee attrition.	3.76	1.42
My organisation uses AI to generate talent engagement & retention strategies.	3.70	1.43
My organisation uses AI to analyse talent sentiment data.	3.65	1.58
Overall	3.70	1.47

However, the dispersion within the data set is significant, as the standard deviation was above 1 for all items. This discrepancy suggests that certain organisations are at the forefront of driving this trend in the industry, while others hardly ever use them. Therefore, further analysis was done. Table 5 shows that hotels in the UK have consistently higher average scores for all aspects of TM compared to those in Greece and Hong Kong. In Greece, emerging technologies and AI were used less frequently in TM, but responses were more varied, indicating less uniform implementation. This additional analysis provides only a preliminary insight due to the unevenly distributed sample sizes across the three countries.

Table 5. Comparison of Usage of Emerging Technologies and AI in Talent Management among Three Countries

Usage	UK (n = 45)		Greece (n = 15)		Hong Kong (n = 3)	
	Mean	Standard Deviation	Mean	Standard Deviation	Mean	Standard Deviation
Usage of Emerging Technologies in Talent Management	4.41	0.92	3.53	1.98	3.80	1.10
Usage of AI in Talent Acquisition	4.49	1.00	2.00	1.60	2.00	0.84
Usage of AI in Talent Development	4.41	0.91	2.00	1.48	2.33	0.49
Usage of AI in Talent Retention	4.45	0.79	1.80	1.27	2.33	1.08

Digital Savvy Culture Strategies

In addition, the quantitative data shows that hotels are making efforts to create a digitally savvy working environment through various means (see Table 6). In line with the findings that hotels are beginning to use advanced technologies in TM, they are currently relying on external technical experts (M = 4.51, SD = 0.88) and encouraging their staff to use emerging technologies (M = 4.41, SD = 1.17). However, providing devices (M = 4.17, SD = 1.19) and prioritising these as performance goals (M = 4.14, SD = 1.40) may not be effective at this stage to promote a digital culture in the workplace (Dittes et al., 2019).

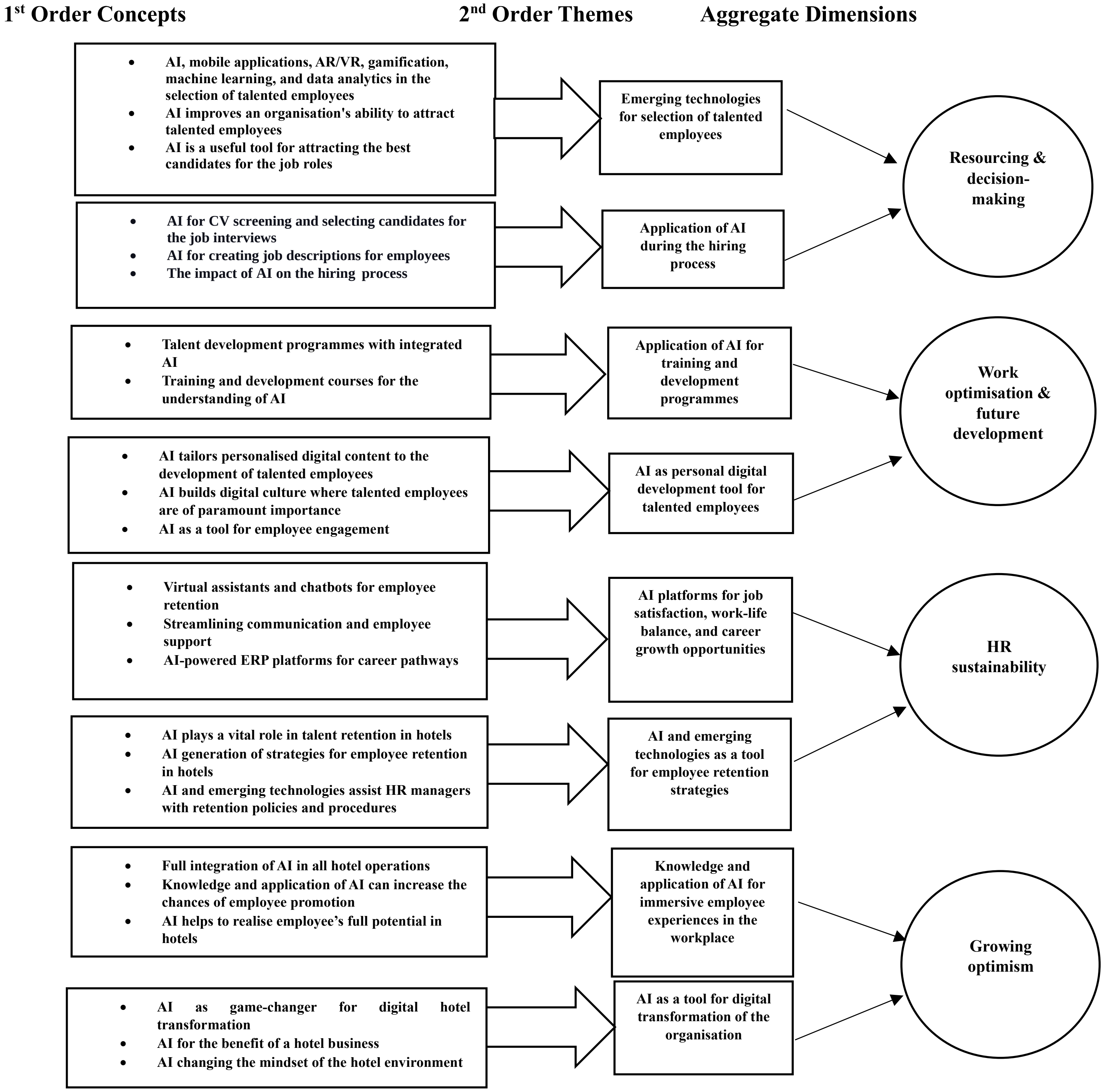
Table 6. Digitally Savvy Culture Strategies

Items	Mean	Standard Deviation
My organisation encourages employees to use emerging technologies.	4.41	1.17
My organisation offers opportunities for employees to learn emerging technologies.	4.24	1.16
My organisation provides software/equipment for employees to use emerging technologies.	4.17	1.19
My organisation outsources projects to vendors with good emerging technology skills.	4.51	0.88
My organisation hires IT staff with good emerging technology skills.	4.35	1.32
My organisation includes usage of emerging technologies in performance goals.	4.14	1.40
Leaders in my organisation show commitment to use more emerging technologies in business.	4.29	1.22
Overall	4.30	1.20

Findings and Discussion of Qualitative Data

The qualitative part of the research worked towards triangulating the data that emerged in the previous research method. The qualitative analysis of the interviews followed established techniques and procedures for naturalistic inquiry and grounded theory building (Glaser & Strauss, 1967) and consisted of the following series of steps: 1) Interview scripts were entered into NVivo12 to organise the initial responses; 2) Following Gioia et al. (2013) approach to thematic analysis, a series of codes were generated to create first-order categories; 3) Looked for connections between the first-order categories that could lead to second-order themes; and 4) Second-order themes were organised into overarching themes to create aggregate dimensions. To strengthen the trustworthiness of the data, a second member of the research team independently coded the interviews and both analysts checked the consistency of the final aggregated dimensions, as described in Figure 1. Finally, we conducted “member checks” (Nag et al., 2007) with the research participants to ensure that our interpretive analysis made sense to the interviewees.

Figure 1. Data Structure



Resourcing & Decision Making (see Table 7)

Emerging Technologies for Selection and Hiring of Talented Employees

The research found that AI is being used in UK 3- and 4-star hotels to select and recruit talented staff. Although it has been a learning curve for recruiters, they claimed that they use it successfully to improve the quality of candidate selection, assess job skills faster, and strategically match jobs with advertised hotel positions. This finding is in line with Stone et al. (2024) findings who emphasise that the use of AI in talent acquisition helps to fill vacancies faster, improve the quality of applicants and minimise undesirable hires. The results show that 4-star hotels have particularly introduced gamification with real-life scenarios aimed at evaluating the characteristics of hired candidates. The gamification approach can be an effective way of recruitment, especially for the millennial generation, where points or badges are awarded for employee performance (Joy & Assistant, 2017).

Work Optimisation & Future Development (see Table 8)

Application of AI for Training and Development Programmes

The results show that some 4-star hotels use VR simulations to train employees in different departments: reception, C&B, kitchen, and management. The training aimed to provide employees with a more immersive hospitality experience. Ferreira et al. (2021) claimed that the use of VR aims to change the paradigm of virtual human resource development (VHRD). VHRD focuses on the integration of human imagination with technology to create boundless formal and informal learning opportunities. Also, VR gaming programmes are used for preparing special meals, conducting orientation programmes, and career development courses (Khandelwal & Upadhyay, 2021).

AI as Personal Digital Development Tool for Talented Employees

The research found that some 3 and 4-star hotels in the UK are using AI for various C&B purposes to improve customer service and revenue management. AI was found to have a greater impact on digital natives, millennials, and generation Z, who prefer to use AI-based HR tools that send messages and offer chats on their social media with company updates, goals, initiatives, and promotions. Waleed et al. (2023) claim that millennials and generation Z spend most of their time on social media to connect with other people. Therefore, AI-based HR tools that provide updates linked to social media could effectively speed up communication with this group of employees. This finding was in line with UTAUT theory (Venkatesh et al., 2003) that the influence of important others boosts the usage among younger generation of employees in the workplace.

HR Sustainability (see Table 9)

AI Platforms for Job Satisfaction, Work-life Balance, and Career Growth Opportunities

Interview responses revealed that 3- and 4-star hotels in the UK that have reached a high level of maturity in emerging technologies and AI are using Enterprise Resource Planning (ERP) to monitor work-life balance and develop career opportunities for hotel employees. Yathiraju (2022) asserted that ERP with integrated AI deploys software and programmes to manage all essential supplies, development, facilities, finance, and other operations of a business. The research found that ERP platforms with AI-powered data talent intelligence aim to create connected learning and growth experiences, enable personalised development, and build employee capabilities. Appelbaum et al. (2017) asserted that ERP platforms that create AI-powered talent experiences help unleash the boundless potential of the workforce and streamline the way this is achieved successfully.

AI and Emerging Technologies as a Tool for Employee Retention Strategies

The research participants from various hotel functions revealed that hotel management reports aided by AI predictive analytics effectively facilitated incentives, rewards, and recognition to employees, which ultimately have led to the reduction of turnover rates. This finding is in line with Schweyer (2018), who argues that predictive analytics for employee retention is one of the most mature and straightforward solutions in the field of predictive workforce analytics. Furthermore, predictive analytics identifies which employees are at risk of leaving the organisation even before employees consciously intend to leave (Das et al., 2022).

Growing Optimism (see Table 10)

Knowledge and Application of AI for Immersive Employees' Experiences in the Workplace

It has been noted that some 3 and 4-star hotels are training their staff in AI and emerging technologies by providing immersive training. Examples given in the interviews included on-demand AI training, immersive training simulations, and gamification where employees received badges for completed tasks. However, not all hotels were able to offer these applications as they lacked experts who could deliver such training. In these cases, managers demanded additional investment in this technology and resisted the introduction of applications before the right conditions were in place. Davenport and Ronanki (2018) claim that the adoption of AI is still too expensive and too risky, as the technology is new, and managers lack the expertise and understanding of how to use it successfully in their organisation. This is in line with UTAUT theory that highlighted availability of technical infrastructure and facilitating conditions determine the usage of the AI in the hospitality organisations (Venkatesh et al., 2003).

AI as a Tool for Digital Transformation of the Organisation

Finally, the study found that AI is perceived as a decisive factor for the hospitality industry. Digitally mature hotels are using AI and emerging technologies to optimise hotel rates, for training and development purposes, to communicate with internal and external customers, and for employee engagement and retention. This fact is changing the mindset of hotel managers who are embracing the digitalisation of the business and the wider use of AI for the benefit of employees and customers. This realisation is especially true for digitally mature organisations that adopt the ongoing digital transformation systematically and efficiently through management practises, upskilling employees and developing a deeper understanding of the process of adopting digital technologies (Nikopoulou et al., 2023). The perceptions of hotel professionals about the usefulness and easiness of advanced technology and AI is a promising finding that allows some positivity for its enthusiastic support by managers and a fast adoption into TM strategies for recruitment, training and retention of their existing and the rising star performers.

Conclusion

This research was a pilot study, which showed the stage in which hotel companies are currently in the digital transformation of TM. The main research question was to explore the perspectives of those on the frontline of decision-making on where and how advanced technology and AI are currently being used in their hotels and for what purpose. The quantitative study revealed that while the academic literature attempts to give the impression that AI is already being used extensively in the industry (Wynn & Lam, 2023) the use of AI applications varies significantly among different parts of the world. Organisations more mature in digitisation and digitalisation (Nylen & Holmström, 2015) have created a culture of trust in technology in hotel operations that is more accepting of the use and inclusion of AI applications for HR purposes, including TM. The UK appears more mature than establishments in Greece and Hong Kong. The qualitative study looked more carefully into the UK market and found that hotel companies have used multiple methods of advanced technology to facilitate recruitment and selection processes, training and development, and talent retention. However, TM seems to benefit primarily from the digitisation of information, a step that has long been achieved through automated and detailed analysis of hard data (Sandberg et al., 2020), which makes decisions easier and faster. Participants indicated that they are familiar with AI due to the widespread technological automated techniques used to respond to customers' needs and improve their experience. The study has therefore shown that TM's digital transformation is taking place in an orderly fashion from the outside in. First, the benefits for guests are agreed upon and defined, and then it is transferred internally to HR to improve the management of their talented employees.

Implications

Practical implications

The practical implications of this research are manifold. First, the study helps HR managers gain a better understanding of the application of AI and emerging technologies to develop TM strategies and practices in the age of digital transformation. Second, the findings suggest that hotel managers from companies that are more mature in digitalisation and digitisation are the frontrunners in using AI applications that help create an operational culture focused on more fully integrating technology into the decision-making process, hence facilitating its use in the delivery of key tasks. Third, talented employees can benefit from the application of AI in ERPs to develop career opportunities, as well as chatbots, AR/VR, and gamification for immersive hotel experiences. Finally, the findings suggest that hotel managers who have successfully integrated AI into hotel operations and have more confidence in AI and emerging technologies can outperform their competitors and gain a competitive advantage as employees are prompt to accept technology and may develop behaviours that foster the use of advanced technologies in their initiative.

Theoretical implications

The theoretical implications of this research are positioned at the intersection between TAM and UTAUT theories. First, quantitative and qualitative data support the high-performance expectancy of AI and emerging technologies. Second, the quantitative data finds that effort expectancy is high meaning that AI and emerging technologies are easy to use. Third, the quantitative data establish that hospitality organisations occasionally use data analytics, cloud technologies, mobile applications, and automation in TM, while they rarely use the other 6 types of technologies in TM. Fourth, the quantitative data reveal that the use of AI in talent acquisition, talent development, and talent retention tends to be infrequent to occasional. Fifth, qualitative data establish that the social influence of peers increases the usage of new technologies in the UK 3- and 4-star hotels. Finally, qualitative data supports that facilitating conditions are pivotal in using emerging technologies.

Research Limitations and Future Research Avenues

The main limitation of this pilot study is the sample size, which collected 63 responses from the research participants from the UK, Greece, and Hong Kong. Furthermore, 20 semi-structured interviews were conducted to get the triangulation of the data. It is acknowledged further research needs to increase the number of research participants. The study lays the foundation for a more comprehensive exploration of this continuum to examine its cultural adaptations in different parts of the five continents where there are recognisable distinctive national cultural traits. Also, a better understanding of the reasons why organisations are willing to integrate digital transformation techniques into TM would help to draw a cognitive map of their decision-making process that contributes to the successful application of TM digital transformation strategies in the hospitality industry.

References

Aguinis, H., Beltran, J. R., & Cope, A. (2024). How to use generative AI as a human resource management assistant. *Organizational Dynamics*, 101029.

Agrawal, A., Gans, J., & Goldfarb, A. (2019). Economic policy for artificial intelligence. *Innovation Policy and the Economy, 19*(1), 139-159.

Agnihotri, A., Pavitra, K. H., Balusamy, B., Maurya, A., & Bibhakar, P. (2024). Artificial intelligence shaping talent intelligence and talent acquisition for smart employee management. *EAI Endorsed Transactions on Internet of Things, 10.*

Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behaviour*. Englewood Cliffs NJ: Pren-Tice Hall.

Appelbaum, D., Kogan, A., Vasarhelyi, M., & Yan, Z. (2017). Impact of business analytics and enterprise systems on managerial accounting. *International Journal of Accounting Information Systems, 25*, 29–44.

Bashynska, I., Prokopenko, O., & Sala, D. (2023). Managing human capital with AI: Synergy of talent and technology. *Zeszyty Naukowe Wyższej Szkoły Finansów i Prawa w Bielsku-Białej, 27*(3), 39-45.

Chowdhury, S., Dey, P., Joel-Edgar, S., Bhattacharya, S., Rodriguez-Espindola, O., Abadie, A., & Truong, L. (2022a). Unlocking the value of artificial intelligence in human resource management through AI capability framework. *Human Resource ManagementReview, 100899.* **https://doi.org/10.1016/j.hrmr.2022.100899**.

Creswell, J. W., & Poth, C. N. (2016). Qualitative inquiry and research design: Choosing among five approaches. Sage publications.

Das, S., Chakraborty, S., Sajjan, G., Majumder, S., Dey, N., & Tavares, J. M. R. (2022). Explainable AI for predictive analytics on employee attrition. *In International Conference on Soft Computing and its Engineering Applications (pp. 147-157).* Cham: Springer Nature Switzerland.

Davenport, T. H., & Ronanki, R. (2018). Artificial intelligence for the real world: Don’t start with moon shots. *Harvard Business Review, 96*, 108–116.

Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319–340.

Dittes, S., Richter, S., Richter, A., & Smolnik, S. (2019). Toward the workplace of the future: How organizations can facilitate digital work. *Business Horizons, 62*(5), 649-661.

Dorasamy, N. (2021). The search for talent management competence: incorporating digitilization. *International Journal of Entrepreneurship*, *25*(3), 1-21.

Faqihi, A., & Miah, S. J. (2023). Artificial intelligence-driven talent management system: Exploring the risks and options for constructing a theoretical foundation. *Journal of Risk and Financial Management, 16*(1), 31.

Ferreira, P., Meirinhos, V., Rodrigues, A. C., & Marques, A. (2021). Virtual and augmented reality in human resource management and development: A systematic literature review. *IBIMA Business Review*, 1-18.

Gioia, D. A., Corley, K. G., & Hamilton, A. L. (2013). Seeking qualitative rigor in inductive research: Notes on the Gioia methodology. *Organizational Research Methods*, *16*(1), 15-31.

Glaser, B. G., & Strauss, A. (1967). The discovery of grounded theory: Strategies for qualitative research. Chicago, IL: Aldine.

Grillo, M. (2015). What types of predictive analytics are being used in talent management organizations?

Johnson, R. D., Stone, D. L., & Lukaszewski, K. M. (2020). The benefits of eHRM and AI for talent acquisition. *Journal of Tourism. Futures, 7*(1), 40–52.

Jones, I., Brown, L. and Holloway, I., (2013). *Qualitative research in sport and physical activity*. London: Sage.

Joy, M. M., & Assistant, J. (2017). An investigation into gamification as a tool for enhancing recruitment process. *Ideal Research, 3*(1), 56-65.

Kaushal, N., Kaurav, R. P. S., Sivathanu, B., & Kaushik, N. (2023). Artificial intelligence and HRM: identifying future research Agenda using systematic literature review and bibliometric analysis. *Management Review Quarterly, 73*(2), 455-493.

Khandelwal K, & Upadhyay, A. (2021) Virtual reality interventions in developing and managing human resources, Human Resource Development International, 24(2), 219-233, DOI: 10.1080/13678868.2019.1569920.

Kim, H., So, K. K. F., Shin, S., & Li, J. (2024). Artificial intelligence in hospitality and tourism: Insights from industry practices, research literature, and expert opinions. *Journal of Hospitality & Tourism Research*, 10963480241229235.

Matt, C., Hess, T., & Benlian, A. (2015). Digital transformation strategies. *Business and Information Systems Engineering, 57(5),* 339-343.

Nag, R., Corley, K. G., & Gioia, D. A. (2007). The intersection of organizational identity, knowledge, and practice: Attempting strategic change via knowledge grafting. *Academy of Management Journal, 50*, 821-847.

Nawaz, N., & Gomes, A. M. (2019). Artificial intelligence chatbots are new recruiters. *International Journal of Advanced Computer Science and Applications, 10*(9).

Nikopoulou, M., Kourouthanassis, P., Chasapi, G., Pateli, A., & Mylonas, N. (2023). Determinants of digital transformation in the hospitality industry: Technological, organizational, and environmental drivers. *Sustainability, 15*(3), 2736.

Nylén, D., & Holmström, J. (2015). Digital innovation strategy: A framework for diagnosing and improving digital product and service innovation. Business horizons, *58*(1), 57-67.

Pillai, R., & Sivathanu, B. (2020). Adoption of artificial intelligence (AI) for talent acquisition in IT/ITeS organizations. Benchmarking: *An International Journal, 27*(9), 2599–2629.

Polkinghorne, D. E., (1988). *Narrative knowing and the human sciences*. State University of Albany: New York Press.

Promsri, C. (2019). The developing model of digital leadership for a successful digital transformation. GPH-*International Journal of Business Management (IJBM), 2*(8), 01-08.

Sandberg, J., Holmström, J., & Lyytinen, K. (2020). Digitization and phase transitions in platform organizing logics: Evidence from the process automation industry. *MIS Quarterly, 44*(1), 129-153.

Simpson, P., & Jenkins, P. (2015). Gamification and Human Resources: Aan overview. *Brighton: Brighton Business School*, 1-6.

Schiemann, W. A, Seibert, J. H, & Blankenship, M. H. (2018). Putting human capital analytics to work: Predicting and driving business success. *Human Resource Management, 57*(3), 795–807.

Schweyer, A. (2018). Predictive analytics and artificial intelligence in people management. *Incentive Research Foundation*, 1-18.

Stone, D. L., Lukaszewski, K. M., & Johnson, R. D. (2024). Will artificial intelligence radically change human resource management processes? *Organizational Dynamics*, 101034.

Van Esch, P., Black, J. S., & Ferolie, J. (2019). Marketing AI recruitment: The next phase in job application and selection. *Computers in Human Behavior*, *90*, 215–222.

Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. (2003). User Acceptance of Information Technology: Toward a Unified View. *MIS Quarterly, 27*(3), 425-478.

Verhoef, P. C., Broekhuizen, T., Bart, Y., Bhattacharya, A., Dong, J. Q., Fabian, N., & Haenlein, M. (2021). Digital transformation: A multidisciplinary reflection and research agenda. *Journal of Business Research, 122*, 889-901.

Vial, G. (2019). Understanding digital transformation: A review and a research agenda. *The Journal of Strategic Information Systems, 28*(2), 118-144.

Waleed, M., Bashir, F., & Nasim, I. (2023). Artificial intelligence revolution: Shaping the future of millennials. *Pakistan Journal of Humanities and Social Sciences, 11*(4), 4261-4274.

Wiblen, S., & Marler, J. H. (2021). Digitalised talent management and automated talent decisions: the implications for HR professionals. *The International Journal of Human Resource Management, 32*(12), 2592-2621.

Wirtz, J., Patterson, P., Kunz, W., Gruber, T., Lu, V. N., Paluch, S., & Martins, A. (2018). Service robots in the front line: will it be a brave new world. *Journal of Service Management, 29*(5), 907-931.

Wynn, M., & Lam, C. (2023). Digitalisation and IT strategy in the hospitality industry. *Systems, 11*(10), 501.

Yathiraju, N. (2022). Investigating the use of an artificial intelligence model in an ERP cloud-based system. *International Journal of Electrical, Electronics and Computers, 7*(2), 1-26.

Ye, Y. and Chen, K-H. (2024). Hospitality employees and digital transformation: The mediating roles of alienation and motivation. *International Journal of Hospitality Management. 119.*

Zielinski, D. (2023, February 10). *Emerging HR tech trends shaping the future of employment*. SHRM. Retrieved from **https://www.shrm.org/topics-tools/news/all-tings-work/top-hr-tech-trends**https://www.shrm.org/topics-tools/news/all-tings-work/top-hr-tech-trends. [Accessed on 20/06/2024].

Appendix

Table 7. Dimensions, Themes, Categories, and Data

Second-Order Themes and First-Order Categories	Representative Data
Overarching dimension: Attraction practices	
A. Emerging technologies in the selection of talented employees	*A1: "In our hotels, we started to use AI to select talented employees. That was a learning curve, of course, but it paid off successfully. I as HR manager can name a few benefits of it. From my perspective, AI enables hotels to identify more qualified candidates and if we require source additional candidates as well. Also, it minimises the time for search of the top talents, as matching candidates with specific roles can be a very difficult task… That takes lots of time. AI can do this task effectively and fast to select the best candidate for the job role."* *A2: "AI is the way forward to a successful hire, as AI can improve the quality of selected candidates. I clearly understand that it gets all the details right to find the best candidate for a specific job role. It searches through a large amount of data and identifies that one in the talent pool that matches the job skills, that will contribute the most to the success of the company. That is an invaluable task!"* *A3: "I am glad that asked that question, recently, we started to apply AI-powered video games that can assess the traits of the candidates we are going to hire. By playing this game we give them various real-life scenarios that happened in our hotel, where they act, and AI can generate further content on that. That is how we can assess our future hires and potentially can see how the candidate will fit into our organisation."*
B. Application of AI during hiring process	*B1: "AI plays an important role nowadays in the selection of the best candidate. The time of manually going through the CVs has gone and I am glad of it! What I noticed, AI can put certain criteria to screen all CVs and choose the best match for the job. AI matches relevant skills, industry experience, previous roles, and companies worked and provides the best candidate for hire, in some way short-listing them. I strongly believe that the application of AI allows the automation of tedious jobs. Later, it provides suggestions for the interviews for short-listed candidates."* *B2: "I believe that AI is the best tool for CV screening as it removes human biases towards candidates and assesses them on their skills and experience. For me, as an HR manager, it adds value as I can get effective talent attraction to the specified role. I also think that AI gives better employee experience as it can provide feedback to candidates and areas for improvement if this job application was not successful."* *B3: "Recently, we applied AI to hire a Head Receptionist in our hotel. That was a useful experience. Our staff are required to have numerous skills and experience to have to work productively at reception. AI sets multiple real-life scenarios for our potential hires and that provided the best candidates for job interviews."*

Table 8. Dimensions, Themes, Categories, and Data

Second-Order Themes and First-Order Categories	Representative Data

Overarching dimension: Development strategies

A. Application of AI for training and development programmes	*A1: "AI gains its momentum. Our hotel applies VR simulations to train our employees in different departments: reception, C&B, and management. I think it is the way forward as VR provides an immersive experience to all our hotel staff. I also think it teaches how to apply different scenarios, where employee's performance is monitored and regular feedback for improvement provided where knowledge gaps are identified."* *A2: "As a Chef, I can say that sometimes I use AI in recipe creation, optimisation of menu creation, and adding various options including sustainability as well. After that with the help of AI it is added to social media, where customers can rate it and get their feedback. By doing this I can create the most successful menu, that is trendy and has sustainable options that attract lots of clients to our hotel."*
B. AI as personal digital development tool for talented employees	B1: *"As a company, we focused on training our staff. Without AI learning and training nowadays, the business cannot be competitive and offer the best employee value proposition to our staff. In our hotel AI can tailor learning needs to a specific employee and specific tasks they need to complete and make it individualised and meaningful for them. Recently, we launched it to measure the success of our talented employees, for example, in the C&B we created engaging and motivational stimulations that adjust the content based on task completion and provide a report. That helps in customer service and revenue management and demands forecasting."* B2*: "I believe that AI we utilise in our hotel helps to create a more inclusive workforce. What I mean by that AI creates tailored training to each specific individual…Also, AI creates automated content, personalised learning paths, and reports. For our multicultural teams AI translation is available to speak the same language as the learner. That bridges the gap and brings employees a better understanding of the topic."* *B3: "In our hotel, we have lots of generations, such as Z and Millennial cohort of employees for whom emails or regular meetings don't get much value. They are on social media most of the time. What we have done in our hotel, is implement an AI-based HR tool that sends messages and provides chats on their social media with the company updates, goals, initiatives, and promotions. In these ways, all our employees and managers are more connected and better engaged in real charts and burning priority conversations."*

Table 9. Dimensions, Themes, Categories, and Data

Second-Order Themes and First-Order Categories Overarching dimension: Retention strategies	Representative Data
A. AI platforms for job satisfaction, work-life balance, and career growth opportunities	*A1: "Our company uses an ERP platform to develop career opportunities for our employees. This system allows us to go beyond the data and understand what people need from a career in hospitality. It provides performance metrics and identifies skills gaps. For example, if someone is underperforming the Cornerstone will help to identify why and how they can succeed. It is harnessing the power of AI that successfully aligned with the company and individual career goals of our employees to create meaningful work experiences."* *A2: "Unfortunately, I am not aware of any AI platforms that our hotel uses for job satisfaction, work-life balance, and career growth. What I know we have old-school appraisal meetings with the line manager, where we discuss all our career milestones and what needs to be achieved in terms of our career progression. If we have all milestones achieved, we have job satisfaction and can achieve work-life balance within the company."* *A3: "In my experience, our hotel successfully uses chatbots and virtual assistants to enhance employee retention. They became a real game-changer, in which our hotel virtual assistants collect employees' feedback, and provide personalised recommendations on the next steps in career development. Finally, they send all information to HR, who can build individual career development courses necessary for our job roles."*
B. AI and emerging technologies as a tool for employee retention strategies	*B1: "In my hotel, I use AI for multiple purposes. First, I use AI for predictive analytics to analyse employee turnover. It operates with multiple data on employee satisfaction, wage structure, motivation, engagement, and work-life balance. It provides a report for the management teams, where we can see clearly what needs to be improved… Currently, we identified that most of our employees are leaving due to poor training and development provided and lack of benefit structure in our hotel. As a management team have considered that and introduced multi-level career development courses and benefit structure for all hotel departments."* *B2: "AI is used for sentiment analysis in our hotel. I will explain what it means, AI analyses our employees' surveys which we complete every two months, and provides links to social media Instagram, Facebook, and LinkedIn, where we post our comments. Sentiment analysis can get the patterns where we show agreement, satisfaction, dissatisfaction, and our feelings and emotions. Based on that it provides reports for the management of the hotel where improvements are needed. That can boost retention of staff if proper actions are taken".* *B3: "In the HR department, we utilise AI for monitoring employee performance and career growth. By analysing satisfaction surveys AI can provide a bigger picture, of who from employees are planning to leave the company or identify personalised career planning. Also, from my personal experience, AI helps to analyse employee engagement, and motivation and sets reminders for the managers when employees are ready for a new challenge in their career."*

Table 10. Dimensions, Themes, Categories, and Data

Second-Order Themes and First-Order Categories Overarching dimension: Future perspectives on AI and emerging technologies	Representative Data
A. Knowledge and application of AI for immersive employees' experiences in the workplace	*A1: "I work as a Pastry Chef and as such we do not use AI in our hotel. I am aware of it that it can be used successfully for creating new recipes and adding new flavours to the dishes. That is something that we need to develop in our hotel… that would be great!"* A2*: "In our hotel, we had AI training recently and I took part in it. I think that knowledge of AI can help me to get a career promotion. As a night manager, I am active at night and most activities can be done during that time. Our management dedicated 1 hour per week to AI training, so I can do it while on duty. The training was very interesting, as it provided virtual training scenarios, where I had to provide solutions to hospitality situations. That was an engaging and immersive experience for me. I enjoyed it!"* A3: *"I believe that our hotel is a champion in AI technology and training. We have a lot of AI training on demand, and immersive training simulation, especially with busy hospitality rotas to fit around. Moreover, AI provides instant feedback to the employees' surveys, we use gamification where employees can get badges for task completion. I think it modern tech-savvy approach, where training costs can be cut, as it is provided online at any time employees are not busy during the service."*
B. AI as a tool for digital transformation of the organisation	*B1: "We are facing another technological revolution nowadays. AI is developing rapidly and impacting hospitality. In our hotel, we have an AI concierge that provides information to our guests about all services, provides personalised assistance, and can easily translate information to any language for our guests from different countries. Also, we have AI for price optimisation through AI algorithms, analysing revenue, room pricing, and development of target segments. Ultimately, AI ensures that our guests have seamless experiences".* *B2: "I think that AI plays a vital role in transferring our hotel. We have chatbots and virtual agents that enhance our customer experience and provide a personal touch. At the bar we started to use AI for creating cocktails for different occasions, we input data on sales for example of the most popular cocktails and AI provides solutions to what other festive cocktails will be popular this year by using predictive analytics. Could you even think about it before?"* *B3: "In my role as a cluster HR Manager, I implement the application of AI in our hotels. I should say that it is a learning curve for us, and it takes some time to understand the technology. Recently, we started to use multiple faces of AI chatbots that deal with guests' inquiries, smart room controls, and AI predictive analytics that analyses guests' preferences and provides individualised approach. Interestingly, we started to use mobile apps for, AI license plate registration that matches data on vehicles with guests staying in the hotel. Finally, we use digital wallets like Apple Pay, and Google Pay to speed up the transactions at reception or online".*

1.2 AI in Restaurant Business: a Challenge for Science and Practice in Serbia

Aleksandar Božić[1] | ORCiD: 0000-0002-3148-9684
Miloš Zrnić[2] | ORCiD: 0000-0003-3454-6573

1High School for Tourism, Serbia
2Academy of Applied Studies, Belgrade, The College of Hotel Management

Abstract

The present research analyzes the current state of AI (artificial intelligence) in the restaurant sector in Serbia. Google survey based on relevant key words (artificial intelligence, restaurant, gastronomy, and restaurant business) estimate high level of presence technological companies offering solutions for restaurants. But, process of AI implementation is relatively slow in Serbia, and the main aspect of AI use is substitution of human tasks by AI. Survey of Serbian scientific database "Scindeks" shown scientific research of AI in the field of restaurant business is far behind the developed countries. Screening the use of AI in Serbian restaurants based on polling of 48 managers indicate that AI application in Serbian restaurants is limited. In general, staff has low level of knowledge and development of skills about AI, but they are ready to learn. Also, as consequence of that situation, level of representation of AI in restaurant is low.

Key Words:

Artificial intelligence, Restaurant business, Technology, Smart Business

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Paper

Introduction

Innovations in the restaurant industry imply any changes, whether it is a complete novelty, a novelty taken over from the competition or an improvement of already existing products and services (Su, 2011). Lee, Hallak, and Sardeshmukh (2016) distinguish five possible areas of innovation (product, service, process, management and marketing innovation). Unlike manufacturing activities, there are some specifics in the restaurant business. Restaurant products are made of tangible (product in the classical sense) and intangible (service) components (Shcherbak, 2016). Also, restaurant products are difficult to protect with patents and copyrights, but their continuous introduction into restaurants provides a competitive advantage. Another characteristic of restaurant services compared to industrial services (where machines are increasingly used) is the more significant involvement of staff in the service process (Shcherbak, 2016). Also, for employees in restaurants, there is no scheduled part of working time to deal with the development of innovations, so innovations are mostly the result of teamwork realized during working hours as part of regular work activities (Albors-Garrigos, Barreto, García-Segovia, Martínez-Monzó, & Hervás-Oliver, 2013).

Innovations in the restaurant industry can be achieved by introducing: 1) culinary innovations (Lee et al., 2016), 2) innovative equipment (Albors-Garrigos et al., 2013), 3) innovative services (Lee et al., 2016), 4) innovative food preparation and serving techniques (Albors-Garrigos et al., 2013), 5) marketing innovations (Lee et al., 2016), 6) innovative design and atmosphere (Ivkov, Blešić, Simat, Demirović, Božić, & Stefanović, 2016), 7) innovative technologies (Shcherbak, 2016), 8) innovation in management (Lee et al., 2016; Shcherbak, 2016), 9) eco- innovation (Sharma, Chen, & Liu, 2020), etc.

Artificial intelligence (AI) is a relatively new technology based on the simulation of human intelligence operations by computer (Wang, Di Renzo, Stanczak, Wang, & Larsson, 2020). The application of this technology helps people to achieve better business results, but its use requires new knowledge and skills (Ruel, & Njoku, 2021). It use require a detailed understanding of how to take advantage new opportunities and technologies in order to perform required tasks in particular business (Davenport, & Ronanki, 2018). Many studies are focused on investigation possible applications of AI in restaurant business considering the applicability and effects of AI in business processes (Berezina, Ciftci, & Cobanoglu, 2019, Ivanov, Gretzel, Berezina, Sigala, & Webster, 2019, Maier, & Edwards, 2020), while detailed empirical data are limited due to low adoption AI in practice (Ivanov et al. 2019; Cain, Thomas, & Alonso, 2019). But, it can expect that increasing academic interest in AI in the restaurant business (Berezina et al. 2019; Blöcher, & Alt, 2021) will contribute to transfer of AI to practical activities.

AI can be applied in different industries and services like smart farming, food processing industry, healthcare industry etc., including restaurant business (Blöcher, & Alt, 2021, Indrajeet, Jyoti, Noor, & Shahnawaz, 2021, Lee, & Yoon, 2021, Li, Yin, Qiu, & Bai, 2021). For example, machine learning (ML) application is useable for different aspects of restaurant business: ML in food delivery, AI-based customer feedback system, food vending terminals and applications, AI-based online restaurant search engine, voice assistants, self-ordering kiosk system, robotics for food industry and revenue predicting using ML (Indrajeet et al. 2021). Although AI technology is not completely new, its application in restaurant business is recent phenomenon. But, the adoption of AI in restaurant industry can lead to improvements in customer service processes and productivity growth (Berezina et al. 2019; Blöcher, & Alt, 2021, Daradkeh, Hassan, Palei, Helal, Mabrouk, Saleh, Salem, & Elshawarbi, 2023). Also, the development of robots for restaurant business is attractive. That includes either virtual service robots (i.e. chatbots, digital assistants) or physical robots (Murphy, Gretzel,, & Pesonen, 2019, Santiago, Borges-Tiago, & Tiago, 2024, Spence, 2023).

In general, AI application in restaurant business was much more discussed by researchers from the US or Asia than by researchers from the Europe (Blöcher, & Alt, 2021). According to our knowledge, this topic almost was not the subject of researchers from Serbia. Therefore, through this research we wish to obtain basic information about AI application in restaurant business in Serbia and answer to research questions: What is current situation with the use of AI in the restaurant industry in Serbia?

Methodology

This study consist of three parts: 1) general analysis of data about AI in restaurant sector based on search relevant documents on Google; 2) analysis scientific papers subjected to AI in restaurant business; 3) screening use of AI in Serbian restaurants.

General analysis of data about AI in restaurant sector was conducted using adapted methodology described by Blöcher & Alt (2021), who studied AI and robotics in the European restaurant sector. Therefore, first step was data collection by search relevant documents on Google. For this aim several key words on Serbian were used: artificial intelligence, restaurant, gastronomy, and restaurant business. Initial search using keywords artificial intelligence and restaurant resulted in 308.000 documents. When word gastronomy was added number of documents was reduced to 8.700. After that restaurant business as additional key word was added and number of documents was reduced on 7.510. These documents can be mainly classified as newspaper articles, announcements on informative internet portals, announcements on the websites of educational and scientific institutions, announcements on the websites of companies. By reviewing the offered documents, those whose content is relevant to the research objective were singled out. The final number of documents was 68. Based on content of those documents we analyzed: 1) application fields of AI in Serbian restaurants; 2) which type of AI are included in that applications; 3) response of costumers and service provider to the use of AI in restaurants.

Analysis scientific papers subjected to AI in restaurant business were realized based on review scientific papers in scientific database Scindeks (information system that covers all scientific fields and contains all scientific papers published in Serbia). Based on the keywords, artificial intelligence and restaurant not a single scientific paper was found in the database. Search repeated only with keyword artificial intelligence and list a list of 98 scientific papers was selected. Selected papers were studied to determine if any of their segments touch on the application of AI in the restaurant industry.

Screening the use of AI in Serbian restaurants was realized based on analysis of 48 restaurants from 5 cities (Belgrade, Novi Sad, Kragujevac, Niš, Zrenjanin). On the portal www.tripadvisor.com 20 best ranked restaurant from mentioned 5 cities were selected. E-mail given on this portal used to ask restaurant managers to answer a short questionnaire, and link to a Google questionnaire was added. The survey conducted in January 2024. The instrument used in this study was designed on the basis of eight elements (items) describing use AI in restaurants: 1) level of knowledge about AI between staff of restaurant; 2) level of representation of AI in restaurant; 3) development of staff skills for using AI; 4) willingness of staff to learn the new skills needed to use AI. The questionnaire consisted of eight closed-ended Likert-type questions rating the items. All questions were measured using a Likert scale of 1 (strongly disagree) to 5 (strongly agree). Total 48 managers from contacted restaurants answered. Data analysis was done using the One-way ANOVA and t-test (using statistical package STATISTIKA 5.0).

Results interpretation

General analysis of data about AI in restaurant sector

Data obtained from documents selected for analysis indicate many opportunities for AI application in restaurant business in Serbia. AI can be used in restaurants for ordering food using mobile applications or websites, for the process of creating personalized offers, analyzing data about consumers in order to align business with their requirements and needs. Several documents were shown that there are many solutions for application of AI in high quality restaurants. Also, several technological companies offer solutions which support one or several different activities in restaurant process of work. From 26 companies which offer AI solutions for restaurants 20 is focused on applications for reservations, food ordering and assisting waiters in tracking orders and billing. Data obtained by Blöcher, and Alt (2021) point to the wider application of AI in restaurant business in Europe including application in front-of-house processes (reputation management, marketing, reservation, customer operations) and in back-of-house processes (management of business and finance, supply chain management, food and beverage preparation, human resources). Kreutzer, and Sirrenberg (2020) categorized AI applications to four application fields: natural language processing (NLP), computer vision, (3) robotics, and (4) expert systems. According to data from 68 documents found in a Google search, the current application in the Serbian restaurant industry can mostly be characterized as natural language processing. The main aspect of AI use is substitution of human tasks by AI. Namely, AI can substitute humans in different activities including food preparation and distribution, ordering process dishes, online reservation, choice of menu, payment choices, ads etc. (Hanks, Line, & Mattila, 2016). In Serbia, some restaurants use chatbots to inform users about the menu and ingredients of the dishes. Also, some restaurants use virtual assistants who answer users' questions, make reservations, and recommend dishes that match the user's requests. Although AI offers numerous benefits for restaurants, research shows that service users do not have a favorable reaction to its implementation (Nozawa, Togawa, Velasco, & Motoki, 2022). Similar to that, despite the various possibilities that AI offers for the improvement of restaurant business, process of AI implementation is relatively slow in Serbia. The reason is the fact that the mentality of the population is such that it is difficult to accept novelties. However, the implementation of new technologies is inevitable and can be expected to grow in the future.

Scientific research of AI regarding restaurant business

Despite research of AI in all sectors including restaurant business is very actual and focus on many different aspects in many parts of word (Berezina et al., 2019, Blöcher, & Alt, 2021, Daradkeh et al., 2023, Li et al., 2021), situation in Serbia is opposite. Based on survey of Serbian scientific database "Scindeks" it is evident scientific research of AI in the field of restaurant business is far behind the developed parts of the world. Although Serbian scientists in other fields of science are very active in AI research, only one paper was published in the field of hospitality. This paper investigates digital skills in tourism and hospitality as precondition for AI implementation in that sector (Lazić, Bradić Martinović, & Banović, 2023).

Despite the fact, AI is increasingly used in the food and hospitality industry, its application in Serbian restaurants is limited. Managers of Belgrade restaurants evaluated use of AI in restaurants. Based on their responses, items were ranked according to importance (Table 1). According to the analysis of descriptive parameters, items whose scalar averages (Mean) range from 1.86 to 3.64. On the list of four items, “Willingness of staff to learn the new skills needed to use AI” occupies the first position with an average score of 3.64. Namely, managers of restaurants consider that willingness of staff to learn the new skills needed to use AI is medium. Slightly lower values of scalar averages were determined for the following items: “level of knowledge about AI between staff of restaurant" – 2.48; "Development of staff skills for using AI" – 2.22. Item "Level of representation of AI in restaurant" had value 1.86, indicating very low level of representation of AI in restaurants.

Table 1: Elements of AI use in Serbian restaurants

Position	Item	Mean	SD	SE
1.	Willingness of staff to learn the new skills needed to use AI	3.64	0.977	0.095
2.	Level of knowledge about AI between staff of restaurant	2.48	1.122	0.062
3.	Development of staff skills for using AI	2.22	1.131	0.074
4.	Level of representation of AI in restaurant	1.86	0.956	0.066

Notes: 1= strongly disagree; 5= strongly agree; SD – standard deviation; SE – standard error
Source: Author's research

Obtained results are in accordance with finding of Dani, Rawal, Bagchi, and Khan (2022) who estimate that still many people are unaware of the potentials that AI posses. Although Ivanov, Kuyumdzhiev, and Webster (2020) concluded that the stimulation effect of AI may motivate workers to improve skills so as to avoid being replaced by the new technology, our results are less optimistic. But, taking into account that staff in sample restaurant has relatively low level of knowledge and development of skills, which coincide with low level of representation of AI in Serbian restaurants, it is necessary to stimulate staff education in field.

Implications for the advancement of hospitality research and practice

In accordance with need for more research on application AI technology in restaurant business this paper analyzed the current situation in Serbia. Taking into account the fact this topic was not be subject of scientific research, we expect that results of this paper will contribute to activation of scientists to direct investigation to this area. The paper provided empirical evidence about availability offers of technological companies, but also are summarized options of AI is available on Serbian market. Also, collected data should offer practical guidance for decision makers in the restaurant sector.

References

Albors-Garrigos, J., Barreto, V., García-Segovia, P., Martínez-Monzó, J.,& Hervás-Oliver, J.L. (2013). Creativity and Innovation Patterns of Haute Cuisine Chefs. Journal of Culinary Science & Technology, 11, 19-35. https://doi.org/10.1080/15428052.2012.728978

Berezina, K., Ciftci, O., & Cobanoglu, C. (2019). Robots, artificial intelligence, and service automation in restaurants. In K. Berezina, O. Ciftci, & C. Cobanoglu (Eds.), Robots, artificial intelligence, and service automation in travel. Bignley, IK: Tourism and Hospitality: Emerald Publishing Limited. https://doi.org/10.1108/978-1-78756-687-320191010.

Blöcher, K., Alt, R. (2021). AI and robotics in the European restaurant sector: Assessing potentials for process innovation in a high-contact service industry. Electron Markets, 31, 529–551. https://doi.org/10.1007/s12525-020-00443-2

Cain, L. N., Thomas, J. H., & Alonso, M. Jr. (2019). From sci-fi to sci-fact: The state of robotics and AI in the hospitality industry. Journal of Hospitality and Tourism Technology, 10(4), 624–650. doi:10.1108/JHTT-07-2018-0066.

Dani, R., Rawal, Y.S., Bagchi, P., Khan, M. (2022). Opportunities and challenges in implementation of artificial intelligence in food & beverage service industry. AIP Conf. Proc. 2481.

Daradkeh, F.M., Hassan, T.H., Palei, T., Helal, M.Y., Mabrouk, S., Saleh, M.I., Salem, A.E., Elshawarbi, N.N.(2023). Enhancing Digital Presence for Maximizing Customer Value in Fast-Food Restaurants. Sustainability, 15, 5690. https://doi.org/10.3390/su15075690

Davenport, T. H., & Ronanki, R. (2018). Artificial intelligence for the real world. Harvard Business Review, 96(1), 108–116.

Hanks, L., Line, N. D., & Mattila, A. S. (2016). The Impact of Self-Service Technology and the Presence of Others on Cause-Related Marketing Programs in Restaurants. Journal of Hospitality Marketing & Management, 25(5), 547–562. https://doi.org/10.1080/19368623.2015.1046536

Indrajeet, K., Jyoti, R., Noor, M., & Shahnawaz, H. (2021). Opportunities of Artificial Intelligence and Machine Learning in the Food Industry. Journal of Food Quality, Article ID 4535567 https://doi.org/10.1155/2021/4535567

Ivanov, S., Gretzel, U., Berezina, K., Sigala, M., & Webster, C. (2019). Progress on robotics in hospitality and tourism: A review of the literature. Journal of Hospitality and Tourism Technology, 9074(3), 75. https://doi.org/10.1108/JHTT-08-2018-0087

Ivanov, S., Kuyumdzhiev, M., & Webster, C. (2020). Automation fears: Drivers and solutions. Technology in Society, 63, 101431. http://dx.doi.org/10.2139/ssrn.3824278

Ivkov, M., Blešić, I., Simat, K., Demirović, D., Božić, S.,& Stefanović, V. (2016). Innovations in the restaurant industry: An exploratory study. Economics of Agriculture, 63(4), 1169-1186. https://doi.org/10.5937/ekoPolj1604169I

Kreutzer, R. T., & Sirrenberg, M. (2020). Understanding artificial intelligence. Springer International Publishing.

Lazić, M., Bradić Martinović, A., & Banović, J. (2023). Digitalne veštine u turizmu i ugostiteljstvu kao preduslov za rezilijentni rast sektora - slučaj Srbije. Menadžment u hotelijerstvu i turizmu, 11(1), 25-40. (In Serbian) doi: 10.5937/menhottur2301025L

Lee, C., Hallak, R. & Sardeshmukh, S.R. (2016). Innovation, entrepreneurship, and restaurant performance: A higher-order structural model. Tourism Management, 53, 215-228. https://doi.org/10.1016/j.tourman.2015.09.017

Lee, D., & Yoon, S.N. (2021). Application of Artificial Intelligence-Based Technologies in the Healthcare Industry: Opportunities and Challenges. International Journal of Environmental Research and Public Health, 18, 271. https://doi.org/10.3390/ijerph18010271

Li, M., Yin, D., Qiu, H., & Bai, B. (2021). A systematic review of AI technology-based service encounters: Implications for hospitality and tourism operations. International Journal of Hospitality Management, 95, 102930. https://doi.org/10.1016/j.ijhm.2021.102930

Maier, T., & Edwards, K. (2020). Service system design and automation in the hospitality sector. Journal of Hospitality, 2(1–2), 1–14.

Murphy, J., Gretzel, U., & Pesonen, J. (2019). Marketing robot Services in Hospitality and Tourism: The role of anthropomorphism. Journal of Travel & Tourism Marketing, 36(7), 784–795. doi: 10.1080/10548408.2019.1571983

Nozawa, C., Togawa, T., Velasco, C., & Motoki, K. (2022). Consumer responses to the use of artificial intelligence in luxury and non-luxury restaurants. Food Quality and Preference, 96, 104436. https://doi.org/10.1016/j.foodqual.2021.104436

Ruel, H., & Njoku, E. (2021). AI Redefining the Hospitality Industry. Journal of Tourism Futures, 7(1), 53-66. https://doi.org/10.1108/JTF-03-2020-0032

Santiago, J., Borges-Tiago, M. T., & Tiago, F. (2024). Embracing RAISA in restaurants: Exploring customer attitudes toward robot adoption. Technological Forecasting and Social Change, 199, 123047. doi:10.1016/j.techfore.2023.123047

Sharma, T., Chen, J., & Liu, W. (2020). Eco-innovation in hospitality research (1998-2018): a systematic review. International Journal of Contemporary Hospitality Management, 32(2), 913-933. doi:10.1108/IJCHM-01-2019-0002

Shcherbak, V. (2016). Open innovations as a tool of restaurant business effective activity. Менеджмент, 24, 115–127.

Spence, C. (2023): Robots in gastronomy: Psychological and financial considerations. International Journal of Gastronomy and Food Science, 32, 100707. https://doi.org/10.1016/j.ijgfs.2023.100707

Su, C.S. (2011). The role of service innovation and customer experience in ethnic restaurants. The Service industries journal, 31(3), 425-440. doi: 10.1080/02642060902829302

Wang, C.X., Di Renzo, M., Stanczak, S., Wang, S., & Larsson, E.G. (2020). Artificial Intelligence Enabled Wireless Networking for 5G and Beyond: Recent Advances and Future Challenges. IEEE Wireless Communications, 27(1), 16-23. https://doi.org/10.1109/MWC.001.1900292

1.3 A balancing act - developing a digital leadership strategy between digital and analogue worlds in the tourism and hotel industry

Marco A. Gardini

HS Kempten, Germany

Abstract

Achieving a position of Digital Leadership requires a strong strategic response and cultural posture. Although digitalisation and artificial intelligence is increasingly seen as an opportunity rather than a threat by the vast majority of players in tourism and hospitality idustry, the digitalisation activities currently being observed by numerous players are more of a reactive, operational and/or isolated nature than part of a dedicated and integrated digitalisation strategy, with clearly defined goals and the aim of transforming a traditional tourism offering into a digitalisation-capable and therefore sustainable business model. This paper aims to clarify how tourism and hospitality organisations strategically respond to the challenges imposed by digitalisation and artificial intelligence and to identify some tensions and challenges in the related strategic approach.

Key Words:

Digital Leadership, Strategy, Analogization, Digitalisation, Transformation

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Paper

Introduction

Digitalisation and artificial intelligence are reshaping the tourism and hospitality industry and increasingly becoming the focus of tourism theory and practice (Gretzel et al. 2022; Egger 2022; Buhalis et al. 2019). However, the majority of the tourism and hospitality industry companies have been attested a below-average level of digitalisation or digital maturity by various studies over a long period of time (Deutsche Telekom 2022; Demary and Goecke 2021; Ghandi et al. 2016, Strategy &PwC 2013). Many industry players seem to be in an early or experimental stage of the digital era where there appear to be many possibilities, but very few truths and regularities. Consequently, the fundamental questions and issues that both science and business practice deal with in the context of digital transformation are the same today as they were in the past. An example of this is the observation that, around thirty years after the commercial beginnings of the internet in 1991, basic digital hygiene factors, such as online bookability and online visibility of companies, are still identified as crucial problem areas of digitalisation in the tourism and hospitality industry (Online Birds 2023; BTE Tourismus- und Regionalberatung 2023). This and the fact that very few companies are "born digitals" has shifted the balance of power over the last twenty years, as numerous changes in the industry structure and competitive landscape in various areas of tourism and hospitality seem to underline (lower market entry barriers, increasing competitive rivalry, structural change, risk of substitution, dis/re-intermediation, consumer power, market transparency, etc.) (Pencarelli 2020, Buhalis et al. 2019). The strong dynamics of change are reflected in the emergence and development of numerous companies that were not previously active in tourism and hospitality industry and have now - based on their purely digital business approach - leapfrogged the analogue age of tourism and are challenging established providers at various levels of competition and performance, as for instance Booking, Google or Airbnb in the hotel industry. Currently, very few of the traditional providers of the tourism and hospitality industry have been able to strategically counter the disruptive and digitalised business models; in fact, most companies still lack a future-oriented and systematic leadership approach to digitalisation that can be used to respond to the changing challenges on the market and organisational side (Bauhuber et al. 2023¸ Ristova/Maglovski 2018).

Digital Leadership – What is your Strategy?

Digital Leadership generally refers to the management of organizational systems and stakeholders based on the comprehensive application of digital technologies, aiming to achieve higher effectiveness and efficiency in the internal and external activities of the company (Wirtz 2021). In literature, the concept of 'digital maturity' has emerged as a means to assess the current status of a company's digitalisation efforts and to provide guidance for future strategies and decisions. Following Chanias and Hess, digital maturity is defined as *'...the status of a company's digital transformation' that describes '...what a company has already achieved with regard to transformation efforts'* (Chanias/Hess 2016, p. 4). Various maturity models have been developed in both academia and industry (Proff et al. 2021; Thordsen et al. 2020; Remane et al. 2017), which, with moderate variations and depending on the level of abstraction, primarily focus on four dimensions: Strategy, leadership and corporate culture, competencies and skills and organization.

In the past, tourism and hospitality companies have done a lot to become more efficient in what they do, they have become bigger, faster, more productive, better, in other words, they have become more efficient in what they do. As we all know, efficiency means doing things "right". This is the one art that companies and entrepreneurs must master. However, in his Harvard classic "What is Strategy?", Michael Porter (1996) pointed out almost 25 years ago that operational excellence is by no means a strategy and cannot replace it ("operational effectiveness is not strategy"). However, in the digital transformation process in many tourism and hospitality companies, the technology perspective currently dominates the customer perspective and thus tactics dominate strategy, rather than the other way round (Gardini 2021; Furr/Shipilov 2021), despite the well known dictum of digital transformation management that *"strategy, not technology, drives digital transformation."* (Kane et al. 2015). That this is obviously not a recipe for success and that the majority of all digital transformation initiatives do not accomplish their desired objectives has been repeatedly emphasised by various studies across a wide range of industries for many years (Davenport and Westerman 2018; Martin 2018; Piccoli 2008). In 2019, for example, US companies invested an estimated USD 1.3 trillion in digital transformation initiatives, of which an estimated USD 900 billion was wasted due to a lack of anticipation and an over-reliance on technology (Tabrizi et al. 2019).

It appears that the technological and operational agenda continues to overshadow the much more important strategic question of what long-term added value digitalisation can create for companies and customers and where, and whether the potential for digital change is so massive and fundamental that it fundamentally challenges the way companies function in their respective economic structures. In this context, Porter was fast to point out that the view of digital technology and the economic evaluation of the strategic relevance of internet-based technologies should be characterised by a clear analysis of the strategic added value that digital opportunities are able to deliver to companies and organisations: *"...see the Internet for what it is: an enabling technology - a powerful set of tools that can be used wisely or unwisely, in almost any industry and as part of almost any strategy. We need to ask fundamental questions: Who will capture the economic benefits the Internet creates? Will all the value end up going to customers, or will companies be able to reap a share of it? What will be the Internet's impact on industry structure? Will it expand or shrink the pool of profits? And what will be its impact on strategy? Will the Internet bolster or erode the ability of companies to gain sustainable advantage over competitors?"* (Porter 2001, p.64). Even though the COVID-19 pandemic has recently led to a change in awareness and a digitalisation push in the tourism and hospitality industry, the strategic and cultural dimension of digital transformation is still underestimated by large parts of the industry: *"The survival of traditional enterprises is seriously threatened by the new playbook rules established by digitalisation. Consequently, these business entities are called to innovate and re-think the business model they have been using thus far to create value for tourists and to achieve satisfactory performance levels."* (Pencarelli 2020, p.467).

And so the other art that distinguishes good from less good companies is effectiveness, i.e. the ability of companies and entrepreneurs to do the "right thing"! But what is the right thing to do for your own company naturally always depends on the context and the goals you set yourself and is therefore inevitably the most essential and fundamental question that an entrepreneur or a company must answer for itself. Consequently, a strategic answer is also needed in the digital age, but tourism and hospitality companies often find it difficult to develop a clear and stringent understanding of what they do and what they do not want to do. Accordingly, an overemphasis on, as well as a lack of integration of, operational-tactical elements of corporate management can currently be observed in numerous companies across many tourism sectors and industries, while the strategic and coordinative requirements of management are often neglected: *"...these firms appear to be too busy 'running the business' to strategically manage it."* (Rodwell/Shadur 2007, p. 53). The traditionally strong product and sales orientation of many players in the tourism and hospitality industry makes this approach even more difficult in many companies (Gardini 2017).

Successful companies have mastered both disciplines, as both the efficiency and effectiveness of a company are essential in order to achieve superior corporate and marketing performance. The conflict between operational and strategic orientation and the tension between the need to coordinate and integrate analogue and digital corporate activities affects the various areas of a company. Accordingly, a return to a clear market- and customer-centered focus is required here (mission/purpose), as well as the consistent and stringent alignment of corporate activities on the basis of company-specific and long-term developed resources. These capabilities and resources ideally cannot be imitated by competitors (non-imitability), are integrated into the company in such a way that they only realise their full value there (company specificity), cannot be replaced by a competitor's resource substitutes that have a similar performance potential (non-substitutability), have a value-creating character on the market, which is reflected by an additional benefit perceived by the customer (ability to create value on the market) (Frehse 2006; Porter 1999).

The changed competitive conditions in numerous market and customer segments in the tourism and hospitality industry as a result of digitalisation open up new strategic options for service providers in dealing with their customers on their way to becoming a smart or digital tourism and hospitality company in the field of tension between the interaction between artificial and natural intelligence (Haux et al. 2021) as well as the analogisation and digitalisation of entrepreneurial actions (Bichler et al. 2019) and the associated strategic behaviours of standardisation and/or individualisation, mechanisation and/or humanisation and externalisation and/or internalisation (Gardini 2022). For example, the dimensions of analogisation and digitalisation can be used to create a portfolio that can be used to identify four general directions that can serve as a guide through the 'tech' and 'touch' dimensions of tourism and hospitality in the digital age (Fig. 2.1):

- *Integrative strategy (high-touch and high-tech)*

The technological possibilities offered by digitalisation and AI are used to provide customers with highly individualised, intensive and unique customer experiences, with the aim of creating an "*intelligent*" environment that enables a targeted, interpersonal and relationship-oriented customer experience between the customer and the company by making maximum use of the given technological potential.

- *Human-centered strategy (high-touch)*

As a result of increasing digitalisation and mechanisation, a counter-trend of analogisation is emerging ("...need/desire to escape from technology" (Gretzel et al. 2015, p. 185)). Accordingly, the high-touch approach places people and not technology at the centre. The aim is to create a "*social*" environment that enables an intensive, interpersonal and high-quality relationship between customer and company by providing authentic real life experiences, social contacts, collaboration, time sovereignty, deceleration, a change from everyday digital life and much more.

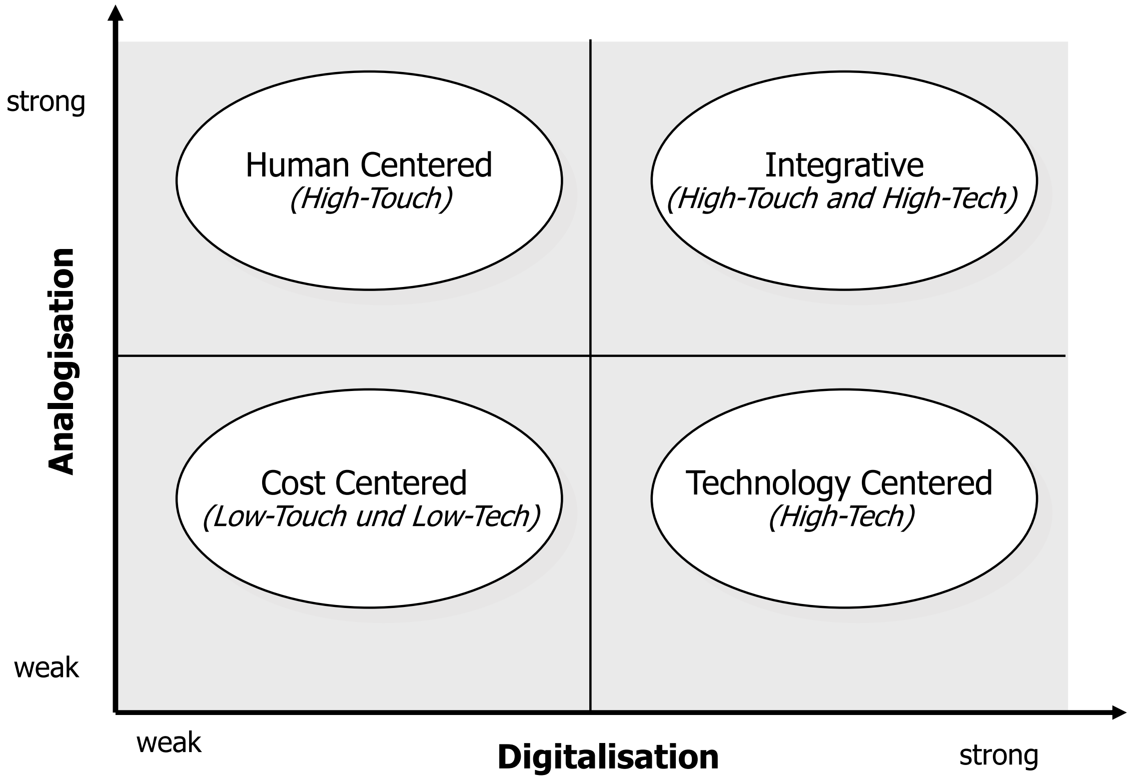
- *Technology-centered strategy (high-tech)*

Digitalisation, mechanisation and automation are the drivers of the business model here. Accordingly, the high-tech approach places technology, rather than people, at the centre. The aim is to create a "*technical*" environment by maximising technological potential and the unique functionality of digital applications, which enables individual, technologically charged customer experiences.

- *Cost-centered strategy (low-tech and low-touch)*

The focus of this approach is not on maximising technological potential, but on optimising it. The aim is to create a "*rational*" environment and, through standardisation, rationalisation, automation, externalisation and more, to drive the substitution of the production factor "human" forward and thus generate costs, price advantages and efficiency gains from both a company and customer perspective.

FIGURE 1 Analogisation and digitalisation als competitive dimensions in the tourism industry (Gardini, 2022, p.453)



The balancing act between old and new as a strategic challenge

At this point, each tourism and hospitality company needs to initiate and develop its own specific digital transformation process based on the company's history, identity and prevailing strategic ideas. The key question that tourism and hospitality companies and organisations need to address at this point is whether this process should be evolutionary or disruptive and revolutionary. This question is not fundamentally new or solely due to digitalisation, as the balancing act between old and new business areas, between existing and innovative business, between efficiency and effectiveness is a well-known challenge in strategic management. In this context, the concept of organisational ambidexterity (Raisch et al. 2009; O'Reilly 2004) is often used in the literature to illustrate the challenges of digital transformation processes in companies. Organisational ambidexterity refers to the specific strategic ability of a company to manage its business model efficiently and in a future-oriented manner at the same time. Hence, from a strategic perspective, companies and organisations must be able to expand their core business with maximum efficiency (exploitation) and at the same time have the ability to actively develop innovations and new business models (exploration) in order to remain competitive in a disruptive, digital world (Kollmann 2020, Raisch et al. 2009). In the strategic development process, however, it is important to note that the digitalisation and digital transformation of a tourism and hospitality company does not necessarily have to be disruptive and radical. It is important to bear in mind that sustainable business models and concepts can often be realised through intelligent adaptation rather than radical reinvention. Digitalisation in tourism and hospitality is not always about reflexively replacing material or physical elements of service design with digital ones, but rather about striking the right balance. Furthermore, the digital transformation of companies is not always necessarily about a radical change in strategy, but rather about the question of whether and how new digital technologies can be used to transform familiar rather than new customer needs and wishes into satisfying or inspiring customer experiences and customer experiences. (Furr/Shipilov 2021)

The starting point for such strategic development processes is challenging, if not problematic, for many tourism and hospitality companies. Large segments of the tourism sector, such as hospitality, gastronomy, and leisure/cultural businesses, are traditionally considered industries with a weak technological (digital) affinity. This is attributed to the low digital maturity and productivity levels of many stakeholders in these sectors, stemming from a critical and destructive attitude toward new information and communication technologies (O´Connor 2021; Sigala 2014). This mindset derives from a mental model that views digitalisation and hospitality as opposing constructs. In this perspective, digitalisation is not only seen as contradicting the self-image of hoteliers or restaurateurs as hosts but also as a threat to the identity of an industry that primarily defines itself as a "people business". The traditionally lived industry or company identity, coupled with other identity-forming structural components in tourism and hospitality, such as small and medium-sized structures and the dominance of owner- or family-run businesses, is being questioned by digitalisation. This has led to an identity crisis among many industry players, fearing a corresponding loss of identity internally and externally in their businesses (Gardini 2022).

Another issue to be considered is, that despite a growing openness and willingness to change towards new digital technologies and methods in tourism and hospitality, particularly in the development of digital-based business models and digital distribution, many businesses currently feel inadequately prepared for the digital future (Thomas 2024; Carlisle et al. 2021; Laesser 2021) or fall behind their own expectations (Gardini/Sommer 2023; Borkmann 2020). Furthermore, the digital research and innovation landscape, technology diffusion, and the knowledge level of employees in the tourism and hospitality sector still show very low values compared to other industries (Demary/Goecke 2021; Hotelhero 2020). Digitalisation hits the tourism and hospitality industry at two of its weakest points, highlighting a longstanding need for systematic innovation management and professional human resource management. Employees in recent years not only face a continuous image crisis in the industry but also find that leadership culture and principles in much of the tourism and hospitality sector strongly contradict the requirements of digital transformation processes and the characteristics of a digital mindset. Leadership styles are often perceived as conservative, patriarchal, authoritarian, hierarchy-focused, and less employee-oriented (Francis/Baum 2018; Gardini 2016; Kusluvan et al. 2010). Holding onto outdated corporate cultures, a lack of risk readiness, and rigid forms of organizational structure are particularly critical given the expectations of Generations Y and Z, who anticipate not just a digital mindset from their future employers but also seek different lifestyles and work approaches compared to their predecessors.

If one assumes that digitalisation is a central element of corporate strategy and transforms a company at all levels, both academia and practice are in agreement (Kollmann 2020; Gnamm et al. 2018): "Digitalisation is a top management issue" when it comes to the digitalisation and the relevance of the digital for the success or failure of a company. Successful leaders in tourism and hospitality, whether individuals, companies, or institutions, generally have a quite precise idea of what they want or do not want, and what they are willing to do for it. From a leadership perspective, a normative approach is necessary for every tourism and hospitality company, emphasizing the philosophical and cultural dimension of digital transformation processes and initiating a development process with a focus on the specific identity of a destination, hotel or restaurant (Goran et al. 2017). The ultimate goal is an unequivocal market-oriented and customer-centric understanding of the organization, transcending digital or analog identity struggles (Gardini 2021).

Conclusion

It can still be asserted for the tourism and hospitality industry as a whole that the strategic and cultural dimension of digital transformation is still underestimated by many stakeholders. Leadership in times of digital transformation however, demands, in addition to a strategic approach, nothing less than a strong intellectual and cultural adaptation, especially requiring openness, flexibility, and engagement from all stakeholders involved. The use of technology should always be a means to an end, with a clear focus on creating substantial customer value and ensuring the competitiveness and future viability of the company. While traditional players show a certain openness and willingness to embrace new digital technologies and work methods, it must be acknowledged that the economic and digital reality is still moving significantly faster than the psychology and mindset of those involved in this process. A significant future challenge for many tourism and hospitality companies is, therefore, to develop a comprehensive understanding of digital and analog management throughout the entire organization, going beyond individual activities, instruments, and analysis methods. This is crucial to transition from being driven by technological developments to being the driver of company-specific digitalisation activities and thus creating the conditions to continue thriving in competition.

References

Bauhuber, F., Honig, K., Scheffold, A. (2023). Digitalisierung im Tourismus – Strategie ist gefragt, In Gardini, M.A., Sommer, G. (Hrsg.), *Digital Leadership im Tourismus: Digitalisierung und Künstliche Intelligenz als Wettbewerbsfaktoren der Zukunft*, Springer Gabler: Wiesbaden, 2023, 77-102.

Bichler, B., Pikkemaat, B., & Peters, M. (2019). Analogisierung als Folge zunehmender Digitalisierung im Tourismus. In T. Bieger, P. Beritelli & C. Laesser (Hrsg.), *Schweizer Jahrbuch für Tourismus 2018/2019* (85-98). Berlin: ESV.

Borkmann, V. (2020). Future Hotel – *Das Smarte Resiliente Hotel*. Stuttgart: Fraunhofer Verlag.

BTE - Tourismus- und Regionalberatung (2022). *DMO DigitalMonitor: Stand der Digitalisierung in deutschen Destinationen* 2022, Berlin u.a.

Buhalis, D., Harwood, T., Bogicevic, V., Viglia, G., Beldona, S., & Hofacker, C. (2019). Technological disruptions in services: lessons from tourism and hospitality. *Journal of Service Management*, 30(4), 484-506.

Carlisle, S., Ivanov, S., & Dijkmans, C. (2021). The digital skills divide: evidence from the European tourism industry. *Journal of Tourism Futures*, Vol. ahead-of-print No. ahead-of-print. https://doi.org/10.1108/JTF-07-2020-0114.

Chanias, S., & Hess, T. (2016). How digital are we? Maturity models for the assessment of a company's status in the digital transformation. Management Report/Institut für Wirtschaftsinformatik und Neue Medien, 2, 1–14.

Davenport, T. H., & Westerman, G. (2018). Why so many high-profile digital transformations fail. https://hbr.org/2018/03/why-so-many-high-profile-digital-transformations-fail, vom 9. März 2018.: 23.12.2021.

Demary, V., & Goecke, H. (2021). Digitalisierung der Branchen in Deutschland – eine empirische Erhebung. *Wirtschaftsdienst*. Heidelberg: Springer. 101(3), 181-185.

Deutsche Telekom (2022). *Digitalisierungsindex Mittelstand 2020/2021: Der digitale Status quo des deutschen Mittelstands.* Bonn 2022.

Egger, R. (2022). *Applied Data Science in Tourism - Interdisciplinary Approaches, Methodologies, and Application*. Cham: Springer.

Francis, H., & Baum, T. (2018). HR transformation within the hotel industry: building capacity for change. *Worldwide Hospitality and Tourism Themes*, 10(1), 86-100.

Frehse, J. (2006). Erfolgsfaktoren im internationalen Markenmanagement von Hotelunternehmen: Ein integrativer Ansatz unter Berücksichtigung der Ressourcenorientierung. *Jahrbuch der Absatz- und Verbrauchsforschung*, 2, 140–154.

Furr, N., Shipilov, A. (2021). Digital doesn´t have to be disruptive. *Harvard Business Review*, Special Issue, Summer, 93-99.

Gardini, M.A. (2016). Zukunft Personal – Personal der Zukunft: Plädoyer für eine neue personalpolitische Agenda im Tourismus. In T. Bieger, P. Beritelli & C. Laesser (Hrsg.), *Schweizer Jahrbuch für Tourismus 2015/2016* (99-113). Berlin: ESV.

Gardini, M. A. (2017). Leadership und Exzellenz im Tourismusmarketing: Was Tourismusunternehmen leisten müssen! In M. A. Gardini (Hrsg.), *Marketingexzellenz im Tourismus: Konzepte – Fallstudien - Best Practices* (9-38). Berlin: ESV.

Gardini, M. A. (2021). *Leadership im Marketing*. Berlin: Springer Gabler.

Gardini, M. A. (2022). *Marketing-Management in der Hotellerie*. (4. Aufl.). Berlin/ Boston: DeGruyter.

Gardini, M.A. Sommer, G. (2023). Digitalisierung im Tourismus – Tradition muss laufen lernen! In Gardini, M.A., Sommer, G. (Hrsg.), *Digital Leadership im Tourismus: Digitalisierung und Künstliche Intelligenz als Wettbewerbsfaktoren der Zukunft,* Springer Gabler: Wiesbaden, 2023, 3-41.

Ghandi, P., Khanna, S., & Ramaswamv, S. (2016). Which industries are the most digital (and why). *Harvard Business Review*, 94(1), 2-6.

Gnamm, J., Kalmbach, R., & Schertler, M. (2018). *Von der Vision zur Transformation: Digitalisierung ist Chefsache.* München: Bain & Company.

Goran, J., LaBerge, L., & Srinivasan, R. (2017). *Culture for a digital age*. McKinsey Quarterly, July 2017. New York: McKinsey & Company.

Gretzel, U. (2022). The Smart DMO: A new step in the digital transformation of destination management organizations. European Journal of Tourism Research, Vol.30, doi.org/10.54055/ejtr.v30i.2589.

Gretzel, U., Sigala, M. & Xiang, Z. et al. (2015). *Smart tourism: foundations and developments. Electronic Markets*, 25, 179–188.

Haux, R., Gahl, K., Jipp, M., Kruse, R., & Richter, O. (2021). *Zusammenwirken von natürlicher und künstlicher Intelligenz*. Berlin: Springer Nature.
Hotelhero (2020). *Der deutsche Hotel-Technologie Markt 2020*. Berlin.
Kane, G. C., Palmer, D., Phillips, A. N., Kiron, D., & Buckley, N. (2015). Strategy, not technology, drives digital transformation. *MIT Sloan Management Review*, 14, 1-25.
Kollmann, T. (2020). *Digital Leadership: Grundlagen der Unternehmensführung in der Digitalen Wirtschaft*. Wiesbaden: Springer Gabler.
Kusluvan, S., Kusluvan, Z., Ilhan, I., & Buyruk, L. (2010). The Human Dimension - A Review of Human Resources Management Issues in the Tourism and Hospitality Industry. *Cornell Hotel and Restaurant Administration Quarterly*, 51(May), 171-214.
Laesser, C., Schegg, R., Bandi Tanner, M., Liebrich, A., Gasser, F., Ogi, R., Stuber-Berries, N., & Fux, M. (2021). *Digitalisierung im Schweizer Tourismus*: *Progress Report*. Bern: Bericht im Auftrag des Staatssekretariats für Wirtschaft SECO.
Martin, J.-F. (2018). *Unlocking success in digital transformations*. https://www.mckinsey.com/~/media/McKinsey/Business%20Functions/Organization/Our%20Insights/Unlocking%20success%20in%20digital%20transformations/Unlocking-success-in-digital-transformations.ashx#:~:text=Transformations%20are%20hard%. 3.1.2022.
O´Connor, P. (2021). Digital Transformation: The Blurring of Organizational Boundaries in Hotel Distribution. Gardini, M.A., Ottenbacher, M., Schuckert, M. (Hrsg.), *The Routledge Companion to International Hospitality Management* (142-151). London/ New York: Routledge.
O'Reilly, C. A., & Tushman, M. L. (2004). The ambidextrous organization. *Harvard Business Review*, 82(2), 74–81.
Online Birds (2023). *Hotel Digital Score Branchen-Report 2023*. München.
Pencarelli, T. (2020). The digital revolution in the travel and tourism industry. *Information Technology & Tourism*, 22(3), 455–476.
Piccoli, G. (2008). Information technology in hotel management: a framework for evaluating the sustainability of IT-dependent competitive advantage. *Cornell Hospitality Quarterly*, 49(3), 282-296.
Porter, M. E. (1996). What is Strategy? *Harvard Business Review*, 74(11/12), 37-54.
Porter, M. E. (2001). Strategy and the Internet. *Harvard Business Review*, 79(3), 63-78.
Porter, M. E. (2004). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*, Boston; Free Press.
Proff, H., Ahrens, C., Neuroth, W., Proff, H., Knobbe, F., Szybisty, G., & Sommer, S. (2021). *Accelerating Digitalisation - Chancen der Digitalisierung erkennen und nutzen.* Wiesbaden: Springer Gabler.
Raisch, S., Birkinshaw, J., Probst, G., & Tushman, M. L. (2009). Organizational ambidexterity: Balancing exploitation and exploration for sustained performance. *Organization Science*, 20(4), 685-695.
Remane, G., Hanelt, A., Wiesboeck, F., & Kolbe, L. M. (2017). *Digital Maturity in Traditional industries-an Exploratory Analysis*. ECIS, 25th. European Conference on Information Systems (ECIS), June 2017, Guimarães, Portugal.
Ristova, C., Maglovski, A. (2018). *Transforming hospitality in the digital era, factor for competitiveness in the tourist destination.* In The 7th International Congress HOTELPLAN 2018, 2-3 Nov 2018, Belgrade, Serbia.
Rodwell, J. J., & Shadur, M. A. (2007). Strategy as a configuration of activities: evidence that strategy absence exists. *Strategic Change*, 16(1-2), 43-55.
Sigala, M. (2014). E-Hospitality and technology. I. S. Pantelidis (Hrsg.), *The Routledge Handbook of Hospitality Management* (287-301). London/ New York: Routledge.
Strategy&PWC (2013). *Measuring industry digitalisation: Leaders and laggards in the digital-economy*. https://www.strategyand.pwc.com/gx/en/insights/2002-2013/measuring-industry-digitalisation/strategyand-measuring-industry-digitalisation-leaders-laggards-digital-economy.pdf.: 10.10.2020.
Tabrizi, B., Lam, E., Girard, K., & Irvin, V. (2021). Digital transformation is not about technology. *Harvard Business Review*, Special Issue, Summer, 120-122.
Thomas, G. (2024). Challenges and Trends of Digital Innovation in the Tourism Sector: Contemporary Literature Review. *Open Journal of Business and Management*, 12, 179-190. https://doi.org/10.4236/ojbm.2024.121013
Thordsen T., Murawski M., & Bick M. (2020). How to Measure Digitalisation? A Critical Evaluation of Digital Maturity Models. In M. Hattingh, M. Matthee, H. Smuts, L. Pappas, Y. Dwivedi & M. Mäntymäki (Hrsg.),

Responsible Design, Implementation and Use of Information and Communication Technology, I3E 2020. Lecture Notes in Computer Science, Vol. 12066. Cham: Springer. https://doi.org/10.1007/978-3-030-44999-5_30.

Wirtz, B. W. (2021). *Digital Business and Electronic Commerce: Strategy, Business Models and Technology*. Cham: Springer.

EuroCHRIE

QATAR - 2024

Hospitality and Tourism in a New Era: Building Bridges and Overcoming Challenges

Full Papers Track 2 – Sustainability

2.1 Stronger together: A case study of a joint industry/higher hospitality education student project to raise awareness of water-scarcity

Rachel Germanier

Les Roches Global Hospitality Education

Abstract

It is imperative that hospitality and tourism students understand the importance of sustainable initiatives in the industry. This paper focuses on an applied project at a Swiss higher education institution undertaken by 4th semester undergraduates in collaboration with a specific innovative hotel chain to imagine out-of-the-box awareness-raising campaigns to save water in some of its properties. This paper reflects on the way project design and teaching practice were implemented and considers feedback from the faculty and students involved. Authentic projects are shown to be valuable for all parties, particularly if undertaken with a solid well-paced andragogical framework. However, climate-change fatigue might be impacting on students' motivation and willingness to engage with real-world sustainability projects leading to a need for educators and their industry partners to implement creative solutions to enthuse their students in the future.

Key Words

Applied projects, sustainability, project-based learning, climate-change fatigue, hospitality and tourism education

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

Sustainability is relevant to all students, as is evidenced by the Advance HE (n.d.) which provides practice guides for including sustainable development as a strategic priority in education. Google scholar reflects this popularity with, as of 4th October 2024, over 6 million entries for "sustainability + education" and more than 4 million entries when the term "hospitality" is added. It is evident therefore that the hospitality education sector needs to prepare its students for what Hussain et al. (2023) describe as an industry which will have a greater focus on sustainability in the future. Writing a year or so ago, Munjal and Sharma (2023), could not have expressed the situation more clearly when they stated, "There is an urgent need for hospitality education in the higher education sector to give space and focus to sustainability practices in their curriculum and ensure that the content is embedded and delivered in a contemporary way" (p. 322). One means of enabling students to engage with such practices is to collaborate with the industry. This paper describes how such a collaborative project was undertaken in an international higher hospitality education institution in conjunction with, and at the behest of, a pioneering hotel company to find an innovative solution to an intractable problem: How to raise awareness about water scarcity in staff and or guests of a hotel chain in Spain. This case study explores the undergraduate hospitality students' and their faculty's perspective on the usefulness and value of this joint project as part of an undergraduate degree program.

Reviewing the literature on project-based learning for sustainability studies in higher hospitality education

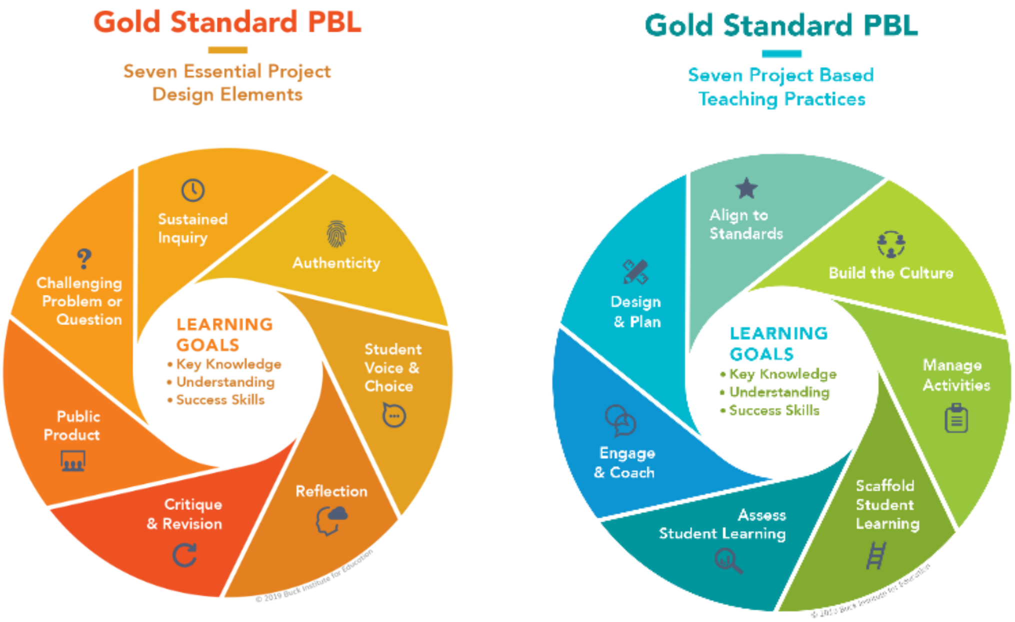
The concept of developing students' abilities by engaging them in meaningful, real world issues through experiential learning compared to them learning through memorization is far from new. Indeed, in 450BC

Confucius is famously quoted as saying, “I hear and I forget, I see and I remember, I do and I understand.” Rather more recently, these ideas have been developed by educational psychologists such as Dewey (1938), Kolb (1984) and Rogers and Freiburg (1994) and gained much traction throughout educational levels. A common means of integrating experiential learning is through project based-learning (PBL) with research demonstrating its varied use at university-level: in language classes in tourism and hospitality (Hanak, 2021), in writing classes (Mantra et al., 2023), to teach a service quality model (Shatzkin et al., 2022), and statistics (Elder, 2023) and at post-graduate level in MBA classrooms (Cummings & Yur-Austin, 2022). The definition of PBL used in this work is that of Wiek et al. (2014): “Project-Based Learning models focus on developing case-specific problem understanding to create feasible solution options” in contrast to problem-based learning which they define as being “centred on complex problems,” leading to “hypotheses building and testing to develop a deeper understanding of … problems” (p. 434). Examining the overlap between project- and problem-based learning, Brundiers and Wiek (2013) established a commonality between the two, notably, in which students are, amongst others, engaged in real-world tasks, work in small groups, have a teacher as facilitator and are exposed to formative evaluations.

In order to ensure that “gold standard PBL” is facilitated well by placing student learning through problem solving at the heart of the endeavor, several design elements are required: sustained inquiry, authenticity, student voice and choice, reflection, critique and revision, public product and a challenging problem or question (Buck Institute for Education, 2015, 2019a) as shown in.

Figure **1**.

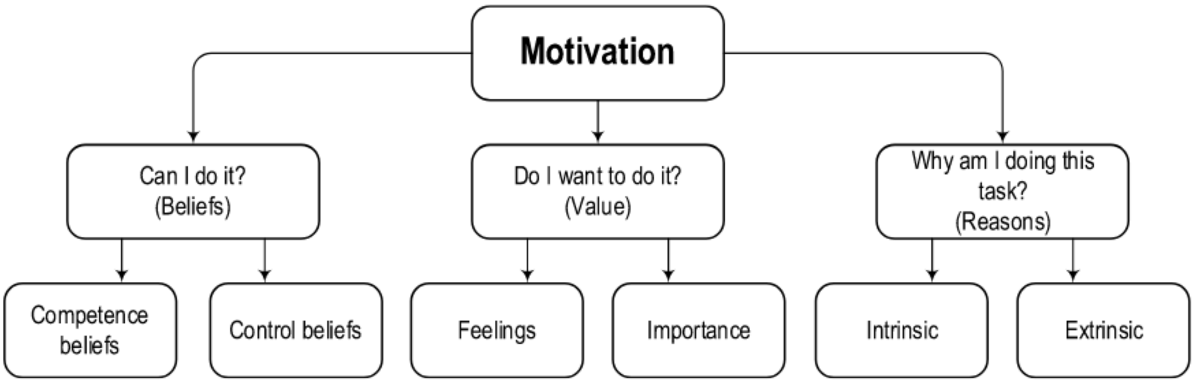
Figure 1 Design elements and teaching practices of gold standard PBL



(Buck Institute for Education, 2019b, 2019a)

Specifically in the higher hospitality education context, Molintas et al. (2023) explain that for collaborative learning to take place, effective working in teams needs to be explicitly taught and scaffolded, not expected, the task needs to be challenging, complex and difficult to complete alone, grading requires “careful deliberation” (p. 297) and groups should be carefully and heterogeneously crafted rather than randomly assigned. Although the Buck Institute for Education requirements are more detailed, Molintas et al.’s (2023) work is notable in that it specifically focuses on using collaborative learning in the context of higher hospitality education institutions on the theme of sustainability. This topic has grown in importance in higher education in recent years with PBL being used as a teaching method, particularly in engineering education (Bolstad et al., 2023). Cities, businesses and other organizations have worked hand-in-hand with educational institutions to provide PBL to higher education students (Wiek et al., 2014). Such projects have enabled students to have a “positive impact on the world” (Rowe, 2007, p. 324) demonstrating the value of PBL in sustainability education (Wiek et al., 2014). However, while it can be challenging to build trustworthy relationships with relevant industrial bodies (Whitmer et al., 2010), these are encouraged (HQPBL.org, 2018) so that students can focus on specific cases from which to create feasible solutions (Wiek et al., 2014). Such engagement "Enables students to master academic content and skills, develop skills necessary for future success, and build the personal agency needed to tackle life's and the world's challenges" (HQPBL.org, 2018). In order for PBL to be successful, students need to be motivated to engage in and complete the project. A recent paper by Wijnia et al., (2024) breaks down student motivation into three themes: "Can I do it," "Do I want to do it," and "Why am I doing it?", as can be seen in Figure 2 below. They demonstrate that PBL increases student motivation across these constructs but its impact specifically on motivation for sustainability projects has yet to be explored.

Figure 2 Overview of motivation constructs



(Wijnia et al., 2024, p. 29)

Having established the value of project-based learning in sustainable studies in higher hospitality education and identified best practice elements of design and teaching, the next section will describe the project which is the focus of this case study.

Building bridges – the project

As part of the bachelor's degree offered at the context Swiss international higher hospitality education institution, students in their 4th semester undertake a 6-ECTS credit integrated project course. The first six weeks of this course involve an introduction to research while the second nine weeks comprise a group project which is the focus of this paper. The project was instigated by an external body, in this case, a hotel chain with a strong sustainable ethic which approached the context institution with a project to raise awareness in guests and / or staff of water scarcity, a serious issue in Spain where the chain is based. All students received the same overarching project: using innovative ideas, create or increase awareness in staff and or guests of the hotel (one particular property or the whole chain) about water scarcity. The two relevant learning outcomes for this project which can be found on the course syllabus indicate that at the end of the course, the student should be able to formulate an appropriate research project to address a specific business case and propose a feasible response to a specific business case based on research findings. The students were allocated 24 hours of class time to undertake this project in three to four person groups of their choosing. The author taught one of the two classes (groups 1-6) in the cohort.

Cohort breakdown

The cohort consisted of 32 students spread among 11 groups with the demographic breakdown indicated in Table 1 below.

Table 1 Demographics of the 11 groups

Group 1	male	Pakistan
	female	Mexico
	male	South Africa
Group 2	female	China
	male	China
	female	United Kingdom
Group 3	female	Vietnam
	female	Vietnam
	male	China
Group 4	female	United States
	female	Tanzania
	female	Norway
Group 5	male	Switzerland
	male	Saudi Arabia
	male	Italy
	female	India
Group 6	male	United States
	male	United States
	male	United States

Group 7	male	Hong Kong
	female	Myanmar
	female	Japan
Group 8	female	United States
	female	Switzerland
	male	Saudi Arabia
	male	India
Group 9	male	Philippines
	male	Republic of Korea
	female	Vietnam
Group 10	female	United Kingdom
	female	Thailand
	male	Switzerland
	male	India
Group 11	male	France
	male	France
	female	The Democratic Republic of Congo

Presentation of the assessment to the students

Initially, the company presented itself and the project directly to the students via video link. The task was deliberately open enough to allow for creative ideas under an “innovative awareness raising” concept but sufficiently structured to provide guidance and a certain degree of systematisation for assessment purposes. Notes were taken on the classroom whiteboard by the teacher as the company presented the project, and a photograph of these notes was later shared on the class’s learning management system to enable subsequent reference to the initial shared concept. It was made clear to the students that there were two “customers” of this work who were looking for different but complimentary outcomes: the company looking for engagingly presented innovative solutions and the teachers with their academic requirements laid out in the rubrics. The faculty involved drew up an assessment schedule for the students as shown in Table 2 below and a week-by-week plan of suggested action as shown in Table 3 below. After two weeks of study, students were required to complete an initial literature review on which their peers provided structured feedback. This was a formative assessment, so students were graded for task completion rather than on the quality of work submitted. A short presentation two-weeks later enabled each group to present its progress to date, its planned future tasks, as well as a reflection on teamwork efficiency. The final assessments were due at the end of the course. They consisted of a two-part written component: an executive summary for the company and a more comprehensive academic report for the faculty, as well as a group presentation attended by the company’s representative via video link. A peer review was included in the assessment which enabled grades to be reduced if students were evaluated consistently negatively by their peers.

Table 2 Assessment breakdown

<table>
<tr><th>What</th><th>When</th><th>Weighting</th></tr>
<tr><td>Submission and review of others’ literature reviews</td><td>Midnight Wednesday and midnight Sunday
Week 10</td><td>10%</td></tr>
<tr><td colspan="3">This will be done through Moodle and by email.</td></tr>
<tr><td>5-minute presentation – where you are up to now and what is left to do</td><td>Week 12</td><td>10%</td></tr>
<tr><td colspan="3">You have 5 minutes to tell your classmates and faculty what you have done so far, what has gone well, what needs working on and what you have left to do.</td></tr>
<tr><td>Executive summary</td><td>Week 16</td><td>10%</td></tr>
<tr><td colspan="3">One-page executive summary for the company summarizing the project, solutions, conclusions, and possibly recommendations must be submitted.
Here is a suggested framework:
• Introduction: states the document’s purpose, the content to follow and then the rationale behind it. It should grab and hold the reader’s attention.
• Presenters’ information: introduce the team presenting or responsible for the findings.
• Development of solutions: Explanation and justification of how solutions were arrived at.
• Solutions: Solutions that are logical and well presented.
• Conclusion: recap your solutions, possibly make recommendations.
• Close the executive summary with a strong statement that sets up the theme or central message to the story you tell in the presentation.</td></tr>
<tr><td>Final report</td><td>Week 16</td><td>40%</td></tr>
<tr><td colspan="3">The report must be submitted using the template provided, in MS Word format, and be 2,000 words (+/- 10%).</td></tr>
<tr><td>Presentation</td><td>Week 16</td><td>30%</td></tr>
<tr><td colspan="3">You will have 10 minutes to present the solutions to the company and the faculty (questions from the audience are not included). The use of PowerPoint and/or handouts is not mandatory but highly encouraged.
You will be evaluated on the quality of the presentation. Every group member must speak. We recommend you try to find an interesting and stimulating way to present your project - points will be awarded for creativity.
Each team member must complete the peer assessment, available on Moodle. This evaluation can negatively affect the individual grade by up to 10%.</td></tr>
</table>

A week-by-week breakdown (see Table 3) of activities was shared with the students to enable them to pace themselves and manage their time.

Table 3 Week-by-week breakdown of tasks

Week 7	Presentation to all students by the hotel
Week 8	Group formation, task clarification, drawing up of ground rules
Week 9	Group work, literature review
Week 10	Submission of literature review, review of others’ work
Week 11	Working on ideas for the campaign. Prepare the mini-presentation
Week 12	Mini-presentation showing current progress
Week 13	Continue collecting ideas
Week 14	Prepare presentation, write executive summary, work on final report
Week 15	Practice presentation in front of peers
Week 16	Presentation to the hotel, submission of executive summary, final report and peer evaluation

Results

All groups submitted the work required of them to varying standards. Students demonstrated some creativity in their presentations and reports, with one group using generative AI to produce artwork. Suggestions for awareness-raising included a water-consumption counter in the lobby linked to a rewards system for guests, a water-consumption-reduction competition per department across the hotels in the chain with a reward for the winning department, a rewards system for guests linked to partnering local green companies, using digital technologies such as the Internet of Things linked to an app to encourage water saving behaviors in customers, an encouragement of the use of grey water in addition to rewarding the use of showers instead of the bathtubs, and, finally, a rewards system informed by smart meters in the hotel enabling guests to further engage with the hotel chain.

In their presentations to the hotel representative, all students behaved with the expected high level of professionalism.

Student feedback indicated a divided response to the project. While there were no comments on the groups' composition and the course was described as "great," "perfect" and also "fun and different," other students' feedback thought the course was "boring", "childish" and "repetitive." Not all students appreciated the topic: "I don't feel very much inspired by the project … I don't feel the need of it, even though raising awareness on water saving is necessary worldwide," or its location despite its evident real-life relevance, but they appreciated a structured approach and being able to address their concerns to a real industry expert: "We got the opportunity to actually be able to talk personally with someone from the hotel if we had any concerns or doubts." Students having the agency to choose the topic and location of future projects was raised as a suggested improvement.

Faculty reflection echoes one of the student's comments: "I believe doing multiple deadlines throughout the semester so that the work load at the end of the semester is decreased could be useful. This also strips people from doing it last second, myself included." While there were deadlines in the first month, during the subsequent month, students had time either to work on their project in a timely fashion or, as this student and the author noted in other groups, procrastinate. As a result, the teacher could not provide the input she expected to on the literature review, the ideation stage regarding the awareness-raising campaign or the structure and content of the report.

Discussion and recommendations

The lack of commentary in the feedback on other group members' contributions indicates that allowing students to choose their own colleagues leads to a harmonious working experience. Whether more learning would have been achieved if students had been carefully allocated to create more **heterogenous** and potentially less harmonious **groups** as suggested by Molintas et al. (2023) is a possibility. Reflecting on the design elements of a successful project-based learning task as recommended by the Buck Institute for Education (2015, 2019), the case study under investigation required **sustained inquiry** through the engagement necessary to achieve the task. Students had to undertake a review of the literature in their chosen domain and then reflect on a potential, innovative, awareness-raising campaign. The project was, through its partnership with an existing and motivated company, **authentic**, as demonstrated to the students by the repeated intervention of the person of reference who demonstrated a keen interest in the students' work. It might however have been lacking the "personal authenticity", or speaking to students' concerns discussed by the Buck Institute for Education. The "younger generation" have a heightened awareness of sustainability (Canova & Paladino, 2023) but in this study, this supposed awareness did not translate into a systematic interest in the subject. Although it was later dropped from the list of design elements, **student voice and choice** was included in the earlier (Buck Institute for Education, 2015) version. While the company and overarching guidance was the same for all groups, students were able to choose their own audience for their water-scarcity awareness-raising campaign (to staff and or guests) as well as its implementation. The ability to **critique and revise** was integral to the beginning of the project when the groups' literature reviews were reviewed by peers as a formative, yet graded, assessment. In addition, teacher oversight of the ongoing written work was provided during class time and the notion of re-writing was repeatedly referred to in class. By presenting their work and submitting an executive summary to the company, the students' work was **public** while the nature of the project itself, in that a simple solution to the problem of awareness-raising of water scarcity has yet to be found in the industry, demonstrated the project's **challenging** nature. Student feedback indicated however that not all students grasped the inherent difficulty of the task.

The second layer of the Buck Institute of Education's (2015, 2019) guidance concerns the teaching practices required for high-quality project-based learning. The first of these relates to **aligning the work to standards**. Rubrics were provided to students for all of the assessed work (so not for the formative submission of the literature review) to ensure students were aware of the standard required. The assignment in its entirety was reviewed through the institution's internal verification process to ensure it adhered to the requirements of the semester-4 curriculum and led the students to successful completion of the learning outcomes. Regarding **building the** appropriate **culture**, class time and faculty interaction fostered the promotion of "Student independence and growth, open-ended inquiry [and] team spirit" (Buck Institute for Education, 2019b) while faculty feedback provided a focus on the qualitative element of the submitted work. Faculty interaction with the students who then worked together inside and outside the classroom provided an environment which **scaffolded student learning** while the structured scheme of work ensured **activities** were **managed in a timely fashion.** However, time management was problematic as mentioned above. Assessment of student learning was on-going, through lower-, formative, and later higher-stakes, summative work, with the topic, tasks and scheme of work structured to **engage** the students in a real-world project.

Using Buck Institute for Education's (2015, 2019b) guidance, this flexible yet structured sustainability-focused project should have provided valuable project-based learning for the students undertaking it. Feedback from the hotel indicated satisfaction with some of the groups' work and some of the student feedback demonstrated the benefits of such a study. However, surprisingly, student feedback indicated neither the topic, raising awareness of water scarcity in staff and or guests, nor the company, a particularly socially-aware hotel company, engendered the level of student enthusiasm faculty had expected. Engaging current students with sustainable practices and thinking is indeed challenging, despite their generation's supposed interest in the topic. "Sustainability fatigue" (Costa, 2020), "climate fatigue" (Kerr, 2009) and even "apocalypse fatigue" (Suttie, 2018) are terms which reflect feeling helpless and overwhelmed regarding one's individual agency toward the climate crisis. Referring back to Wijnia et al.'s (2024) motivational constructs, it can be considered from this feedback that the "value" and "reasons", more specifically the importance as well as the intrinsic and extrinsic reasons for the project, had been inadequately communicated by the faculty and poorly internalized by the students. Such findings require hospitality educators to reflect carefully about how they can frame sustainability projects, even well-conceived ones such as this case study, to engage and motivate students, inspiring them to engage rather than foster a more passive attitude in the face of such enormous potential existential challenges. Projects need to be paced to encourage students' focus and productivity throughout the course, not merely towards the end, but this must be balanced with constraints linked to an excessive assessment burden on both students and faculty.

Conclusion

Well-conceived project-based learning assessments with their inherent involvement with the real world have potential for engaging higher education hospitality students in topics related to sustainability. Providing authentic learning in a well-structured learning environment and involving learners in solving existing problems for real entities such as hotel companies should, theoretically, enable students to learn independently and deepen their knowledge of, and engagement with, sustainability issues. However, this study shows that sustainability is not a topic which all students find inspiring and motivating, leading to the question of whether the current undergraduate student body is feeling climate fatigue and challenging faculty to think creatively on the ways they can provide the new generation of learners with projects which build impactful bridges between practitioners and academia in the realm of sustainability education. Higher education providers should privilege partnerships with the industry but all actors need to be mindful of current young people's sensitivity to the issue of climate change and ensure that students appreciate the value of and the reasons for collaborative projects in the field of sustainability.

References

Advance HE. (n.d.). Education for sustainable development in Higher Education. Advance HE. Retrieved February 22, 2024, from https://www.advance-he.ac.uk/teaching-and-learning/education-sustainable-development-higher-education#practice

Bolstad, T., Lundheim, L., Orlandic, M., Strømberg, A., & Zimmermann, P. H. (2023). Do students reflect on sustainability? Student development of competencies for sustainability in project-based learning. Nordic Journal of STEM Education, 7(1). https://doi.org/10.5324/njsteme.v7i1.4478

Brundiers, K., & Wiek, A. (2013). Do we teach what we preach? An international comparison of problem- and project-based learning courses in sustainability. Sustainability, 5(4), 1725–1746. https://doi.org/10.3390/su5041725

Buck Institute for Education. (2015). Gold-Standard-PBL.pdf. Buck Institute for Education. https://cpb-us-w2.wpmucdn.com/wp.wpi.edu/dist/e/220/files/2018/06/Gold-Standard-PBL.pdf

Buck Institute for Education. (2019a). Gold Standard PBL: Essential Project Design Elements. PBLWorks. https://www.pblworks.org/what-is-pbl/gold-standard-project-design

Buck Institute for Education. (2019b). Gold Standard PBL: Project based teaching elements. PBLWorks. https://www.pblworks.org/what-is-pbl/gold-standard-teaching-practices

Canova, L., & Paladino, G. (2023, January 11). Gen Z, personality traits and sustainability awareness: An econometric investigation [MPRA Paper]. https://mpra.ub.uni-muenchen.de/115960/

Costa, K. (2020). How do I over come resistance to E sustainability initiatives? TLN Journal, 23(1), 11–14. https://doi.org/10.3316/informit.099535776686901

Cummings, C., & Yur-Austin, J. (2022). Design thinking and community impact: A case study of project-based learning in an MBA capstone course. *Journal of Education for Business*, *97*(2), 126–132. https://doi.org/10.1080/08832323.2021.1887795

Dewey, J. (1938). *Experience and education*. Free Press. https://en.wikipedia.org/w/index.php?title=Experience_and_Education_(book)&oldid=1205835813

Elder, A. C. (2023). Statistics attitudes after using guided project-based learning as an andragogical strategy in a graduate statistics course. *Statistics Education Research Journal*, *22*(3), Article 4. https://doi.org/10.52041/serj.v22i3.436

Hanak, N. A. (2021). La pédagogie du projet dans un contexte universitaire: Exemple d'application dans un cours de français du tourisme et de l'hôtellerie. *Electronic Journal of Foreign Language Teaching*, *18*(1), 74–89. https://doi.org/10.56040/abhn1815

HQPBL.org. (2018). *HQPBL framework*. https://hqpbl.org/wp-content/uploads/2018/03/FrameworkforHQPBL.pdf

Hussain, S., Singh, A. M., Mohanty, P., & Gavinolla, M. R. (2023). Next generation employability and career sustainability in the hospitality industry 5.0. *Worldwide Hospitality and Tourism Themes*, *15*(3), 308–321. https://doi.org/10.1108/WHATT-01-2023-0011

Kerr, R. A. (2009). Amid worrisome signs of warming, "climate fatigue" sets in. *Science*, *326*(5955), 926–928. https://doi.org/10.1126/science.326.5955.926

Kolb, D. A. (1984). *Experiential learning: Experience as the source of learning and development*. Prentice Hall.

Mantra, I. B. N., Handayani, N. D., Pramawati, A. A. I. Y., & Widiastuti, I. A. M. S. (2023). Brainstorming combined with project-based learning as an effective learning strategy in writing classrooms. *Journal of Language Teaching and Research*, *14*(6), 1590–1596. https://doi.org/10.17507/jltr.1406.17

Molintas, D. H. R., Busser, J. A., Self, T. T., & Ghosh, A. (2023). Collaborative learning in hospitality education: A process-orientation case study. *Journal of Hospitality & Tourism Education*, *35*(4), 289–301. https://doi.org/10.1080/10963758.2022.2056467

Munjal, S., & Sharma, S. (2023). Driving the sustainability agenda: A wakeup call for hospitality education. *Worldwide Hospitality and Tourism Themes*, *15*(3), 322–327. https://doi.org/10.1108/WHATT-02-2023-0027

Rogers, C. R., & Freiberg, H. J. (1994). *Freedom to Learn* (Subsequent edition). Prentice Hall.

Rowe, D. (2007). Education for a sustainable future. *Science*, *317*(5836), 323–324. https://doi.org/10.1126/science.1143552

Shatzkin, M., Wurzbach, A., & Shetterly, R. (2022). Teaching service quality assessment through project-based learning. *Business Education Innovation Journal*, *14*(2), 132–140.

Suttie, J. (2018, February 23). *How to overcome "apocalypse fatigue" around climate change*. Greater Good. https://greatergood.berkeley.edu/article/item/how_to_overcome_apocalypse_fatigue_around_climate_change

Whitmer, A., Ogden, L., Lawton, J., Sturner, P., Groffman, P. M., Schneider, L., Hart, D., Halpern, B., Schlesinger, W., Raciti, S., Bettez, N., Ortega, S., Rustad, L., Pickett, S. T., & Killilea, M. (2010). The engaged university: Providing a platform for research that transforms society. *Frontiers in Ecology and the Environment*, *8*(6), 314–321. https://doi.org/10.1890/090241

Wiek, A., Xiong, A., Brundiers, K., & Van der Leeuw, S. (2014). Integrating problem-and project-based learning into sustainability programs: A case study on the School of Sustainability at Arizona State University. *International Journal of Sustainability in Higher Education*, *15*(4), 431–449.

Wijnia, L., Noordzij, G., Arends, L. R., Rikers, R. M. J. P., & Loyens, S. M. M. (2024). The effects of problem-based, project-based, and case-based learning on students' motivation: A meta-analysis. *Educational Psychology Review*, *36*(1), 29. https://doi.org/10.1007/s10648-024-09864-3

2.2 Regenerative Hospitality: The Case of Rural Lebanon

Alessandro Inversini[1], Salma N. Talhouk[2], Alain Daou[2,3]

1 EHL Hospitality Business School, HES-SO, University of Applied Sciences and Arts Western Switzerland, Switzerland.
2 American University of Beirut, Lebanon
3 American University of Beirut – Mediterraneo, Faculty of Business

Abstract

Regenerative hospitality sees accommodations as interventions that make the capacities of places, communities and their guests grow; regenerative leaders abandoned a mechanistic vision of the reality to focus on a living systems ecological worldview; regenerative businesses foster net-positive impact on natural and social ecosystems, and they foster transformative experience creation. This research presents the preliminary results of a regenerative hospitality study in two Lebanese Biosphere Reserves triangulating descriptive survey, social networking analysis and semi-structured interviews. Results show the characteristics of Lebanese regenerative hospitality and shed lights on the importance of the regenerative mind shift, the guest perception of authenticity in regenerative hospitality and the key characteristic of Lebanese regenerative hospitality landscape.

Key Words

Regenerative Hospitality, Net-Positive, Place Intelligence, People Intelligence, Regenerative Mindshift, Lebanon.

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

The discourse on sustainability in the hospitality industry has evolved beyond merely mitigating impacts to encompass a more ambitious aim: achieving regenerative goals toward a net positive impact on society and the environment with a clear impact on the host-guest relationship (Inversini et al., 2023). In fact, initially, sustainability was perceived as a desirable add-on, but it has now become a non-negotiable starting point for the industry. However, the concept of sustainability alone is no longer sufficient in the face of escalating ecological and social challenges. This has led to the emergence of the net positive (Polman & Winston, 2022) and regenerative approaches (Bellato & Cheer, 2021), which go beyond sustainability by aiming to leave the planet and its inhabitants in a better state than before.

Net positive, as defined by Polman and Winston (2022), occurs when a business's positive impacts outweigh its negative ones. This involves shrinking the ecological footprint while simultaneously increasing the social and environmental handprints of a business. The shift towards a net positive approach requires hospitality businesses to move beyond mere sustainability credentials and focus on the scale and ambition of their restorative and regenerative practices. The peculiarity of hospitality is that this ecosystem approach can have an impact also on the relationships between host and guest, with a special focus on transformative experience creation (Inversini et al., 2023).

Corporate responsibility, a key component of the sustainability paradigm, has evolved over decades through concepts such as the Triple Bottom Line, Corporate Social Responsibility, Creating Shared Value, and

Environmental, Social, and Governance approaches (e.g. Legrand et al., 2022). The regenerative approach represents the latest stage in this evolution, aiming not only to minimize harm but to actively contribute to the betterment of society and the environment. It is here important to note that the regenerative approach is not a 'new sustainability standard': on the contrary it is a responsible business orientation deeply rooted into the sustainability literature and practices (Inversini, 2023).

Review of The Literature

There is an increasing fatigue towards the adoption of sustainability standards: this is because current standards and methodologies are struggling to solve the growing negative impacts of human and business activities on society and environment (Hahn & Tampe, 2021). In the hospitality field, the adoption of corporate sustainability practices has proven to be even more difficult due to the fragmented nature of the industry (with independent small players) and the actual scope and horizon of current sustainability practices (e.g. Legrand et al., 2022). Small hotel owners are in fact struggling with the sustainability standards and reports as they could find little value in those tools which have been designed for larger corporations (Derchi and Inversini, 2021).

Thus, there is a widespread call for new approaches and methodologies to support the everchanging competitive needs of hospitality businesses in conjunction with the concept of sustainability and more broadly with responsibility (Inversini et al., 2023). These should be designed for the size and scope of hospitality SMEs: most of the time hospitality businesses are deeply engaging both the natural and social ecosystems around them and - of course – with their customers in a deep and meaningful way. Therefore, sustainability and responsibility approaches for hospitality should be in line with preservation and, hopefully, regeneration of natural environment and community fabric around the hospitality businesses (Bellato & Cheer, 2021) and cater for relevant and possibly transformative experiences for customers (i.e. the relational ecosystem within the hotel). In other words, there is the need for a bottom-up approach to sustainability and responsibility that bypasses meaningless standardization and compartmentalized interventions (Reed, 2007) designed for large corporations which struggle to make sense for independent hospitality businesses.

The regenerative approach is a systemic approach has been rising to prominence in recent years (Hahn & Tampe, 2021) and stems from an ecological and living systems worldview where the goal is to promote the conditions for all life to renew and restore (Reed, 2007) fostering a net-positive mentality towards the destination (Hahn & Tampe, 2021). In contrast to sustainability, the regenerative approach can be considered as going beyond the commercial logic (Hahn & Tampe, 2021) towards actively serving the ecosystems around the hospitality business. Regenerative development paradigm in wider travel sector promotes innovations by embedding tourism practices within local communities and ecological processes that elevate human and non-human wellbeing (Bellato & Cheer, 2021). Tourism can be in fact reshaped in a more sustainable, inclusive, and caring model (Cheer, 2020). In essence, to move from sustainability to the regenerative approach, there is a need to shift from net zero impact (or "doing less bad") to net positive impact ("doing more good"- Polman & Winston, 2022), enabling the well-being of all stakeholders and ecosystems.

The current literature mostly tackles the regenerative approach in the tourism industry, and more specifically with a systemic (Bellato et al., 2022) and destination angle (e.g. Fusté-Forné & Hussain, 2022). Regenerative tourism is here seen as a virtuous practice able to encourage systemic impact on nature and communities fostering land and cultural reappropriation promoting indigenous knowledge; at destination angle, regenerative tourism is therefore described as local bottom-up process focused on social ownership and decolonization (Bellato et al., 2023).

The regenerative hospitality approach starts from these premises but has a different scope. Regenerative hospitality can be in fact defined as a sustainable development paradigm where businesses are positioned as interventions that make the capacities of places, communities and their guests grow (Inversini et al., 2023; Ateljevic & Sheldon, 2022). Regenerative hospitality is a responsible business orientation (Inversini, 2023) that looks at hotels as changemakers at the destination level: hoteliers are the building block of destinations and – in most cases – they are already contributing to destination challenges and ecosystem development (Inversini et al., 2023).

Regenerative hospitality is designed around two main concepts:

- ‘place intelligence’ that is the outer hospitality layer with the natural and social ecosystem (Inversini et al., 2023); in these layers hotels engage a with net-positive orientation both towards natural ecosystem (i.e. regenerative farming and agriculture etc.) and towards the social fabric ecosystem (i.e. inclusivity, marginalized support etc.).
- the ‘people intelligence’ that is the inner hospitality layer with the relational and experiential ecosystems (Inversini et al., 2023). The net-positive orientation towards the place has an impact also in the inner layer that is the one promoting host-guest relationships with the co-creation of authentic – and often transformative – experiences involving both the nature and the community.

Central to the development of regenerative hospitality is what can be called the ‘regenerative mindshift’: this can be described as a shift of mind to implement regenerative approaches abandoning the current mechanistic vision to focus on an ecological worldview and to incorporate the living systems principles in a holistic way (Dredge, 2022).

Methodology

Moving from the literature above, this paper aims at understanding the peculiarities of regenerative hospitality businesses in rural Lebanon; specifically, it focuses on two biosphere reserves: Al Shouf Cedar Nature Reserve and Jabal Moussa Natural Reserve. Thanks to a case study approach (Yin, 2009) and based on the triangulation of three different data points, this research has been designed to generate an initial understanding of:

- [Objective 1] the net-positive contribution to place intelligence and people intelligence aspects in regenerative hospitality in rural Lebanon;
- [Objective 2] travelers’ perception of regeneration in rural Lebanon;
- [Objective 3]the peculiarities of the regenerative hospitality businesses in rural Lebanon.

In order to tackle these objectives, and in collaboration with the office of tourism and nature preservation of the two biosphere reserves, three complimentary methods have been used:

The quantitative survey was submitted to service providers in the selected areas by partner organizations. A total of 47 valid answers were collected. Although not statically relevant, this survey showed a lack of engagement with sustainability certifications, but a positive mindset of the wider hospitality sector towards regenerative practices (i.e. an interest in natural and social ecosystems). The survey has been analyzed only in a descriptive manner to shed lights on (i) place intelligence, (ii) people intelligence and (iii) regenerative mindset.

The desk research analyzed the reviews of all accommodations and restaurants in the selected areas. A total of 5,121 reviews were analyzed from Tripadvisor.com and Airbnb.com. Data went through lemmatization and co-occurrences were then analyzed and clustered (Inversini et al., 2020). Place intelligence and people intelligence were as key for interpretation of the clusters.

The qualitative fieldwork occurred from June 12 to June 16, 2023, in the two selected areas. Representatives from nineteen organizations operating in the accommodation and the food and beverage fields were interviewed. The sample featured accommodations and restaurants in the two biosphere reserves and was created thanks to the snowball technique. The semi-structured interviews were analyzed with an inductive coding strategy and revealed the characteristics of the Lebanese rural and regenerative hospitality businesses.

Results

Net Positive Contribution

The exploratory survey obtained 47 valid answers. 35 questionnaires were filled in English, 10 in Arabic and 2 in French. Most of the respondents belong to the guesthouse segment (n=29) and are located in a mountain area (n=36). Respondents showed a net positive attitude towards the nature and the community net positive contribution (i.e. place intelligence) and a strong tie with net-positive attitude towards visitors (i.e. people intelligence). Although in their self-assessment, most of the businesses said to engage in sustainability practices (n= 30), very few of them are involved in actual certifications.

By computing the average of the survey items related to (i) place intelligence and (ii) people intelligence and plotting them against the average of the survey items of (iii) regenerative mindset, it is possible to compare the results by reserve.

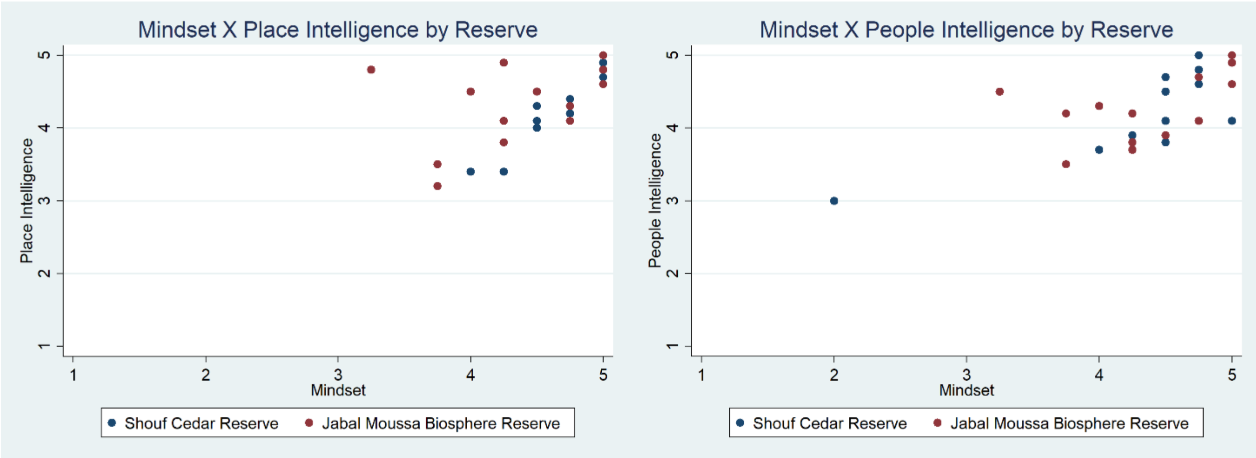


Figure 1.1 Mindset & Place Intelligence by Reserve | Figure 1.2 Mindset & People Intelligence by Reserve

Travelers Perception

Results showed that hospitality and restaurant establishments in the areas are leveraging heritage, culture and nature. Traditions in terms of food and excursions are dominating the scene on social media. There was general positivity in the reviews with no criticality highlighted.

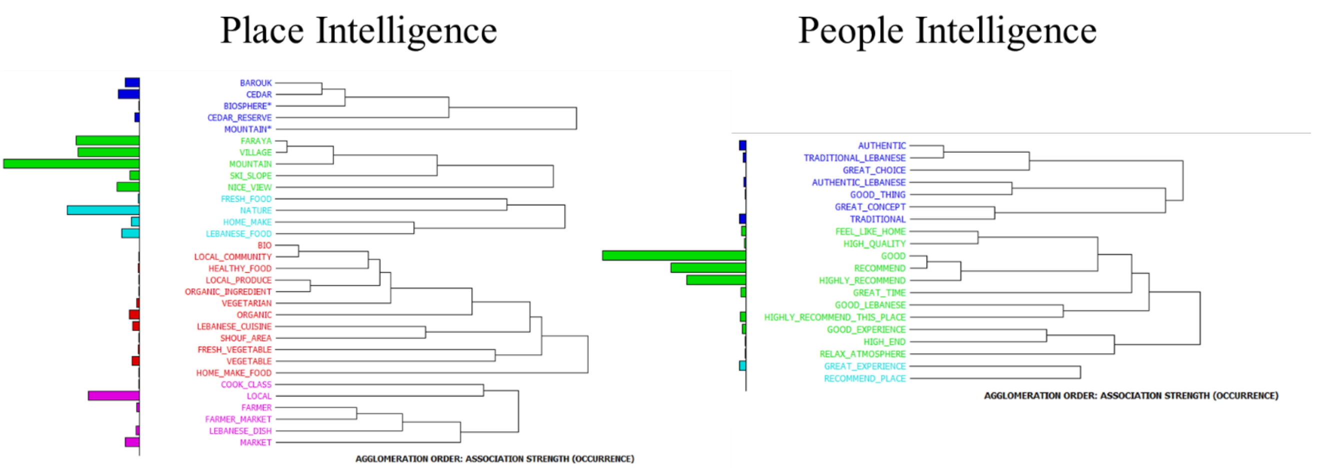


Figure 2.1 Place Intelligence Co-Occurrences Clusters | Figure 2.2 People Intelligence Co-Occurrence Clusters

Place intelligence

In the case of the outer dimension (i.e., nature and community – Figure 2.1), five clusters are formed. The blue cluster groups phrases related to both reserves. The Shouf Cedar Reserve with phrases such as *Cedar Reserve* and *Jabal Moussa Reserve* by mentioning places close by or activities in the area (e.g., *Faraya* and *ski slope*). Other clusters reference nature (i.e., light blue cluster) with phrases such as *bio, organic ingredient,* and *home make food;* and community (i.e., red cluster) with phrases such as *cook class, farmer market,* and *Lebanese dish.*

People intelligence

When only considering the inner dimension (i.e., guest experience – Figure 2.1), three clear clusters are formed. The blue cluster represents Lebanese tradition with phrases such as *authentic* and *traditional Lebanese*. The green cluster represents the positive experience of guests with terms such as *feel like home* and *highly recommend.*

Regenerative Hospitality in Rural Lebanon

Interviews were analyzed in a inductive way to shed lights on the main characteristics of Regenerative Hospitality in rural Lebanon. Four codes families have emerged from the analysis:

- Blending with Nature: in the two natural reserves visited, there was a clear attachment from the hospitality managers towards nature. Nature was the single most mentioned topic in the interviews. This bond was clear and strong and was also radiated in the actual experiences provided by the interviewees.
- Inclusivity at the Core: a very strong bond with the local socio-cultural landscape was observed. The managers were in most of the cases active members of the local community who seek to foster inclusivity (for disabled and/or marginalized people) and to support people's development and professional growth by encouraging them to be part of their entrepreneurial journey.
- Long Lasting Relationships: networks and relationships were noticed to be at the core of the Lebanese regenerative hospitality. Clusters of people interested in common challenges (i.e. nature or community issues) are naturally emerging in a bottom–up manner which also fosters the sharing of good practices among the industry.
- Blossoming Experiences: the above points resulted in newly created and crafted experiences which leverage both the community and nature. This approach to human and non-human ecosystems is de facto fostering creativity in new businesses that wish to maintain a meaningful relationship with the natural environment and to support community regeneration.

Discussions and Conclusions

This contribution presents the preliminary results of a case study on regenerative (Reed, 2007) hospitality in rural Lebanon with a focus on (i) Shouf Cedar Reserve and (ii) Jabal Moussa Reserve. Thanks to a data triangulation (descriptive survey, social networking analysis and semi-structured interviews) this research highlights:

- the correlation between regenerative mindset and (i) place intelligence and (ii) people intelligence in the studied case (Objective 1). The analyzed properties (Figure 1.1 and Figure 1.2) show the majority of respondents having a correlation between the construct 'mindset' and 'place intelligence' and 'people intelligence'.
- the customers' perception extracted from online reviews, shows an understanding of the natural and social connection in the accommodations and restaurants analyzed and highlights the concepts of authenticity of the experiences proposed (Objective 2).
- the inner characteristics of regenerative hospitality in rural Lebanon are essentially base on four interconnected pillars which are: (i) nature, (ii) community – exemplifying the place intelligence and (iii) relationships and (iv) meaningful experiences – exemplifying the people intelligence.

This paper presents the first attempt to investigate the mindset, the place intelligence, and the people intelligence (Inversini et al., 2023) in the context of regenerative hospitality; Lebanese rural hospitality can be seen as a case study of regenerative economy, fostering a net-positive impact on inner and outer thanks to a regenerative mind shift. Future research will delve into the regenerative hospitality issue moving from the dimensions here presented (Inversini et al., 2023) minimizing the limitations of the current research which can be summarized in (i) case study approach with low generalization possibility, (ii) limited sample size for the quantitative investigation and (iii) not clearly defined borders for the social media analysis.

References

Ateljevic, I., & Sheldon, P. J. (2022). Guest editorial: Transformation and the regenerative future of tourism. Journal of Tourism Futures, 8(3), 266-268.

Bellato, L., & Cheer, J. M. (2021). Inclusive and regenerative urban tourism: Capacity development perspectives. International Journal of Tourism Cities, 7(4), 943-961.

Bellato, L., Frantzeskaki, N., & Nygaard, C. A. (2023). Regenerative tourism: a conceptual framework leveraging theory and practice. Tourism Geographies, 25(4), 1026-1046.

Cheer, J. M. (2020). Human flourishing, tourism transformation and COVID-19: A conceptual touchstone. Tourism Geographies, 22(3), 514-524.

Derchi, G.B., & Inversini, A. (2021). Benefits and difficulties of CSR management in travel and leisure companies. EHL – Hospitality Insights. Retrieved from https://hospitalityinsights.ehl.edu/csr-management-travel-leisure on 03.2024

Dredge, D. (2022), “Regenerative tourism: transforming mindsets, systems and practices”, Journal of Tourism Futures, Vol. 8 No. 3, pp. 269-281, doi: 10.1108/JTF-01-2022-0015.

Fusté-Forné, F., & Hussain, A. (2022). Regenerative tourism futures: a case study of Aotearoa New Zealand. Journal of Tourism Futures, 8(3), 346-351.

Hahn, T., & Tampe, M. (2021). Strategies for regenerative business. Strategic Organization, 19(3), 456-477.

Inversini, A., Saul, L., Balet, S., & Schegg, R. (2023). The rise of regenerative hospitality. Journal of Tourism Futures.

Inversini, A. (2024). Regenerative Hospitality: what it is, what it is not, what it might be. Hotel Year Book, 2024. Retrieved from h https://www.hotelyearbook.com/article/122000314/regenerative-hospitality-what-it-is-what-it-is-not-what-it-might-be.html on 03.2024

Inversini, A., Williams, N. L., Rega, I., & Samakovlis, I. (2020). Modelling Twitter conversations in# favela towards the conceptualization of the eVoice of the unheard. Journal of information, communication and ethics in society, 18(4), 529-551.

Legrand, W., Chen, J. S., & Laeis, G. C. (2022). Sustainability in the hospitality industry: Principles of sustainable operations. Taylor & Francis.

Polman, P., & Winston, A. (2022). Becoming a courageous, Net positive leader. Leader to Leader, 2022(103), 25-30.

Reed, B. (2007). Shifting from ‘sustainability’to regeneration. Building Research & Information, 35(6), 674-680.

Yin, R. K. (2009). Case study research: Design and methods (Vol. 5). Sage.

2.3 Sustainable Luxury Hotel Development: Exploring Initiatives in the Qatar Hotel Industry

Nazia Ali,
Alison Maton | ORCiD: 0000-0002-6299-523X

Buckinghamshire New University, United Kingdom

Abstract

Sustainable luxury hotel development plays a vital role in understanding the relationship between sustainability and luxury, especially in contributing to the debates on them being 'comfortable' or 'strange' bedfellows' and challenging (mis)conceptualizations of them being 'oxymorons'. Working with these viewpoints the goal of the paper is to create a bridge between sustainability and luxury, to show that sustainability and luxury can be 'comfortable bedfellows' and therefore take an exception to them being 'oxymorons' Through secondary data collection the research presents findings of sustainable practices of four luxury hotels in Qatar, which showcases the balance between luxury and sustainability. The findings illustrate how luxury hotels in Qatar take into consideration the cultural, religious and social landscape of the destination as part of their sustainable business initiative as they balance luxury and sustainability. The paper also identifies challenges and opportunities for the Qatari luxury hotel market and proposes directions to enhance sustainability.

Key Words:
Luxury, Hotels, Qatar, Sustainability, Sustainable Luxury Hotel Development

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Paper

Introduction

The purpose of this paper is to inspect sustainable luxury hotel development in Qatar to build a bridge between sustainability and luxury to challenge the perceptions of sustainability and luxury being 'strange bedfellows' and 'oxymorons'. The broad aim of the research is to explore the role of the Qatari hotel industry in making a more sustainable world by delivering a luxury hotel experience that seeks to create a symbiotic relationship between sustainability and luxury. The main research questions are: (1) What are the defining characteristics of luxury hotels in Qatar? (2) What are the sustainable practices in hotel operations and functions of luxury properties in Qatar? (3) How are Qatari luxury hotels driving green innovation in their efforts to be sustainable? (4) Is there a symbolic relationship between sustainability and luxury in the Qatari hotel sector? The paper inspects four luxury hotels in Qatar, two are silver ETIC certified luxury hotels and two bronze ETIC certified luxury hotels. To ensure anonymity, the hotels have been deidentified by using pseudonyms and information redacted from references. The two silver certified hotels are: Bakr Boutique Hotel, and Amal Hotel, and the two bronze certified hotels are: Sultana Resort, and Malik Hotel. For this study, luxury hotels are defined as those awarded a five-star rating by a recognized awarding body (e.g., Qatar National Tourism Council). As star ratings are heterogeneous in different countries and perceptions of luxury vary between populace, the definition of luxury hotels is strengthened by those that meet the characteristics of luxury brands (Swarbrooke, 2018): exclusivity through price, exclusivity due to rarity, superior quality, personalization, high reputation, status, and superior service.

Qatar is selected for two reasons, firstly to align with the EuroCHRIE destination for the conference this year and secondly, it is "emerging as a powerhouse" in five-star luxury hotels in the Middle East with close to 100 properties (Breaking Travel News, 2024). Statista (2024), notes Qatar's hotel market is evolving rapidly with a focus on luxury, innovation and sustainability to attract high-end tourists seeking personalized services and unique amenities, thus aligning to Swarbrooke (2018) characteristics of luxury brands. Statista (2024), further reports Qatar's rise in the development of boutique hotels and eco-friendly resorts, catering to the preferences of environmentally conscious travelers (Nair and Choudhary, 2016). The sustainability practices of luxury hotels reflect the utilitarian and hedonic values of customers (Dang-Van *et al*. 2023) and sustainable services in hotels encourages pro-environmental behaviour of hotel guests (Puciato *et al*. 2023). Moreover, one of the National Vision 2030 pillars on environmental development is dedicated to the triple bottom line (i.e., people, planet and profit) of sustainability (Government Communications Office Qatar, 2024). Therefore, striking a balance between sustainability and luxury in the hotel industry is a priority at a national level. It can be argued that Qatar is well placed to capitalise on the growing demand for luxury hotels with sustainable credentials and to become a leader in the sustainable luxury hotel development, especially with the accelerated growth of luxury hotels. Importantly the goal of the paper is to create a bridge between sustainability and luxury, to show that sustainability and luxury can be 'comfortable bedfellows' and therefore take an exception to them being 'oxymorons'.

Literature Review

Luxury Hotels, Sustainable Development and Sustainable Luxury Hotel Development

Luxury hotel development remains strong, with the global market valued at 140.28 billion USD in 2023, projected growth to 154.32 billion USD in 2024, rising to 369.36 billion USD by 2025 (Fortune Business Insights, 2024). Statista (2023) reports a continued growth in the supply of luxury hotel rooms from 525,000 in 1983 with a forecast to 1,712,000 for 2033, demonstrating that consumer demand for luxury hotels will continue. Despite myriad external global economic and social pressures, demand for sustainable luxury hotels is growing. Contributing factors are attributed to household income, with Mintel, (2024), finding those staying in luxury hotels have a household income above 50,000 GBP, and therefore are less impacted by current economic pressures (Swarbrooke, 2018). Furthermore, the public perceive sustainable holidays demand a premium price, thus heightening their appeal to the luxury market. Research by Mintel, (2023) found that 75% of travelers thought that sustainable holidays are more expensive than other types of holidays, thus in theory, making luxury and sustainable hospitality companions. However, it is not this simple as luxury hotels consume far more water per capita than non-luxury tourists (due to their demand for private pools, lush gardens etc.), and destination dependent usage can be in excess of eight times more than the local residents (Sustainable Hospitality Alliance, 2018, Kasim, 2007), leaving destinations vulnerable to drought (World Resources Institute, 2019). Clearly, there is a challenge here for luxury hotels branding themselves as sustainable, due to the juxtaposition of negative environmental impacts to sustainable characteristics.

The Market for Sustainable Luxury Hotel Development

The luxury hotel sector, as Dang-Van *et al*. (2023) note has played a vital role in the sustainable development of the hospitality industry, the economy, and the growth of the hospitality industry. The sustainability practices found in the supply chain and services of hotels further enhance consumer brand identification, as green innovation represents superior values and unique experiences for guests (Dang-Van *et al*. 2023). In view of this superiority and uniqueness, generally synonymous with the lucrative high-end luxury hospitality market, customers may display an acceptance to the higher prices associated with the sustainable luxury encounter, expectation and experience, especially those with higher purchasing power and status. As Puciato *et al*. (2023: 106) note "guests with higher financial status and education as well as younger guests" are more likely to show a willingness to pay higher prices for sustainable hotel services. Moreover, there is an increasing consumer market segment for sustainable luxury hospitality choices due to heightened environmental consciousness among travelers, as "guests want to stay in a place that is managed efficiently and responsibly" (Teng cited in Hickson, 2013: 161). Paradoxically, this does not necessarily suggest that during their stay guests in luxury hotels engage with sustainable practices, especially given sustainability efforts of luxury hotels do not override the consideration of price (Mathur, 2019). Other reasons for adopting and implementing sustainable luxury hotel development are due to Corporate Social Responsibility (CSR) missions, regulatory pressure, cost reduction, competitive advantage, stakeholder influence (Pereira *et al*. 2021). For Tang and Tang, (2012) excelling on social and environmental dimensions can improve business performance, especially in the current societal landscape where the consumers have a greater CSR orientation.

Misconceptions of Sustainable Luxury Hotel Development

There has been much debate about the conflicts, connotations and contradictions inherent in the relationship between sustainability and luxury in the hospitality and tourism industries. Complexities in application and conceptualization further contribute to misconceptions as sustainability and luxury are also multidimensional terms with a range of understandings and underpinnings. A review by Low (2010) of the term luxury highlighted ambiguity in definition due to a range of descriptors associated with negative (e.g., dangerous, naughty, wicked) and positive (e.g., iconic, prestige, uniqueness) meanings. Sustainability is also a multifaceted concept that can be considered in an economic, environmental and social context, and inherent within these are a range of philosophical, political and practice-based perspectives. The concept of sustainable luxury in the context of hospitality and tourism has raised the question: are these (i.e., sustainable and luxury) an oxymoron or 'bedfellows'? (Low, 2010; Moscardo & Benckendorff, 2010, Tran, 2023). Sustainable and green innovative practices such as water conservation, energy-efficient lighting, waste reduction, eco-friendly products, reduction of carbon emissions and recycling have been criticized for releasing high levels of carbon emissions, creating inequalities and ecological and environmental degradation (Serradas, 2021; Tran, 2023) and being acts of greenwashing that undermines green accountability, patronage and transparency (Alyahia *et al*. 2024; Ling and Aziz, 2021; Peng and Chen, 2019). Conversely, misconceptions of sustainable luxury hospitality can be overcome through education programs for managers, staff and guests, implementing a Sustainable Business Model, and adopting sustainable strategies in marketing efforts (Mathur, 2019).

Methodology

The research explores sustainable luxury hotel developments in Qatar that have been recognized as ethical and sustainable by integrating pro-environmental initiatives and practices into business operations and services. Sustainable luxury hotel developments in this study were identified from ETIC Hotels, an online booking platform for travelers looking to book "sustainable and eco-friendly hotels' in Africa, America, Asia, the Caribbean, Europe, the Middle East, and the Pacific. ETIC Hotels award global hotels a Green Standard with Gold, Silver or Bronze certification, which assesses properties across four pillars: (i) Environment – Preserving Our Planet's Beauty, (ii) Social Responsibility – Empowering Communities, (iii) Culture and Site Protection – Embracing Heritage, and (iv) Sustainable Management – Nurturing Responsible Leadership (ETIC Hotels, 2024a). There are sub-categories within the four pillars: Conserving Resources, Reducing Pollution, and Conserving Biodiversity for the Environment, Fair Trade, Labor Rights, and Services for the Social, Cultural Visits and Promotions, Historical Artefacts, Protection of Sites, and Incorporation of Culture for Culture and Site Protection, Sustainable, Buildings and Infrastructure, Adaptive Incorporation for Sustainable Management (ETIC Hotels, 2024a). Hotels are scored out of 10 for certification: Gold is 8.0 to 10, Silver is at least 6.0, and Bronze is below 6.0 (ETIC Hotels, 2024a). ETIC Hotels index of sustainable luxury hotels (rated 5-Star) was selected for this research as the scoring categories relate closely to philosophy, principles and practices of environmental ethics and sustainability and the literature that has been reviewed for this paper. The selection criteria were the highest and lowest silver and bronze certified five-star hotels in Qatar – there are currently no luxury hotels with a gold certification in Qatar. If more than one property had the same score, the researchers calculated the total score across the four pillars. If there was still more than one luxury hotel with the same score, then the hotel with the highest carbon footprint according to Carbon-dioxide emissions (CO2e) by kilograms (kg) per night was chosen. The reason for selecting the luxury hotel with the highest CO2e score was based on the premise that it has a greater environmental impact, and it would be interesting to examine its sustainable practices. The two silver ETIC certified luxury hotels selected were: Bakr Boutique Hotel, and Amal Hotel, and the two bronze certified luxury hotels chosen were: Sultana Resort, and Malik Hotel – for matters of anonymity these are pseudonyms to conceal the actual names of the luxury hotels and ____ is used to deidentify references, although information is publicly available. A thematic analysis of the findings was conducted based on the research questions and review of literature, from which common themes were identified evidencing 'luxury', 'green innovation', 'pro-environmental behavior', 'sustainable practices' and 'sustainability'.

Discussion of Results

Bakr Boutique Hotel

Bakr Boutique Hotel in Qatar, a 5-star hotel is located in a popular tourist Souq in Qatar renowned for its heritage (____,2022). The Souq is home to the "most luxurious hotels in Qatar" boasting eight 5-star hotels which are a hybrid of "authentic Qatari hospitality with modern touches" and rich in heritage and tradition (____,2022). The Bakr Boutique Hotel is a notable and award-winning property in Qatar (Breaking Travel News, 2024; World Travel Awards, 2024). The defining characteristics of luxury that Bakr Boutique Hotel use to describe their property are 'absolute comfort', 'dynamic', 'elegant', 'fine', 'first-rate amenities', 'haven', 'indulge', 'impeccable', 'ornate', 'peace', 'privacy', 'regal', 'sophisticated', 'stylish', and 'tasteful' (____, 2024a). The design of the Bakr Boutique Hotel is inspired by the Qatari culture, describing it's the luxurious landscape as "a sophisticated place that combines hospitality and luxury" (____, 2022). As the hotel design and décor reflects the local culture of the destination, and the restaurants serve a range of Arabian culinary delights comprising of local dishes, it can be noted that there is an essence of cultural sustainability rooted in the experiences and representations of luxury in the Bakr Boutique Hotel.

ETIC Hotels has ranked Bakr Hotel as one of the '8 most ethical and sustainable hotels in Qatar', certified with a Silver Green Standard and an overall score of 6.8/10. Justification for this score is due to initiatives in place to promote Environmental, Social and Governance / Corporate Social Responsibility practices (ETIC Hotels, 2024b). This Silver Green Standard award for Bakr Boutique Hotel takes into account the scores across ETIC Hotels four pillars: (i) Environment: 5.7, (ii) Social: 6.6, (iii) Culture and Site Protection: 8.8, and (iv) Sustainable Management: 6.6. However, the rating by ETIC Hotel does not appear on ____ booking site for Bakr Boutique Hotel and it does not feature on a local tourist information site (https://____.qa/hotel/____-hotel/), which could possibly undermine consumer brand identification for those seeking superior values and unique experiences from luxury hotels. Those booking via ETIC Hotels are likely to be travelers searching for ethical and sustainable travel options, however there is little to inform them about the sustainability endeavors of Bakr Boutique Hotels as part of their luxury hospitality experience.

Bakr Boutique Hotel is part of the ____ Hotels and Resorts, a luxury hotel group, ____ overriding sustainability policy is based on three areas: human development, environmental protection and development of the local economy (____, 2024b). Regarding environmental protection ____ Hotels and Resorts seeks to participate in local environmental projects through voluntary management of carbon emissions and reduce the impacts of their activity through efficiency in operations (____, 2024b). This can be extended to Bakr Boutique Hotel's sustainable endeavors as they are part of this hotel group. Generally, Bakr Boutique Hotel's initiatives are skewed towards environmental sustainability in terms of energy efficiency and practices to reduce-reuse-recycle, which encourages pro-environmental behavior at an organizational and guest level. Energy efficient initiatives are water-efficient toilets and showers, most lighting using energy-efficient LED bulbs, double-glazed windows, use of 100% renewable electricity, key card or motion-controlled electricity, option for guests to opt-out of daily room cleaning and offsetting a portion of its carbon footprint (ETIC Hotels, 2024b). Reduce-reuse-recycle materials include recycling bins for guests, recycling waste, water cooler/dispenser, no single-use plastics for in-room toiletries (e.g., miniature shampoo, conditioner, and body wash bottles) and food and beverage items (e.g., straws, beverage bottles, cups, or cutlery/plates), reduce food wastage, and reuse of towels (ETIC Hotels, 2024b). Additionally, as part of their sustainability efforts the Bakr Boutique Hotel provides guests with information about the local area (e.g., local ecosystems, heritage, culture, and visitor etiquette) (ETIC Hotels, 2024b). Bakr Boutique Hotel's sustainable efforts closely relate to the United Nations Sustainable Development Goals (SDGs) 2030: SDG Goals 6 – Clean Water and Sanitation, SDG Goal 9: Industry Innovation and Infrastructure, SDG Goal 11: Sustainable Cities and Communities, and SDG Goal 15: Life on Land (United Nations, 2024).

Amal Hotel

The Amal Hotel in Qatar is a 5-star hotel found in a Souq that is home to the most luxury hotels in Qatar, providing a blend of authenticity and modernity in the famous historic market (____, 2022). The design of the Amal Hotel is a celebration of traditional architecture with contemporary Arabic style and described as a "tranquil oasis", "Arabian sanctuary", "indulgence", "true comfort", and "opulent" (____, 2024c) – a representation of elegance that is synonymous with the DNA of luxury hotels in Qatar. Amal Hotel is "inspired by Qatari homes and hospitality, showcasing a mix of Arabic flair and European elegance" (Breaking Travel News, 2019) infused with connotations of luxury. The defining terms Amal Hotel uses to represent luxury are 'elegant', 'luxurious', 'prized', 'pure enjoyment', 'signature', 'sophisticated style', 'state-of-the-art', and 'stylish' (____, 2024c). The word 'authenticity' features several times on Amal Hotel's website to describe the culinary experiences, room facilities, and hotel design that has a deep connection with local culture.

ETIC Hotels certified Amal Hotel with a Silver Green Standard and a score of 6/10, which considered the property's Environmental, Social and Governance/ Corporate Social Responsibility initiatives (ETIC Hotels, 2024c). Amal Hotel's ETIC Hotels Silver Green Standard award reflects the scores across the four pillars: (i) Environment: 4.5, (ii) Social: 6.4, (iii) Culture and Site Protection: 7, and (iv) Sustainable Management: 6.3. However, Amal Hotel's Silver Green Standard award from ETIC Hotels is not displayed or mentioned on ____'s booking site or the local tourist information webpage for this specific property, therefore overlooking the ethical travel market for those searching for sustainable luxury hotels in Qatar. Thus, forgoing the emotional connections and brand identifications of travelers searching for a sustainable luxury hotel experience that aligns with their utilitarian and hedonic values for sustainable and green travel.

There are a host of green innovative and sustainable practices across the property, akin to the Bakr Boutique Hotel, such as energy efficiency and reduce-reuse-recycle initiatives. Efficient use of energy has been demonstrated in the use of water-efficient toilets and showers, giving guests the option to opt-out of daily room cleaning, energy-efficient LED bulbs, double-glazed windows, 100% renewable electricity, and offsetting a portion of their carbon footprint. As the Amal Hotel is owned by the same luxury hotel group as Bakr Boutique Hotel, the same sustainability policy applies and includes participating in local environmental projects through voluntary management of carbon emissions and ensuring efficiency in operations and activities to minimize impacts (____, 2024b). Reduce-reuse-recycle practices are the use of recycling bins for guests, recycling waste, no single-use plastics (e.g., miniature shampoo, conditioner, and body wash bottles, straws, cups, cutlery/plates), reduce food waste, and encouraging the reuse of towels (ETIC Hotels, 2024c). In contrast to the Bakr Boutique Hotel, Amal Hotel extends its sustainability efforts to conservation of nature by not consuming, displaying and harvesting wild animals or holding them captive on the property (ETIC Hotels, 2024c). Beyond environmental sustainability, Amal Hotel promotes social and economic sustainability practices by disseminating information to guests about the local area (e.g., local ecosystems, heritage, culture, and visitor etiquette) which can be seen as a way to nurture host-guest relations, and sourcing food locally, which has several benefits such as contributing to local economies, reducing carbon footprint, preserving local agricultural traditions (ETIC Hotels, 2024c). Amal Hotel's sustainable endeavors closely align with the United Nations Sustainable Development Goals (SDGs) 2030: SDG Goals 6 – Clean Water and Sanitation, SDG Goal 9: Industry Innovation and Infrastructure, SDG Goal 11: Sustainable Cities and Communities, and SDG Goal 15: Life on Land (United Nations, 2024).

Sultana Resort

Sultana Resort is a five-star property in Qatar and is part of the ____ Hotel Group owned by ____, which is subsequently owned by ____. The Sultana Resort is a luxurious family destination located along the Arabian Gulf with words such as 'exceptional', 'indulge', 'lavish', 'plush', 'private', 'signature', 'sophisticated', 'stylish haven', 'unparalleled' to reflect luxury (____, 2024). The hotel has received a range of awards from leading hospitality organisations including Booking.Com, Trip Advisor, Agoda, ISO, and World Travel Awards. Details cannot be found on the hotel website about the extent to which the design of the property has been influenced by local Arabian culture, however one of the hotels restaurants uses 'fresh and locally harvested ingredients'. Therefore, there is an element of cultural sustainability by forming associations with local identities through sustainable food cultures.

ETIC Hotels has certified Sultana Resort with a Bronze Green Standard and a score of 5.0/10. Justification for this score is due to initiatives in place to promote Environmental, Social and Governance / Corporate Social Responsibility practices (ETIC, 2024d). Across ETIC Hotels pillars, Sultana Resort has scored for: (i) Environment: 5.7, (ii) Social: 5.6, (iii) Culture and Site Protection: 3, and (iv) Sustainable Management: 5.8. However, Sultana Resorts Bronze Green Standard award from ETIC Hotels is not displayed or mentioned on their booking site, indicating they are also missing out on travelers who are seeking a sustainable luxury hotel experience. Moreover, the hotel group that Sultana Resort is part of does not appear to have any sustainability policies. Their CSR webpages detail their intention to grow their local supplier network to bring economic worth and empowerment to communities where they are active, and to reduce their energy and water consumption; specific details of how this will be achieved were not provided. The detail on their CSR pages directly links their CSR activities to economic cost savings associated with being energy efficient (____, 2013). Their website was last updated in 2013, yet it is evident from the ETIC rating that significant progress has been made since then to improve the sustainability of their operations to include initiatives that encourage social development and better environmental management, which aligns to Qatar's National Vision 2030 (Government Communications Office Qatar, 2024).

To achieve its ETIC Bronze rating, the hotel has significantly reduced its usage of single-use plastics and disposable items e.g., not supplying miniature toiletries, stirrers, disposable cups, and cutlery/plates, and reuse of towels, reduce food waste, which indicates the implementation of reduce-reuse-recycle initiatives. For energy efficiency, Sultana Resort have also installed low-flow toilets and showers, guests can opt-out of daily room cleaning, utilises 100% renewable energy to power its operations, with majority LED bulbs and double-glazed windows installed. Regarding conservation efforts, Sultana Resorts has kept interaction with wild animals to a minimum and the animals are not harvested, consumed or sold. There has also been a movement towards social sustainability practices by sourcing local, organically grown food wherever possible, tours provided are organised by local guides, and the hotel provides a platform for local artists to promote their work and educate guests about local ecosystems, heritage, culture and visitor etiquette. These initiatives align to SDG 6: Clean Water and Sanitation, SDG 8: Decent Work and Economic Growth, SDG 9: Industry, Innovation and Infrastructure, SDG11: Sustainable Cities and Communities and SDG 15: Life on Land (United Nations, 2024).

Malik Hotel

Malik Hotel is a five-star property in Qatar that is part of the ____ group's collection of luxury properties. The defining elements of luxury can be found in such words as 'epitome of luxury', 'luxurious', 'majestic', 'palatial', 'royal', and 'signature', which the Malik Hotel uses to showcase their property (____, 2024a). The connection with local culture is noted with reference to an 'oasis of indigenous scented gardens' and 'genuinely indigenous experience' (____, 2024a). The natural landscape is central to the hotel's design of contemporary luxury, possibly given its hybrid locality in-between the desert and city center. Here, Malik Hotel attempts to draw in physical features of the environment to re-create a sense of authenticity, however this does bring into question the consumption of water to maintain the oasis of flora across the property.

ETIC Hotels has certified Malik Hotel with a Bronze Green Standard and a score of 5.9/10. The justification for this score is due to initiatives in place to promote Environmental, Social and Governance / Corporate Social Responsibility practices (ETIC, 2024e). The ratings across the ETIC Green Scores are (i) Environment: 5.7, (ii) Social: 6, (iii) Culture & Site Protection (5.6), (iv) Sustainable Management (6.3). To achieve its ETIC Bronze rating, they have implemented all of the same practices as its bronze counterpart, the Sultana Resort, in terms of environmental sustainability, but additionally uses key cards or motion-controlled electricity and offsets a proportion of its carbon footprint. Moreover, the hotel offers vegetarian and vegan menu options, offering guests greater choice whilst reducing meat production and consumption, which has been linked to climate change and biodiversity loss (Stoll-Kleemann and Schmidt, 2016). These initiatives support a triple bottom line approach to sustainability and align to SDG 8 (Decent Work and Economic), SDG 9 (Industry Innovation and Infrastructure) and SDG11 (Sustainable Cities and Communities). Furthermore, the ____ Group have a robust sustainability policy, which shows a "commitment to responsible and sustainable business practices" that "benefits the environment and the communities" surrounding their hotels (____, 2024b). Malik Hotel has received the Green Key Eco-Rating Program certification and is certified by The Green Key, and they also declare their carbon footprint, all listed on the hotel's webpage in a section dedicated to sustainability. However, Malik Hotel's Bronze Green Standard award from ETIC Hotels is not displayed or mentioned on their booking site, which may mean they are missing out on travelers who are seeking a sustainable luxury stay in Qatar.

Conclusion

As demonstrated, luxury hotels in Qatar, are already employing many environmental sustainability practices that are energy efficient, promote reduce-reuse-recycle initiatives and also extend to include social sustainability endeavours. The findings presented in this paper show that much is skewed towards environmental sustainability in terms of energy efficiency and environmentally friendly waste management, with little emphasis on social and cultural sustainability. The ETIC Green Standard certification awarded to the hotels examined in this paper hold Silver and Bronze score ratings, and take into account environmental, social and governance / corporate responsibility practices of hotels in Qatar. Regarding the ETIC Hotels four pillars, on average the highest score was awarded in Sustainable Management (6.2), followed jointly by Social (6.1) and Culture and Site Protection (6.1) and Environment (5.4). The sustainability activities of the hotels detailed in this study align effectively to its four interconnected pillars of human development, social development, economic development, and environmental development as set out in Qatar's Vision 2030 (Government Communications Office Qatar, 2024) and to several SDG goals specifically SDG 6: Clean Water and Sanitation, SDG 8: Decent Work and Economic Growth, SDG 9: Industry, Innovation and Infrastructure, SDG11: Sustainable Cities and Communities and SDG 15: Life on Land (United Nations, 2024). Given the environmental and social sustainability practices, related accolades and awards, and alignments with national and global sustainability agendas, this evidences hotels in Qatar attempting to create a bridge between luxury and sustainability. It can be argued in this case, hotels are working towards creating symbiotic relationship between sustainability and luxury, which challenges notions of the two being 'strange bedfellows' and 'oxymorons'. Therefore, luxury can sit 'comfortably' as a 'bedfellow' alongside sustainability, however this requires robust policies, impact assessments, and a holistic approach to sustainable development that considers cultural, economic, environmental and social dimensions of sustainability.

An improved balance of societal and environmental factors with the economic benefits gained from CSR activities would ensure a greater contribution to the triple bottom line. Maintaining the economic contributions enables reinvestment into the properties but could also be used to further improve the sustainability of their operations. Focusing on the economic benefits of sustainable operations does not fulfil the triple bottom line approach to sustainability, which has become the accepted definition (Cavagnaro, 2018, Robertson, 2021, The Brundtland Commission, 1987, World Conservation Union, 1991). Therefore, when seeking to be energy efficient sustainable luxury hotels need to put planet and people before profit, by looking beyond energy efficiency as simply a cost saving activity – thus highlighting their environmental ethics in their business conduct.

Qatar is a destination where sun, sea and sand (i.e., desert) are accessible all year round. This strength also presents a challenge, specifically operating luxury hotels that require high-water consumption in an arid landscape with minimal rainfall. Consideration should be given by hotel operators and the Qatari Government to how energy consumption required to meet the demand of developing more luxury hotels and associated infrastructure will be offset, particularly in the sustainable sourcing of water so it does not result in localized drought (World Resources Institute, 2019). Given Qatar's year-round sunshine, adopting alternative and renewable sources of energy such as solar panels would be fitting (Glion, 2023).

Many sustainability practices of the hotels discussed in this paper focus on pro-environmental actions that are common across the accommodation sector, and a standard expectation from hotels whether or not they claim to be sustainable properties in the luxury market. The use of technology, as an innovative approach to sustainability, appears to be absent in the cases examined, nevertheless there is potential to use advanced technologies to create a harmonious relationship between sustainability and luxury in Qatar's hotel industry. For example, real-time monitoring and data collection of water and energy consumption – Marriot International is using AI as part of their energy management system, and real-time feedback to guests on their energy consumption with reward schemes to incentivise sustainable behaviour (Hospitality Net, 2024), use of virtual reality as part of the guest experience to showcase sustainability efforts (Safonov, 2023), and digital tracking of food to reduce waste with many leading brands (e.g., Accor, Hilton, and Mandarin Oriental) using the automated AI system Winnow (Accor, 2023, Hilton, 2024, Mandarin Oriental, 2024).

There are several ways luxury hotels in Qatar are driving green innovation in their efforts to be sustainable, which hotels operating in similar political, social, economic, and environmental landscapes with the ambition to bring together sustainability and luxury can learn from. In particular, as most of the cases explored in this paper illustrate, sustainability and luxury play a key role in the promotion of the heritage of place and protection of local cultures through architecture, behaviour, and cuisine that is embedded in the design and experience of sustainable luxury hotels. Opportunities that could be developed further are to better package sustainability as part of the luxury hotel experience, to increase the visibility of the awarded sustainability certifications, such as the ETIC Hotels Green Standard and making direct reference to the concept of sustainability on their webpages. Including certifications such as ETIC Hotels Green Standard in their marketing materials may help to enhance their appeal to the eco-conscious luxury traveller, providing assurance their operations are culturally, socially, environmentally and economically relevant for the destinations in which they operate. Also, hotels may want to consider weaving the narrative of sustainability into their descriptions of luxury to bring these experiences together to present a stronger case of luxury and sustainability being 'bedfellows'. Another opportunity could be to produce and implement robust sustainability polices where these do not exist. Where they do, ensure they align to the SDGs and wherever possible localize their implementation to align with Qatar's National Vision 2030. By optimising the opportunities, overcoming challenges and sharing best practices there is significant potential for Qatar to become a world leader in the luxury sustainable hotel market, whilst remaining globally competitive and showcasing their leadership in sustainable luxury hotel development. Operating on the premise that luxury and sustainability cannot be compromised as both are of equal importance and priority.

References

Accor (2023) Tackling Food Waste: a Spotlight on Our Teams Making a Difference. https://group.accor.com/en/Actualites/2023/09/Tackling-Food-Waste.

Alyahia, M.; Azazz, A.M.S.; Fayyad, S.; Elshaer, I.A.; Mohammad, A.A.A. (2024). Greenwashing behavior in hotels industry: the role of green transparency and green authenticity. *Sustainability*, 16, 1050. https://doi.org/10.3390/su16031050.

Breaking Travel News (2019). ____ by ____ opens in ____, Qatar. https://www.breakingtravelnews.com/news/article/____-by-____-open-in-____-qatar/.

Breaking Travel News (2024) Breaking Travel News explores: Five-star luxury in Qatar. https://www.breakingtravelnews.com/focus/article/breaking-travel-news-explores-five-star-luxury-in-qatar/.

Caragnaro, E. (2018). *Sustainable Value Creation in Hospitality: Guests on Earth.* Oxford: Goodfellow Publishers Ltd.

Dang-Van, T., Vo-Thanh, T., Wang, J., & Nguyen, N. (2023). Luxury hotels' green practices and consumer brand identification: The roles of perceived green service innovation and perceived values. *Business Strategy and the Environment*, 32(7), 4568–4583. https://doi.org/10.1002/bse.3381.

ETIC Hotels (2024a) Etic Hotels Green Standard (EGS). https://etichotels.com/etic-green-standard-egs.

ETIC Hotels (2024b). ____ Boutique Hotel - ____ Boutique Hotels by T____. https://etichotels.com/____-boutique-hotel---____-boutique-hotels-by-____/-?src=countries&regid=6&conid=173&cityid=0&fromdt=na&todt=na&adlts=2&chlds=0&search_txt=____%20____%20Boutique%20Hotel%20-%20____%20____%20Boutique%20Hotels%20by%20____,%20&search_id=ht-14615&hotel_id=14615.

ETIC Travel (2024c). ____ Hotel by ____. https://etichotels.com/____-____-hotel-by-____/-?src=countries&regid=6&conid=173&cityid=0&fromdt=na&todt=na&adlts=2&chlds=0&search_txt=____%20____%20____%20____%20by%20____,%20&search_id=ht-14652&hotel_id=14652#ETIC_ratings.

ETIC. (2024d). ____ Resort. https://etichotels.com/____ ____-resort/-?src=countries&regid=6&conid=173&cityid=0&fromdt=na&todt=na&adlts=2&chlds=0&search_txt=____,%20A%20____%20Resort,%20&search_id=ht-14723&hotel_id=14723.

ETIC. (2024e). ____ Hotel. https://etichotels.com/____-a-luxury-collection-resort--spa-____/-?src=countries&regid=6&conid=173&cityid=0&fromdt=na&todt=na&adlts=2&chlds=0&search_txt=____%20____,%20a%20Luxury%20Collection%20Resort%20&%20Spa,%20____,%20&search_id=ht-14644&hotel_id=14644.

Fortune Business Insights. (2024). Luxury Hotel Market Size, Share and Industry Analysis, By Room Type (Luxury, Upper-upscale, and upscale) Category (Chain and Independent) and Regional Forecast, 2024-2032. https://www.fortunebusinessinsights.com/luxury-hotel-market-104408.

Glion (2023) A look at top sustainable practices revolutionizing hotels today. https://www.glion.edu/magazine/sustainability-in-hotels/.

Government Communications Office Qatar. (2024). Qatar's National Vision and their 4 Pillars. https://www.gco.gov.qa/en/about-qatar/national-vision2030/.

HMSO. (1990). *This common inheritance: Britain's environmental strategy*. Department of the Environment. HMSO: London.

Hickson, K. (2013). Can a luxury hotel and convention centre be sustainable. In K, Hickson (Ed.) *Race for Sustainability: Energy, Economy, Environment and Ethics*. (pp. 160-167). World Scientific Publishing Company.

Hilton (2024) Hilton's Green Ramadan Initiative Reduces Food Waste by Further 21%. https://stories.hilton.com/emea/releases/hiltons-green-ramadan-initiative-reduces-food-waste-by-a-further-21.

Hospitality Net (2024) Technology and sustainability in hotels. https://www.hospitalitynet.org/news/4122419.html.

Kasim, A. (2007). Towards a wider adoption of environmental responsibility in the hotel sector. International *Journal of Hospitality and Tourism Administration*. 8(2), 25–49. https://doi.org/10.1300/J149v08n02_02.

Kasim, A.. (2013). Corporate Social Responsibility. https://www.____.com/about-us/corporate-social-responsibility/.

Ling, L. T & Aziz, N. A. (2021). The impacts of perceived greenwash fear on attitude, reasons and green hotel patronage intention. *Asia-Pacific Journal of Innovation in Hospitality and Tourism*, 10(2), 41–61.

Low, T. (2010, June). Sustainable luxury: A case of strange bedfellows. In Proceedings of the Tourism and Hospitality Research in Ireland Conference, Shannon, Ireland (pp. 1-15).

Mandarin Oriental (2024) Mandarin Oriental Embraces artificial intelligence to set a new standard in food waste reduction for luxury hospitality. https://photos.mandarinoriental.com/is/content/MandarinOriental/_DMO/_Corporate/PDFs/Press%20Releases/corporate-global-news-pdf-winnows-ai-technology.pdf.

____ (2024a) Welcome to ____, a Luxury Collection ____ & ____, ____. https://www.____/en-us/hotels/dohla-____-a-luxury-collection-____-and-____-____/overview/.

____. (2024b). ____ (Sustainability Policy). [Online] available from: https://____.____.com.

Mathur, S., Khanna, H., & and Saxena, S. K. (2019). Selecting sustainable luxury: an empirical study of customer's choice of hotels in Delhi. *International Journal of Civil Engineering and Technology (IJCIET)*, 10(1), 76–1185.
Mintel. (2023). Hotels – UK – 2023. https://clients.mintel.com/content/report/luxury-travel-uk-2023?fromSearch=%3Ffreetext%3Dluxury%2520sustainable%2520hotels%2520market%2520value%26resultPosition%3D2.
Moscardo, G., & Benckendorff, P. (2010, November). Sustainable luxury: oxymoron or comfortable bedfellows. In Proceedings of the 2010 International Tourism Conference on Global Sustainable Tourism, Mbombela, Nelspruit, South Africa (pp. 15-19).
Nair, G, K. and Choudhary, N. (2016). The Impact of Service Quality on Performance in Qatar-Based Hotels: An Empirical Study. *The Journal of Hospitality Financial Management*, 24(1), 47-67, https://doi.org/10.1080/10913211.2016.1170559.
Peng, N & Chen, A. (2019). Luxury hotels going green – the antecedents and consequences of consumer hesitation. *Journal of Sustainable Tourism,* 27(9), 1374-1392. https://doi.org/10.1080/09669582.2019.1622710.
Pereira, V.; Silva, G.M. & Dias, Á. (2021) Sustainability practices in hospitality: case study of a luxury hotel in Arrábida Natural Park. *Sustainability*, 13, 3164. https://doi.org/10.3390/su13063164.
Puciato, D., Szromek, A. R., & Bugdol, M. (2023). Willingness to pay for sustainable hotel services as a perspective of pro-environmental behaviors of hotel guests. *Economics and Sociology*, 16(1), 106-122. doi:10.14254/2071-789X.2023/16-1/8.
Robertson, M. (2021). Sustainability Principles and Practice, 3rd Edn. Oxon: Routledge.
Safonov, A. (2023) Leveraging Technology to Highlight Your Hotel's Sustainability Efforts. https://hoteltechnologynews.com/2023/09/leveraging-technology-to-highlight-your-hotels-sustainability-efforts/.
Serradas, M. M. (2021). Managing the tensions between luxury and sustainability: the case of the luxury hotel. (202965112.pdf (ucp.pt)). [Masters dissertation, Catholic University of Portugal]. Repository UCP, Portugal.
____ (2024). Welcome to ____, A ____ Resort. https://www. ____.com/.
____ (2022). Discover ____. https:// ____.qa/.
Statista. (2023). Luxury hotel supply worldwide from 1983 to 2023, with a forecast for 2033. https://www.statista.com/statistics/1414445/luxury-hotel-supply-worldwide-forecast/.
Statista. (2024). Market Insights Hotels Qatar. https://www.statista.com/outlook/mmo/travel-tourism/hotels/qatar#revenue.
Stoll-Kleemann, S. and Schmidt, U. J. (2016). Reducing meat consumption in developed and transition countries to counter climate change and biodiversity loss: a review of influence factors. *Reg Environ Change*. 17, 1261–1277, (2017). https://doi.org/10.1007/s10113-016-1057-5.
Sustainable Hospitality Alliance. (2018). Water Stewardship for Hotel Companies. www.sustainablehosptalityalliance.org.
Swarbrooke, J. (2018). *The Meaning of Luxury in Tourism, Hospitality and Events.* Oxford: Goodfellow Publishers Ltd.
Tang, Z. and Tang, J. (2012). Stakeholder–firm power difference, stakeholders' CSR orientation, and SMEs' environmental performance in China. *Journal of Business Venturing*, 27(4), 436-455, https://doi.org/10.1016/j.jbusvent.2011.11.007.
The Brundtland Commission, (1987). Report on environment and development: Our common future. United Nations. https://sustainabledevelopment.un.org/content/documents/5987our-common-future.pdf.
___ (2024a). ____ Boutique Hotel. https://www. ____.com/en/____-____/rooms-____.
____ (2024b) Sustainability. https://www. ____.com/en/sustainability.
____ (2024c) ____ Hotel by ____. https://www. ____.com/en/____-____.
Tran, J. (2023, June 16). Sustainable luxury: An oxymoron or consequential bedfellows? Asia Sustainable Travel. https://www.asiasustainabletravel.com/articles/positive-luxury#:~:text=Critics%20argue%20that%20the%20very,carbon%20emissions%20and%20ecological%20degradation.
United Nations. (2024). Sustainable Development Goals. https://sdgs.un.org/goals.
World Conservation Union. (1991). *Caring for the earth: A strategy for sustainable living*. Earthscan: London.
World Travel Awards (2024). Qatar's Leading Boutique Hotel ____. https://www.worldtravelawards.com/award-qatars-leading-boutique-hotel-____.

2.4 The Broken Golden Egg of the Galápagos: Mistrust and short sightedness in the UNESCO World Heritage Site

Peter Varga[1] | ORCiD: 0000-0002-7574-945X
Andrea Andrea Muñoz-Barriga[2]

1: EHL Hospitality Business School, HES-SO, University of Applied Sciences and Arts Western Switzerland, Lausanne, Switzerland;
2: Pontifical Catholic University of Ecuador

Abstract

The Galapagos Islands, known as a leading sustainable tourism destination in the world, was hit by the COVID pandemic in 2020. Tourism numbers fell by 73% from 2019 causing tremendous challenges to local tourism stakeholders. The study revealed that the UNESCO World Heritage Site, despite its excellence in the management of environmental sustainability, has been falling short concerning social and economic sustainability of local tourism stakeholders. Through an exploratory study with 586 completed semi-structured surveys in the local population, alongside interviews with diverse stakeholders and leading tourism authorities, the article explains what social and economic impacts and challenges the pandemic has generated in the local tourism sector. Additionally, the study also elucidates, on the one hand, what sociocultural modifications the studied stakeholders needed to adopt to survive during this unprecedented period in tourism history, and, on the other hand, what tourism authorities propose to revitalize tourism in the post-COVID period.

Key Words:
Galapagos Islands; tourism; sustainability; impact of pandemic; stakeholders' perception

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

The Galapagos Islands in Ecuador is a 7,880 km^2 archipelago with a unique natural environment. Charles Darwin described the islands as a "little world within itself." Some 97% of the total emerged surface area was declared a National Park in 1959. The Galapagos National Park was recognized as a UNESCO World Heritage Site in 1978, and later a Biosphere Reserve in 1985. Though tourism numbers were only about 2,000 per year in the 1960s, reaching 163,000 in 2009 (Izurieta, 2017), and 275,817 in 2018, which is a 14% increase from 2017. Lastly, Galapagos received over 330,000 in 2023 (Observatorio Turismo Galapagos, 2024).

The three populated islands, out of a total of 21 islands (not counting the numerous rocks and islets), had an estimated population of around 30,000 inhabitants in 2019 (INEC, 2022). The population has been multiplied by fifteen since the 1960s, mainly because of the growing opportunities related to tourism (Walsh *et al*., 2019: Román *et al.,* 2021). The world-renowned Galapagos Islands have been under scientific research since its creation in 1985. Nevertheless, despite the intention of various institutions (e.g., Ecuadorian Ministry of Tourism, Ministry of Environment, etc.) to keep the islands as intact as possible for future generations, tourism development has been lacking an inclusive and sustainable strategy (Ecuadorian Environment Ministry & Galapagos National Park Directorate, 2016). Tourism stakeholders believed that runaway tourism development "has been conducted in an intermittent and unconnected way, proposing solutions to acute social and ecological crises without a long-term vision or strategic plan" (González *et al*, 2008, p.1). Furthermore, governmental regulations have mainly focused on environmental issues, such as zoning and fishing, and accommodations (UNESCO, 2019), and disregarded social, economic, and cultural aspects.

As a result, this exploratory study seeks to understand an understudied aspect of the Galapagos tourism activity, which is the sociocultural impacts of the pandemic, with a focus on local stakeholders' perceptions. The article, first, focuses on the analysis of the situation of key tourism stakeholders, such as hotels, tour guides, and residents, and second, the steps tourism authorities have been taking to regenerate tourism in the Galapagos National Park.

Literature review

Being an extremely popular tourism destination the Galapagos National Park received 271,238 tourists in 2019, of which 67% were international (Observatorio Turismo Galápagos, 2024). Tourism revenues are extremely important for the local economy, because it provides 66% of GDP (Spenceley *et al*., 2021). Although the archipelago is considered a leading sustainable tourism destination in the world (Garcia Ferrari *et al*., 2021), the current economic model of Galapagos is heavily dependent on tourism, and is therefore often described as unsustainable (González *et al*., 2008; Rousseaud *et al*., 2017). This is clearly contradictory with the goal of the planning and policy-making body, the National Institute for Galapagos (INGALA) created in 1980, to achieve sustainable development (Garcia Ferrari *et al*., 2021), and also with the LOREG (Special Law for Galapagos) in 1998, which aimed at developing more tangible sustainable practices in the area of conservation management (Muñoz-Barriga, 2015).

Several studies (Walsh *et al*., 2019; Garcia Ferrari *et al*., 2021) state that the health crisis combined with the economic crisis (due to a reversal in the growth trend for tourism) revealed the extreme fragility of the Galapagos tourism industry. This is also justified by various studies that show potential threats to achieve sustainable tourism management goals (Brewington, 2013; De Groot, 1983; Epler, 2007; García *et al*., 2013; Honey, 1999; Izurieta, 2017; Muñoz-Barriga, 2020; Pizzitutti, *et al*., 2014; Rice, 2007; Ruiz-Ballesteros & del Campo, 2020; Steele, 1995; Tindle, 1983). Since the pandemic profoundly disrupted international tourism (Hall *et al*., 2020), initiatives for more sustainable tourism management were also destabilized. Due to this worldwide crisis, the islands have been coping with unprecedented difficulties with losses totalling USD 200 million (Urquizo *et al*., 2021), which has deeply affected the local population.

Until the present study, no research has focused on the challenges and impacts of the pandemic on the Galapagos population in the context of tourism. Consequently, this study seeks to fill this research gap and explore tourism stakeholders' perceptions on how the birthplace of the theory of Darwinism coped with the unprecedented situation caused by the pandemic. Additionally, the paper also reveals what lessons we can learn from one of the supposedly most sustainably managed protected areas in the world. Hence, this exploratory research seeks to answer three questions:

RQ 1: What sociocultural challenges and discrepancies has the pandemic revealed concerning the sustainability of tourism in the Galapagos Islands?

RQ2 2: What sociocultural modifications do tourism stakeholders need to adapt as far as the post pandemic tourism dynamics are concerned in the Galapagos Islands?

RQ 3: What strategy do local and national tourism authorities believe will contribute to sustaining tourism in the Galapagos Islands?

Methodology

Data collection was through semi-structured surveys administered in person, and semi structured interviews. A purposive sample of three tourism stakeholders were studied: Hotels (owners and employees), local Tour Guides and Residents. The semi-structured survey was constructed based on Magablih and Mustafa's (2018) study and adapted to the Galapagos Islands. A total of 586 semi-structured surveys and 11 semi-structured interviews were completed.

Results and Discussion

The descriptive analysis of the semi-structured interviews with key tourism decision-makers in the Galapagos Islands reinforced previously found conclusions about the high level of tourism dependency on the islands. This dependency concerns social and economic aspects. Interviews with tourism stakeholders indicate that the local economy is extremely dependent on tourism revenues.

The survey revealed that tourism stakeholders have rather negative perceptions concerning the management and decisions of tourism authorities. The results show that there is a strong mistrust in national and local tourism authorities by the local tourism stakeholders, Hotels, Tour Guides, and Residents. This mistrust is clearly indicated by the Likert scale scores for the questions in Table 1. Local tourism stakeholders feel that tourism authorities were not only unprepared for the crisis, but that they also mismanaged the crisis (i.e., the absence of a clear strategy for the local population and economy) and have failed to put in place strategies to bolster resilience if a new crisis should occur.

Concerning the impacts of the pandemic, the study revealed that 87% of the 108 surveyed Galapagos Tour Guides have a temporary, invoice-based, contract. Some 97.2% of them said that the pandemic has affected their job situation. Similar results were found for Galapagos residents; for 79.7% of respondents their economic situation worsened during the pandemic, although 56.37% of the surveyed resident population do not work directly in tourism.

Concerning the local economic reaction to the pandemic, 81.9% of residents answered that they have not had an extra source of income. This number is 67.6% for Tour Guides, showing a serious economic shock for this group. This was anonymously shared among the 70 Hotels surveyed in the study, too. All Hotels had to lay off personnel, massively, and have slowly been rehiring them in the post pandemic period, but with extremely unfair working conditions for the employees.

More explicitly, concerning the overall perception of the surveyed stakeholders, as indicated in Summary Table 1, the answers for the questions ('*National/local tourism authorities were prepared for the crisis like COVID?*') had very low scores; *mean* 1.43 (National authorities) and 1.33 (Local authorities), with a *mode* of 1 for both in the Likert scale, meaning that local residents perceived massively the readiness of those authorities in a very negative manner.

Concerning the post-pandemic strategy planned by the tourism authorities ('*The Ministry of Tourism has plans for the touristic crisis post-COVID?*') scores were very low (*mean* and *mode*, 2.46 and 1, respectively), indicating a mistrust and inadequacy of planning towards the future. Concerning financial help for tourism businesses and actors ('*Tourism sector authorities had assigned financial aid for the current tourism crisis?*') the surveyed local stakeholders evaluated very poor with a *mean* of 1.78 and a *mode* of 1, since there was no financial help for the stakeholders.

Similar values were found concerning the communication of tourism authorities during the crisis ('*Crisis management's message from tourism authorities has been clear?*'); 2.40 for *mean* and 1 for *mode*. Likewise, local tourism stakeholders reported that tourism establishments have been closed due to the pandemic, and that there have been myriad negative consequences (e.g., shorter stays and less tourism spending). Local tourism stakeholders were nearly unanimous about the catastrophic impacts of the pandemic in the local tourism industry, which also confirms a suspicion, again, about tourism authorities regarding both its crisis management and its resilience strategy.

Table 1. Tourism Stakeholders' perception of the pandemic and its management

Statistics

		National tourism authorities were prepared for a crisis like Covid	Galapagos tourism authorities were prepared for a tourism crisis	The Ministry of Tourism has plans for the touristic crisis post-Covid	Tourism sector authorities had assigned financial aid for the current tourism crisis	Crisis management's message from tourism authorities has been clear	Touristic establishments have closed because of the current situation	Tourists stay less days than before the pandemic	Tourist spent less money than before the pandemic	The current situation in Galapagos has a negative effect in the tourism sector
N	Valid	586	586	586	586	586	586	586	586	586
	Missing	0	0	0	0	0	0	0	0	0
Mean		1,41	1,33	2,46	1,78	2,40	4,58	3,96	4,22	4,54
Median		1,00	1,00	2,50	1,00	2,00	5,00	5,00	5,00	5,00
Mode		1	1	1	1	1	5	5	5	5
Range		4	4	4	4	4	4	4	4	4
Minimum		1	1	1	1	1	1	1	1	1
Maximum		5	5	5	5	5	5	5	5	5

In order to answer the research questions, the paper will now focus on more details revealed by the field work. Semi-structured, face-to-face methodology allowed participants to provide details about their perceptions.

Concerning RQ 1, '*What sociocultural challenges and discrepancies the pandemic revealed, concerning the sustainability of tourism in the Galapagos Islands?*', as a general analysis, most of the 586 surveyed tourism stakeholders have endured extremely harsh living conditions. Their previously steady life and in the Ecuadorian context, the highest GDP per capita in the country, has been turned upside-down. As an extreme example, both the semi-structured interviews with tourism authorities and semi-structured surveys revealed that there were tourist guides and other tourism stakeholders, such as residents, hotel employees, who had absolutely no economic revenues during the pandemic and those impacted families could only survive due to the solidarity and help of other Galapagos residents.

The results show that despite the Galapagos Islands' overall image as a well-managed sustainable destination, sustainability has not been fulfilled entirely. The 70 surveyed hotels also revealed that most of the establishments had not had a contingency plan for crises, including savings for such situations. Faced with devastating income losses, and without any local or national financial aid, hotels 'optimized' their operations, mainly by laying off staff. Since July 2020 and the reopening of the tourism industry in the Galapagos Islands, hotels revealed that tourism has been dominated by national tourists, with less purchasing power. Accordingly, hotels have had to make adjustments to welcome domestic tourism. As international tourism, which used to dominate, has been partially replaced with domestic demand there have been consequences affecting sustainability. Unfortunately, lower purchasing power will generate impacts on the quality of services, the environment, the society, and of course, in the local economy (Muñoz-Barriga, 2015).

To answer Research Question 2: '*What sociocultural modifications do residents need to adapt as far as the post-pandemic tourism dynamics are concerned in the Galapagos Islands?*'

Since the pandemic was unprecedented, no one was ready for such a situation in the tourism industry of the Galapagos Islands. The study revealed that all three studied stakeholders were unprepared to face the crisis and also that the sociocultural impacts were extremely devastating (such as intrafamilial violence, extreme poverty, etc.).

The semi-structured surveys that were conducted with Hotel owners and employees also revealed that 80% of the hotels faced serious economic difficulties. This unstable financial situation generated major changes in the labor settings concerning hotel employees. No less than 78.6% of the surveyed hotels had fired employees during the pandemic. As a result, after the reopening of the islands for tourism in July 2020, the former legal work contracts, with health and social security benefits, have been transformed into flexible agreements between employers and employees. As a result, employees were contracted for specific missions (often only a few hours) and paid on the spot. Although this practice is beneficial for the employers, the employees worked without any structured labor contract, which generated extremely uncertain and even exploitative circumstances in the labor market.

Room prices also dropped significatively in the case of 92.9% of the hotels surveyed, which indicates a substantial adaptation to the new situation. Concerning surveyed and interviewed hospitality stakeholders on the islands, this price drop is also the result of the fact that most of the tourists are Ecuadorian nationals. In 2019, this tourist segment represented only 32% of the tourism in the islands and around 70% in 2023 (Observatorio Turismo Galápagos, 2024). Also, the segment of international backpackers has increased, which alongside the growing domestic tourism generates lower room prices due to their limited purchasing power. As mentioned previously, this type of tourism will probably contribute to unsustainable practices on inhabited islands.

The 108 semi-structured surveys with Tour Guides revealed that they have been hit the hardest by the pandemic in the Galapagos islands. The study discovered that 88% of the Tour Guides had occasional, not permanent contracts in tourism which resulted in a very precarious economic situation while 97.2% of the questioned Tour Guides considered that their economic situation became worse during the pandemic, and 71% of them did not have basically any income during the crisis. In order to survive, these Tour Guides sold personal objects, often luxury ones, and received charity from other residents.

Semi-structured interviews with tourism authorities also revealed that despite the strong purchasing power of the Tour Guides, short-term orientation characterized their spending behaviors. Hence, the pandemic and particularly the lockdown period revealed that Tour Guides had no savings to cope with the situation. The only way 71% of the Tour Guides could survive during the lockdown period was through charity. Interestingly, as mentioned previously, the tragedy of the situation exposed that the highest purchasing power segment of the local population became the most fragile one during the pandemic.

Concerning the local population, the study revealed that only 35.5% of the Residents had some savings before the pandemic. Residents were also asked about their future intentions if the situation were to remain as it was during the pandemic. Only 6.4% of residents said they would leave the Galapagos Islands permanently, while 80.1% reported that they would stay on the islands despite the unpredictable future. The rest did not have a clear idea about how to face the future. This shows a solid attachment to their homeland.

79.7% of the residents considered that their labor situation became worse during the pandemic, and 18.9% believe that it is the same as in the pre-COVID period. The latter responses mainly represent the public service workers who continued receiving their salaries during the pandemic. It is important to note that most of the residents have various professional activities, such as commerce, agriculture, transportation services, among others, which provided alternative sources of income during the pandemic. Hence, although most residents feel their job situation deteriorated (vs. before the pandemic), those alternative resources aided them to face the current situation better than for instance Tour Guides who are more dependent on tourism revenues.

As a general answer to RQ2 (i.e., *What modifications local tourism stakeholders needed to adapt to the face the pandemic period*), the study revealed that solutions were not led and assisted by tourism authorities, or by any political and economic institution. Locals, including tourism stakeholders, were left to fend for themselves.

Research Question 3: '*What strategy do local and national tourism authorities consider sustaining tourism in the Galapagos Islands?*' Governmental regulations, prior to the pandemic, were mainly focused on environmental issues, such as zoning and fishing, and accommodations (UNESCO, 2019). Concerning the environmental impacts of the pandemic, key tourism stakeholders, among others the Charles Darwin Research Station, revealed that although COVID-19 has contributed to less human activities related to tourism in the national park (e.g., due to the absence of scientific monitoring during the crisis), it is still unclear what exact impacts this period has left on nature. One major element was also mentioned, which is the illegal fishing activities that have increased due to the economic crisis and the lack of control in the Galapagos National Park. Undoubtedly, the sociological perspective of tourism dynamics, such as local stakeholders' perceived experience, has been under-researched hitherto (Izurieta, 2017; Muñoz-Barriga 2020). The total of 586 semi-structured surveys with the selected tourism stakeholders clearly indicate that locals have not received any economic or social assistance to cope with the pandemic, and these stakeholders do not expect any aid from those authorities in the future.

Concerning the tourism strategy of the Galapagos Islands for the post-pandemic period, the surveyed stakeholders have a rather negative or neutral perception. The results indicate that local tourism stakeholders do not perceive any comprehensive tourism strategy or guiding principles, which have been developed and/or communicated by authorities, for the medium, or long term. This lack of proper tourism planning has been part of the tourism dynamics in the Galapagos Islands since its creation in 1959. As in many other cases, economic interest associated with the environmental aspects of the Galapagos National Park have taken precedence over the social and cultural perspectives (UNESCO, 2019; Muñoz-Barriga, 2015).

Moreover, the ongoing political instability in Ecuador, added another ingredient to the already unstable circumstances of the development of a coherent tourism strategy. Through semi-structured interviews with key stakeholders, such as Tourism Ministry, Santa-Cruz Municipality, the study revealed that tourism authorities are very dependent on political and national decisions concerning the future strategy of the Galapagos National Park, which limits the possibilities of making local decisions. Consequently, in a highly hierarchical and centralized political system, relevant stakeholders are extremely reluctant to make important decisions and/or any strategy propositions until clear instructions are given by the elected national government.

In addition, to make the context more complex, the study also underscored the fact that economic and social decisions that concerned the surveyed local stakeholders, in the past, have been short-lived and unilateral without any consultation with the relevant stakeholders. Hence, Galapagos' residents, Tour Guides, and Hotel owners/employees lack trust in tourism and political authorities and their decisions, which makes sustainable tourism management even more challenging (Muñoz-Barriga, 2015; Muñoz-Barriga y Maldonado, 2020).

The surveyed tourism stakeholders see the future of the Galapagos as being strongly correlated to the consequences of the worldwide pandemic. They believe the resilience will be dependent on health measures, biosecurity, and planning and savings. Interestingly, they do not speak of a better stakeholder relationship with tourism authorities, hence they do not foresee a collective strategy, rather individual adaptations to changing tourism dynamics. The following word clouds indicate the perception of surveyed stakeholders concerning the future of tourism in the Galapagos Islands (Word Clouds 1, 2 and 3).

Word Cloud 1. 'In a 5-year horizon, how do you see the reactivation of tourism in Galapagos? (Tour Guides, Hotels and Residents)?

Word Cloud 2. 'Do you think Hotels will make important changes to face another crisis in the future? If yes, what changes do you think?' (Hotels)

Word Cloud 3. 'What alternative would you consider viable to replace tourism as a main source of income?' (Residents + Tour Guides)

Conclusion

The global pandemic has brought about unparalleled challenges to the tourism industry in the Galapagos. The social and economic consequences of the pandemic were extremely devastating in the local tourism sector. The study revealed that the major challenges local tourism stakeholders have been facing include the lack of a sustainable strategy from tourism authorities, which mainly means three elements: the inexistant social and economic support for tourism stakeholders during the crisis; the lack of stakeholder collaborations due to highly centralized decision-making procedures; and also, the extremely high level of mistrust among locals towards tourism authorities.

More explicitly, the present study gathered primary data concerning the complexity of the tourism sector activity in the Galapagos Islands. The pandemic revealed the tension among tourism stakeholders, and the lack of proper strategic planning in relation to the post-pandemic period. Local stakeholders feel neglected and unsupported by local and national authorities. As a result, the Galapagos Islands cannot be characterized as a sustainable destination because - despite efforts made concerning environmental conservation - other aspects of the TBL framework have been completely neglected during the pandemic.

Bibliography

Brewington L. (2013). The Double Bind of Tourism in Galapagos Society. In Walsh S., Mena C. (Eds.), *Science and Conservation in the Galapagos Islands. Social and Ecological Interactions in the Galapagos Islands, 1*. New York, USA: Springer

Ecuadorian Environment Ministry & Galapagos National Park Directorate. (2016). Conservation status report of the Galapagos archipelago. Paris, France: UNESCO

Epler, B. (2007). *Tourism, the Economy, Population Growth, and Conservation in Galapagos.* Puerto Ayara, Ecuador: Charles Darwin Foundation

De Groot, R. S. (1983). Tourism and conservation in the Galapagos Islands. *Biological Conservation, 26*(4), 291–300. doi:10.1016/0006-3207(83)90093-9

García J.C., Orellana, D. & Araujo, E. (2013). The new model of tourism: Definition and implementation of the principles of ecotourism in Galapagos. *Galapagos Report 2011-2012*, (pp. 95-99). Puerto Ayora, Ecuador: Galapagos Conservancy

Garcia Ferrari, S., Bain, A. A., & Crane De Narváez, S. (2021). Drivers, Opportunities, and Challenges for Integrated Resource Co-management and Sustainable Development in Galapagos. *Frontiers in Sustainable Cities*, 3, 29.

González, J. A., Montes, C., Rodríguez, J. and, & Tapia, W. (2008). Rethinking the Galapagos Islands as a complex social-ecological system: implications for conservation and management. *Ecology and Society, 13*(2).

Honey, M. (1999) *Ecotourism and Sustainable Development: Who Owns Paradise?* Washington, USA: Island Press.

INEC (2022). *Ecuador en Cifras*. *Proyecciones poblacionales por cantón.* Retrieved from https://www.ecuadorencifras.gob.ec/proyecciones-poblacionales/

Izurieta, J. C. (2017). Behavior and trends in tourism in Galapagos between 2007 and 2015. In Cayot, L. J. & Cruz, D. (Eds.), *Galapagos Report 2015-2016* (pp. 83-89). Puerto Ayora, Ecuador: Galapagos Conservancy

Magablih, K.,and Mustafa, M. H. (2018). How the "Arab Spring" Influenced Tourism and Hospitality Industry in Jordan: Perceptions of Workers in Tourism and Hospitality Business. *Journal of Tourism and Hospitality Management. 6.* 10.15640/jthm.v6n2a11.

Muñoz-Barriga, A. (2015). La contradicción del turismo en la conservación y el desarrollo en Galápagos – Ecuador. *Estudios y perspectivas en turismo*. Volumen 24 (2): 399-413.

Muñoz-Barriga, A. & Maldonado, G. (2020). Ecuador: the Challenges of Natural and Cultural Heritage. In C. Monterrubio, K. Andriotis, & D. Stylidis (Eds.). *Tourism Planning and Development in Central and South America.* United Kingdom: CABI Publishing, 86-103.

Muñoz-Barriga, A. (2020). Persistencias, desigualdades y vulnerabilidades en el paraíso, Galápagos. *Revista de Geografía Espacios*. Volumen 10 (20): 1-14. https://doi.org/10.25074/07197209.20.1874

Observatorio de Turismo de Galápagos. (2024). Informe anual de visitantes a las áreas protegidas de Galápagos del año 2023. Retreived from https://www.observatoriogalapagos.gob.ec/arribos-anuales

Pizzitutti, F., Carlos F. M. & Walsh, S. J. (2014) Modelling Tourism in the Galapagos Islands: An Agent-Based Model Approach. *Journal of Artificial Societies and Social Simulation 17*(1) 14. doi: 10.18564/jasss.2389

Rice, P. C. (2007). Can the Galapagos survive cruise ship mass tourism. *General Anthropology, 14*(1), 8-10.

Román, D. X., Castro, M., Baeza, C., Knab, R., Huss-Lederman, S., & Chacon, M. (2021). Resilience, collaboration, and agency: Galapagos teachers confronting the disruption of COVID-19. *The Journal of Environmental Education*, 1-10.

Rousseaud, A., Cruz, E., Naula, E., Ramos, A., Granda, M., Calvopiña, M., Leon, P., Sanchez, D., Zapata, F., Guerrero, J., Gabriel, L., and falconi, E. (2017). Plan Galapagos: An instrument for the holistic sustainable development of the province. In: *Galapagos Report 2015–2016*, GNPD, CGREG, CDF and GC. Puerto Ayora, Galapagos, Ecuador.

Ruiz-Ballesteros, E., & del Campo Tejedor, A. (2020). Community-based tourism as a factor in socio-ecological resilience. economic diversification and community participation in Floreana (Galapagos). *Sustainability*, *12*(11), 4724.

Spenceley, A., McCool, S., Newsome, D., Báez, A., Barborak, J.R., Blye, C-J, Bricker, K., Sigit Cahyadi, H., Corrigan, K., Halpenny, E., Hvenegaard, G., Malleret King, D., Leung, Y-F, Mandić, A., Naidoo, R., Rüede, D., Sano, J., Sarhan, M., Santamaria, V., Beraldo Sousa, T. and Zschiegner, A-K (2021) *Tourism in protected and conserved areas amid the COVID-19 pandemic.* PARKS (27). pp. 103-118.

Steele, P. (1995). Ecotourism: An economic analysis. *Journal of Sustainable Tourism*, *3*(1), 29–44. doi:10.1080/09669589509510706

Tindle, R. (1983). Galapagos conservation and tourism — 11 years on. *Oryx*, *17*(3), 126-129. doi:10.1017/S0030605300029471

UNESCO (2019). Galápagos Islands. Retrieved from: https://whc.unesco.org/en/list/1/

Urquizo, J., Sánchez, N., Jeong, S. Y., Singh, P., Lansdale, D., & Martin, C. (2021). *Digital Technology Initiatives in Response to COVID-19 Challenges in the Galapagos Islands.* Paper presented at the 2021 IEEE Mexican Humanitarian Technology Conference (MHTC).

Walsh, S. J., Engie, K., Page, P. H., & Frizzelle, B. G. (2019). Demographics of change: Modeling the transition of fishers to tourism in the Galapagos Islands *Urban Galapagos* (pp. 61-83): Springer.

Full Papers Track 3 – Customer Experience

3.1 An investigation of the Impact of Digital Transformation on Customer satisfaction and Loyalty in Hospitality Industry

Eid K Alotaibi | ORCiD: 0000-0002-8649-7606

Princess Nourah Bint Abdul Rahman University, Saudi Arabia

Abstract

The hotel industry is undergoing a profound transformation due to the integration of technologies, including artificial intelligence (AI), into service operations. The pattern of service delivery, which was previously predicated on human interaction, has been replaced by digital interaction due to this transformation. The Kingdom of Saudi Arabia (KSA) is considered one of the preferred places for the tourist to visit. KSA hotels are continuously working on enhancing their tourist experience since they contribute greatly to the KSA economy. The main purpose of this research is to examine how AI tools integration can improve KSA tourists' satisfaction and loyalty level. The research was conducted on Riyadh, Madinah, and Mecca hotels that have implemented AI chatbots, AI personalised services, and AI fraud detection systems. Satisfaction level was determined through quantitative analysis and data was collected from 300 respondents. The quantitative results show that AI tools integration enhance tourist satisfaction levels. It was determined by seeing the significance values of AI chatbots, AI personalised services, and AI fraud detection systems which are less than 0.05. Similarly, the qualitative analysis was performed through the interviews conducted with 9 tourists. The interview answers show that AI tools integration enhances the tourist loyalty level. Overall, research suggested that knowing the impact of AI on the satisfaction and loyalty of tourists could potentially result in the implementation of AI-driven services in hotels, thereby potentially enhancing the preferences of tourists.

Key Words:

Customer satisfaction, Loyalty, Artificial Intelligence, Chat Bot, Personalisation Services, Tourists, Fraud Detection

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

Hospitality is an activity that has been around for hundreds of years and has changed a lot since the start of the 21st century. Several quantitative and qualitative changes are currently taking place due to the cumulative impact of various socioeconomic factors. The dominant position of the trend wherein the hotel superstructure substantially surpasses the volume of tourism demand growth is evident (Lukanova & Ilieva, 2019). In the hospitality industry, satisfaction and loyalty are greater rivalry and raised standards of fundamental services and products due to a great number of competitors. Due to this, the hotel industry should pay more attention to how they provide their services and products since these are often the same for all types and groups of hotels (Korstanje & Seraphin, 2018).

The hospitality industry sector now employs cutting-edge technology, including artificial intelligence (AI). The impact of such technologies on the operational expenses and customer service quality of hotels has been a topic of some debate in recent times. There are numerous benefits of AI over human labor. Nam et al. (2021) found that one minute of labour performed by an automaton is equivalent to fifteen minutes of labour performed by one human (Nam et al., 2021). Reports from experts say that by 2030, robots will be doing about 25% of everyday jobs. Different degrees of AI are implemented based on the intricacy of the technology at hand. These degrees range from basic routine functions to more sophisticated complex operations (Willcocks, 2020). Similarly, Nam et al. (2021) mentioned research conducted by MIT and BCG that reveals that organisations implement AI for the following reasons: to maintain a competitive edge (84%), enter new markets or industries (75%), or reduce expenses (63%). It suggests that AI plays a more strategic role in organisational operations (Nam et al., 2021).

Besides the fact that AI has a strategic value, various studies have shown that the implementation of AI can bring many benefits such as cost-cuttings, operational efficiency increase, or increased revenue (Liang et al., 2024). On the contrary, as per Reim et al. (2020), only 5% of enterprises adopted AI substantially, another 23% adopted it as a prototype, and the remaining 54% implemented it at the most basic level. Some basic challenges such as data consolidation, technical complexities, cyber-security risk, modeling challenges and human–AI process-based interactions may point out to the low adoption rate (Reim et al., 2020).

The hospitality industry is not excluded from the digital age, as technology has become an essential part of our lives. It is important to note that technology serves as a vital element in helping luxury hotels to create more and greater tourist satisfaction and loyalty, which ensures increased customer satisfaction (Shahid & Paul, 2022). Jabeen et al. (2022) note that the hotel and tourism sector remains to be transitioning slowly into the adoption of robotics and AI in the field. On the other hand, there has already been a huge number of hotel cases in which these technologies have been successfully applied (Jabeen et al., 2022).

In contrast, the study regarding employee service quality and AI's impact on tourists' overall experience within the hospitality sector presented by Prentice et al. (2020) depicts important results in this matter. Based on their research, although AI technologies hold the promise of operational efficiencies and improving visitor satisfaction and loyalty, their impact on tourist satisfaction and loyalty hinges on the quality of service provided by employees (Prentice et al., 2020). Also, as Alotaibi et al. (2020) point out, despite the barriers to the introduction of AI in the KSA hospitality sector, there are also such large potential benefits that make this initiative highly relevant. The authors also state that the hotels that can implement these technologies in their operations will have a competitive advantage in the market (Alotaibi et al., 2020).

Based on the literature gap above, the current empirical study attempts to measure the effect of AI on satisfaction and loyalty of tourists in the management of luxury hotels in KSA. The research aim is to determine how fraud detection systems, AI-enhanced personalisation, and chatbot implementation improve the tourist's overall experience. KSA, being a developing country, relies heavily on the socio-economic advantages provided by the tourist sector (AlArjani et al., 2021). Since the inception of Vision 2030, Saudi Arabia has become more open to international visitors than ever before. Saudi Arabia wants to become an international tourism hub and one of the world's most visited countries, and it wants to speed up a $800 billion plan to do so by targeting between 100 and 150 million tourist visits by 2030 (Moshashai et al., 2020; News, 2024). According to Price Waterhouse Coopers (PwC) International Limited Saudi Arabian economy is projected to gain $135 billion from artificial intelligence by 2030, making it the largest beneficiary of the technology in the Middle East. Therefore, the significance behind this research is to determine how the incorporation of AI in the hospitality industry enhances its growth and catches the attention of tourists (PwC, 2023; Rostan & Rostan, 2021).

Research Objectives

The following are the research objectives for performing this research

To determine the impact of Fraud Detection Systems integration on tourist satisfaction and loyalty

To determine the impact of AI-enhanced personalisation integration on tourist satisfaction and loyalty

To determine the impact of Chatbot Implementation on tourist satisfaction and loyalty

Conceptual Framework

This research has supposed the integration of AI elements that include fraud detection systems, AI-enhanced personalisation, and Chatbot implementation as some independent variables. While tourist satisfaction and loyalty as dependent variables. The AI elements integration into hotel management can be explained through the utilisation of different kinds of theories. For the chatbot integration into hotel management, the Technology Acceptance Model (TAM) can be linked. The technology acceptance model (TAM) proposed by Fred Davis in 1986 is a concept of information systems that describes how to convince consumers to adopt and employ new technologies (Abuhassna et al., 2023). According to TAM theory, If tourist perceives chatbots as useful tools that can easily be used, they will adopt them and utilise them to enhance their satisfaction and loyalty.

CRM has the capability to discern the correlation between AI-enhanced personalisation and tourist satisfaction and loyalty. This is particularly advantageous in the present scenario. CRM is the framework that describes the methodologies, general approaches, and instruments used by business organisations to monitor data and contacts with customers throughout their relationship with the organisation (Guerola-Navarro et al., 2021). The concept of CRM has been created by Robert and Kate Kestnbaum. This theory relates to the current research in a way that AI has the potential to enhance individualised satisfaction and loyalty. Therefore, hotel companies can leverage cutting-edge technologies to provide personalised services to tourists and enhance their overall feelings and connections, thereby optimising their hotel performance, Furthermore, an application of Travis Hirschi's (1969) social control theory would clarify the correlation between the AI fraud detection system and tourist's experience. Social control theory contends that by capitalising on the socialisation and learning processes, individuals can develop self-control and diminish their tendency to engage in antisocial behaviour (Agnew, 1985; Kempf, 2023). Social Control theory supports the execution of fraud detection systems in the sense that social control of technology usually hinders dishonest behavior. The implementation of technological monitoring systems enhances accountability and deters potential fraudulent activities, thereby fostering a secure and dependable tourist environment.

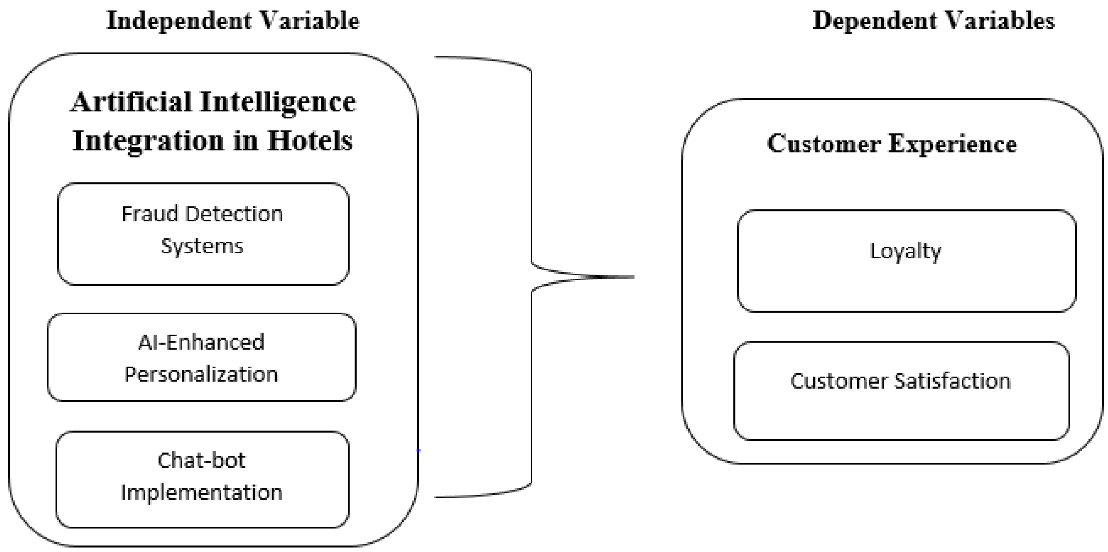


Figure # 1: Conceptual Framework

Literature Review

AI Integration in Hotels

AI has emerged as a crucial technology for hotel management in recent years. The impact of AI on the hotel industry has been reported in several studies (Alotaibi 2020; Alotaibi & Khan, 2022). AI technology assists hotels in optimising operating efficiency, elevating the visitor experience, and boosting income (Madhura et al., 2023). Leading hotels around the world are using AI and robots to improve how they run their businesses. AI gives people new and unique satisfaction and loyalty by giving them new tools like robots or voice-activated helpers. It saves money and cuts down on calls to the service desk (Huang et al., 2021; Sthapit et al., 2024; Venkatraman & Miah, 2022). AI also assists hotels in meeting the expectations of their customers, especially millennials, by delivering prompt and precise responses. AI offers customised services by forecasting the desires and requirements of customers and facilitating interactive dialogue throughout their satisfaction and loyalty (Li et al., 2021). Additionally, AI can eliminate repetitive duties therefore increasing employee satisfaction, decreasing operating expenses by 15%, and boosting revenues by 10% (Zhou, 2019).

Various scholars have looked into the effect that AI systems integration into the hotel industry has brought about including. In a study conducted by Roy et al. (2020), a survey of 300 Indian customers of hospitality was conducted to assess their views and readiness to accept AI in the business. it was found from the survey that AI usually shows good attitudes in the case of booking and reservation management, personalised service. According to the research, younger individuals, individuals with higher education, and more affluent individuals are likely to use AI-based services (Roy et al., 2020). A similar investigation was carried out in the UAE by Hussein et al. (2022) concerning the ability of AI to assist hotels in attaining a competitive edge. It has been noted that the use of AI technology by hotels in the UAE is increasingly becoming prevalent as a tool to improve operational efficiency and enhance satisfaction of tourists as well as assist in gaining a competitive advantage. However, the mentioned issues were about data privacy, need for training, and high-cost of implementation(Hussein Al-shami et al., 2022).

Based on the results of Mariani and Borghi's (2021) research, it is clear that mechanical artificial intelligence (MAI) in hospitality services was received positively by consumers who viewed and rated it. The study used data from online reviews, including MAI technology, in five Italian hotels which included chatbots and virtual assistants. The researchers found that the effectiveness of MAI depended on the category and situation. Concerning the levels of satisfaction, customers are more satisfied with MAI in booking and reservation administration, but less satisfied in detailed scenarios such as custom recommendations. The relationship between the perception of quality and total happiness and loyalty about MAI was positive, hence, its capacity to enhance visitors' experience (Mariani & Borghi, 2021). Furthermore, various studies have been conducted in the past that highlighted several methods through which a firm could employ the use of artificial intelligence to ensure that it captures the attention of tourists (Mnyakin, 2023; Nam et al., 2021; Pizam et al., 2022). However, this research takes into account the following approaches:

AI Chat-Bot

A chatbot which is also known as a virtual agent is a computational program that provides guidance instead of human being by answering textual or verbal questions and commands. The chatbot program is capable of comprehending one or more human languages and can engage in dialogue through text or voice (Kim et al., 2023). A chatbot can be conceptualised as an individual that remains operational around the clock, every day of the week. In addition to its primary functions, it is capable of executing productive duties such as generating calculations and establishing alarms or reminders(van der Schyff et al., 2023).

Al-Hyari et al., (2023) mentioned that Hotel websites and mobile applications are progressively incorporating chatbots as a means to optimise operations and augment customer service. These devices implement automated systems for check-in and check-out, enabling patrons to independently complete the check-in procedure, obtain room keys, and depart without requiring any staff involvement (Al-Hyari et al., 2023). Tourists can also place food orders, request amenities, and obtain suggestions for local activities through their room service and concierge departments. They take care of plans and appointments, letting people book a room, change their ticket, and get proof (Peng et al., 2024).

AI- Personalised Services

Management in hotels is using AI to make tourists content by tailoring experiences to each visitor's likes, dislikes, past visits, and behavior by analysing large amounts of data. This includes voice assistants, loyalty programs, personalised recommendations, and predictive analytics, in addition to customised room settings (Bulchand-Gidumal et al., 2023). AI-driven systems can accurately predict the amenities or services that tourists will need during their stay after studying prior visits and preferences (Wong et al., 2023).

As suggested by Gupta et al. (2023), implementation of face recognition technology using AI can enable travelers to receive personalised services despite the high level of randomness and unpredictability present in the environment. This technology can benefit several stakeholders such as insurance agents, travel agencies, and taxi drivers in handling large volumes of complex and multidimensional data. It serves as an intermediary between the desires of travellers concerning exceptional business visits and the ability of an organisation to deliver such visits. Integration of visual information in the forms of videos and images with data-driven service superiority might confer greater security to the industry (Gupta et al., 2023).

AI Fraud Detection System

Fraud is a major issue in the hospitality industry as it causes poor financial and image valuation to the businesses (Lin et al., 2023). AI provides hospitality softwares with access to a multitude of information about financial transactions and booking trends that can be used to detect outliers and prevent fraud.AI may improve the safety of hotels if it is used to analyse the behavior of tourists as well as detect security threats (Iliadi, 2023).

Various facilities are provided in hotel management, such as enhanced security through video surveillance, face recognition, access control, detection of threats, and fraud detection. AI can be utilised in the hotel industry to protect consumers, and employers from any threat and predicting and mitigating all probable risks that may be likely to happen to both tourists as well as staff members. Hotels can make tourists and employees safer by implementing AI-enabled technology that monitors what is happening in real time; identifies potential threats, while limiting access to restricted areas and catching fraud (Iliadi, 2023).

Tourist Experience

2.1.1. Tourist Satisfaction

Tourist satisfaction refers to the level of how satisfied or how much a visitor is delighted while lodging at a hotel or any other place within the hospitality sector (Delas Alas Jr & Limos-Galay, 2023). For any hotel to succeed, tourist satisfaction is an essential driver as it could either encourage one to revisit once more or spread positive word of mouth (Zhang et al., 2023). Jahmani et al (2023) indicated several factors from which client satisfaction is determined, such as quality of hotel facilities and services, cleanliness and comfort of rooms, professionalism and friendliness of staff, and overall perceptive value for money (Jahmani et al., 2023).

Moreover, tourist expects some level of personal service and swiftness in meeting their needs and preferences. Luxury hotels place significant importance on tourist satisfaction due to various factors, one of which is the potential for satisfied guests to engage in repeat business. This is even more important for luxury hotels since they become a major source of revenue (Preziosi et al., 2022). The luxury hotel industry is highly competitive and consumer satisfaction can be an area of superiority which will make a hotel different from other hotels and attract new customers. A luxury hotels' expectations of contentment must be met by the satisfaction of tourists as it is crucial for retaining current business and enabling the creation of positive word-of-mouth, advancement of reputation, development of brand loyalty, and possible competitive advantage in the market. This research has taken into account that the integration of AI tools can enhance the tourist satisfaction level (Shafiee et al., 2020). Thus, this research examines the following hypotheses:

H_1: AI Chat-Bot considerably advance the satisfaction level of the tourists

Ho_1: AI Chat-Bot does not considerably advance the satisfaction level of the tourists

H_2: AI- Personalised Services considerably advance the satisfaction level of the tourists

Ho_2: AI- Personalised Services do not considerably advance the satisfaction level of the tourists

H_3: AI Fraud Detection System considerably advance the satisfaction level of tourists

Ho_3: AI Fraud Detection System does not considerably advance the satisfaction level of tourists

2.1.2. Tourist Loyalty

Loyalty is described as the inclination or actual action of a customer to consistently buy certain items or services (Prum et al., 2024). Managers in the hotel business have prioritised the retention or growth of visitor loyalty in response to fierce competition and varied client expectations. Diverse approaches have been used and assessed to enhance the quality of service and boost the rate at which guests revisit (Latif et al., 2024). Ali (2024) demonstrated that hotel services and loyalty programs have a substantial impact on a guest's loyalty toward hotels. Previous research indicates that consumer loyalty is established through a combination of psychological commitment and recurrent purchases(Ali, 2024). Similarly, Hussain et al. (2023) mentioned that Tourist loyalty toward hotels can be comprehended with the help of attitude measurements such as repurchase intent, purchase frequency, and word-of-mouth recommendation(Hussain et al., 2023). This research aim was to determine the following objectives:

RO1: The integration of AI tools, which are AI Chat-Bot, AI- AI-Personalised Services, and AI Fraud Detection System, increases tourist loyalty.

Methodology

Current research has utilized a mixed-method approach. Mixed methods research combines qualitative and quantitative research to solve a research problem (Leonhardt & Overå, 2021). For the data collection, three hotels that provide services to tourists have been targeted. These hotels were situated in Riyadh, Mecca, and Madinah. The rationale behind the selection of Madinah and Mecca was that they are the holiest locations in Islam, attended by a substantial crowd of Muslims for the Umarah and Hajj pilgrimages, respectively. Furthermore, Riyadh was selected due to its reputation as a prominent economic and business center, renowned for its sophisticated infrastructure, which attracts international investors.

For the quantitative data, a questionnaire was performed with the aim of determining the impact of fraud detection systems, AI-enhanced personalisation, and chatbot implementation on tourist satisfaction. The rationale behind choosing quantitative analysis to assess tourist satisfaction with AI-integrated tools is that customer satisfaction is connected with tangible measurement. A questionnaire based on the 5-point Likert scale was formed. There were two primary sections to the questionnaire. The initial segment provided an overview of the demographics of the research sample. The subsequent segment comprised statements pertaining to the dependent variable (tourist satisfaction) and the independent variables that are AI Chat-Bot, AI-Personalised Services, and AI Fraud Detection Systems.

As a means of facilitating arbitration, the questionnaire was presented to a panel of experts in the respective disciplines. Following the arbitration process, the questionnaire underwent revisions and adjustments in line with their feedback. These modifications enhanced the questionnaire items' reliability and consistency with the primary objective of the research.

Three five-star hotels, each one from Riyadh, Madinah, and Macca, were targeted for the data collection. Hundred randomly selected participants from each hotel were requested to fill out the questionnaire at the time of the checkout. Overall, 300 questionnaires were gathered. Out of which 283 were filled, the rest of the 17 questionnaires were then excluded.

Furthermore, to assess the impact of the AI integration tool on tourist loyalty, qualitative analysis has been used. The rationale behind assessing tourist loyalty through qualitative analysis is due to the reason that loyalty is mostly connected to emotions, and that can be better interpreted into words instead of numeric values. For the qualitative data collection, nine tourists, three from each hotel, who spent the highest number of days in the hotel were requested to answer the questions as attached in Appendix No. 1.

Results

Qualitative Analysis

The impact of the AI tool integration on the tourist’s loyalty was determined through qualitative analysis, for the interviews were taken from the selected tourists. The selection of the tourists was based on their days of stay and how frequently they visited the hotels.

AI Chat Bot

The tourists who visited the Mecca, Madinah, and Riyadh hotels have approved that the hotel's AI chatbot increased their loyalty level. One of the Mecca tourists shared his experience by coting the following words:

“The hotel's AI Chatbot has significantly transformed convenience and efficiency. The Chatbot would always respond to my queries or issues within record time. It was useful to me when looking through a myriad of hotels. Above all, the Chatbot’s fast and smart replies to my questions and ability to help me with most requests, such as ordering room service or recommending the best local restaurants, was a massive improvement on my stay in general.”

The Madinah tourist has also mentioned the same point of view. He added:

“I was greatly satisfied with the efficiency and promptness of the hotel AI Chatbot in assisting. It was as if one had an assistant-whenever and wherever. The chatbot responded to my questions quickly, whether I was looking for suggestions for a place to eat, information on what amenities were on site, or just inquired about something else generally.”.

On the other hand, the Riyadh tourist coted:

“The hotel's AI Chatbot always provided me with the latest information and support. It also helped in understanding background inquiries and easing conversation. It helped me in providing details about nearby attractions and retrieving hotel regulations.”

AI personalised Services

The responses from the interviewer regarding the AI personalised services clearly depicted that they were highly impressed with it. One of the Riyadh hotel tourists has cited the following for the AI personalised services:

“I would like to mention that the hotel AI personalisation services were very impressive. AI personalisation services always provided me with the services that I wanted until the time I stayed in this hotel. I felt very overwhelmed while staying here due to the personalisation services I have been served according to my preferences and choices.”

On the same hand, the Mecca hotel tourist has also shown a positive response regarding the AI personalisation service. The tourist coted that:

"*Whenever I ordered through the hotel portal, I always got the recommendation of food, juices, and snacks that I like most. I must say, their personalised services are very well developed.”*

Similarly, the Madinah hotel tourist responded that:

“The personalisation services this hotel is offering just want me to stay more in this hotel. The hotel mobile application sent me the notification as per my interest level. Well, this is their best strategy to catch the customer's attention. The technology not only retained my choices but also adjusted in real time according to my interactions. As an example, it accurately predicted my schedule and made automatic changes to the lighting and room temperature appropriately. This adaptive response resulted in a more pleasant and satisfying atmosphere.”

AI Fraud Detection System

AI fraud detection system implementation not only assists the hotel consumer but also the hotel management. It ensures the security of data of both the consumers and the hotel management. The Madinah hotel tourist coted her experience by mentioning that:

“I must say, the hotel's AI Fraud Detection System gave me a sense of security and confidence in my transactions. Knowing that there is a sophisticated system in place to safeguard my information and financial transactions provided peace of mind. It seamlessly operated in the background, and I never encountered any issues. The proactive nature of the system in identifying and preventing potential fraud added an extra layer of trust to my overall experience at the hotel."

While the Riyadh hotel tourist coted that:

“I observed that the system actively monitored transactions and flagged any dubious activity throughout my stay. I am grateful for the proactive measures taken to safeguard my financial information; undoubtedly, they contributed to the establishment of a secure environment. In my opinion, this is a valuable feature that enhances the hotel's credibility."

Furthermore, the Mecca hotlists share his overview:

“Throughout my stay, I had no concerns regarding the security of my personal information. The hotel's investment in cutting-edge technology to protect guests from potential fraudulent activities demonstrates a dual dedication to delivering exceptional service and fostering guest confidence. This is undoubtedly an important measure for me when deciding where to remain, and this hotel surely delivered in that regard."

Similarly, the Riyadh tourist shared that:

“My stay in this hotel was very overjoyed. This hotel treated me like a prince. It is not wrong to say that this hotel is the Riyadh smart hotel. I found that this hotel has integrated AI into all its elements, ultimately enhancing the guest experience. I have already recommended this hotel to my friend, who is going to visit Riyadh with his family next year. As I believe, this hotel over joy the trip of the tourists.”

Hotel Recommendation

To determine the tourist loyalty toward the hotel, it was also asked from them if they recommend this hotel to their family, and friends and their overall experience in the hotel. The Mecca tourist replied that:

“I will definitely recommend this hotel to my family and friends. The experience and the services I got here were up to the mark. Whenever I come here, this hotel will be my first choice for the stay.”

The Madinah tourist replied that:

" I considered this hotel as one of the best hotels in Madinah. This hotel's services have just overwhelmed my overall trip experience. All the services I received from here were as per my likes. When I visit Madinah next year for Umrah with my family, I will come here to stay. I suppose this is the most suitable hotel to stay when you are with your family.

Quantitative Analysis

As mentioned above, a mixed approach was utilised to assess the impact of the AI tool integration in the hotels on tourist satisfaction and loyalty level. For the satisfaction level, reliability tests, correlation, and regression tests have been performed. The results of these tests, along with the demographic analysis, are given below:

Reliability Statistics

Cronbach's Alpha	N of Items
.823	4

Table No # 1: Reliability Analysis

Table No. 1 shows the overall reliability of the model. Reliability is basically the consistency of a measure (Gong et al., 2024). According to the Cronbach alpha value, which is 0.823, it has been proven that the model that has been considered in this research is highly reliable. Since the value of the Cronbach alpha is above the given benchmark that is 0.07.

Demographic Analysis

		Frequency	Per cent	Valid Percent	Cumulative Percent
Age	20-35	18	6.4	6.4	6.4
	26-50	109	38.5	38.5	44.9
	51-65	110	38.9	38.9	83.7
	Above 65	46	16.3	16.3	100.0
	Total	283	100.0	100.0	
		Frequency	Per cent	Valid Percent	Cumulative Percent
City	Mecca	82	29.0	29.0	29.0
	Madinah	111	39.2	39.2	68.2
	Riyadh	90	31.8	31.8	100.0
	Total	283	100.0	100.0	
		Frequency	Per cent	Valid Percent	Cumulative Percent
Reason of Stay	Business	77	27.2	27.2	27.2
	Religious Tourist	41	14.5	14.5	41.7
	Cultural Tourists	77	27.2	27.2	68.9
	Adventure Tourists	58	20.5	20.5	89.4
	Other	30	10.6	10.6	100.0
	Total	283	100.0	100.0	

Table No # 2: Demographic Analysis

Table # 2 shows the demographic stats. As per the above table, 6.4% of tourists aged from 20-35, 38.5% of tourists aged 26-50, 38.9% aged ranging from 51-65, and 16.3% of tourists are above 65. As far as the hotels are concerned, 29% tourists were from Mecca hotels, 39.2% tourists were from Madinah hotels, and 31.8% were from Riyadh hotels. Among these tourists, 27.2% stayed at hotels for business, 14.5% were religious tourists, 27.2% were cultural tourists, 20.5 were adventurous tourists, and 10.6 visited hotels for other kinds of tourism.

Correlation

Correlations

		AI Chat Bot	AI Personalised Services	AI Fraud Detection System	Tourist Satisfaction
AI Chat Bot	Pearson Correlation	1	.762**	.449**	.613**
	Sig. (2-tailed)		.000	.000	.000
	N	283	283	283	283
AI Personalised Services	Pearson Correlation	.762**	1	.755**	.558**
	Sig. (2-tailed)	.000		.000	.000
	N	283	283	283	283
AI Fraud Detection System	Pearson Correlation	.449**	.755**	1	.707**
	Sig. (2-tailed)	.000	.000		.000
	N	283	283	283	283
Tourist Satisfaction	Pearson Correlation	.613**	.558**	.707**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	283	283	283	283

**. Correlation is significant at the 0.01 level (2-tailed).

Table No # 3: Correlation Analysis

Table # 3 shows the correlation analysis among the variables. Correlation analysis is a statistical technique used to determine whether or not two variables/datasets are related and, if so, the strength of that relationship (Nie et al., 2023). As per the above table, AI Chat Bot and AI Personalised Services are highly correlated, having a value of 0.762. At the same time, AI Chat Bot and AI Fraud Detection System are less correlated than other variables. Since its correlation value is 0.449, furthermore, other variables are high to moderately correlated to each other, having a correlation value of more than 0.6.

Descriptive Analysis

	N	Minimum	Maximum	Mean	Std. Deviation
AI Chat Bot	283	1.50	4.5	3.6652	.8654
AI Personalised Services	283	1.50	4.75	3.5989	.99128
AI Fraud Detection System	283	1.25	5.00	3.3940	.72370
Tourist Satisfaction	283	1.25	4.75	3.6551	.83921
Valid N (listwise)	283				

Table No # 4: Descriptive Analysis

Table # 4 shows the descriptive statistics chart. Descriptive analysis is a type of data research that facilitates the clarification, demonstration, or concise summarisation of data points to identify patterns that meet all of the data's criteria. As per the above descriptive stats, AI Chat Bots have the highest mean (3.6652), while AI Fraud Detection System has the lowest mean (3.3940). Similarly, AI Personalised Services has the highest standard deviation (.99128), and AI Fraud Detection System has the lowest standard deviation (0.72370).

Regression Analysis

ANOVA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	137.509	3	45.836	211.000	.000[b]
	Residual	60.391	278	.217		
	Total	197.900	281			

a. Dependent Variable: Tourist Satisfaction

b. Predictors: (Constant), AI Fraud Detection System, AI Chat Bot, AI Personalised Services

Table No # 5: Anova Analysis

Table # 5 is regarding the model summary. ANOVA is a statistical technique utilised to partition observed variance data into distinct components, which are subsequently utilised in further analyses. According to the Anova table, the model considered in this research is a good fit. It is also supported by the model significance value that is 0.00, less than 0.05, and the F value (211.000), which is critically high, supporting the model relevancy.

Coefficient Table

Coefficients

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.120	.135		8.325	.000
	AI Chat Bot	.059	.004	.711	13.259	.003
	AI Personalised Services	-.544	.062	-.643	-8.803	.001
	AI Fraud Detection System	1.012	.061	.873	16.509	.000

a. Dependent Variable: Tourist Satisfaction

Table No # 5: Coefficient Analysis

As per table # 5, all the variables of the research have been accepted since their significance values are less than 0.05. It shows that the AI integration tools, including AI Chat Bots, AI personalised services, and AI fraud Detection systems, have significantly increased the satisfaction level of tourists. Therefore, the research has accepted the following hypotheses:

H_1: AI Chat-Bot increases the satisfaction level of the tourists

H_2: AI- Personalised Services increases the satisfaction level of the tourists

H_3: AI Fraud Detection System increases the satisfaction level of the tourists

Discussion

The quantitative and qualitative results of this research depict that the integration of AI tools into the hotels of Saudi Arabia tends to improve tourist satisfaction and loyalty levels. As per the satisfaction level is concerned, the integration of an AI chatbot, AI personalised services, and fraud detection system has significantly increased the satisfaction level of the tourists, as all the hypotheses of this research have been accepted. Similarly, the qualitative analysis also proved that the AI tools in hotels make tourists more loyal to the hotels. Past studies already support these results. According to several researchers, if the hotel provides personalised services to their tourists and regular customers, then it enhances their satisfaction, and loyalty level and catches their attention (Bulchand-Gidumal et al., 2023; Roy et al., 2020).

This can also be further explained through the TAM model that was utilised in this research to support the implementation of AI-personalisation services. TAM serves as a foundational framework for research on consumer experiences pertaining to the adoption of new technologies. Its explanatory capacity can be enhanced by integrating supplementary variables that account for the specific circumstances of evolving consumption patterns and new technology implementations. According to TAM model, inclusion of the extra factors into the current technological system help in enhancing the overall tourists experience in hotel management (Han et al., 2021).

Similarly, the results also depicted that the integration of Chatbots has helped in gaining tourist satisfaction and loyalty. According to Nguyen et al. (2023), Chat Bot plays an influential role in enhancing the guest experience. According to this research, chatbot implementation provides the customisation, anonymity, and empathy response that ensures substantial interaction with the guest and thus increases satisfaction and loyalty levels (Nguyen et al., 2023). Satheesh et al. (2020) offer further support for the CRM framework that was implemented to facilitate chatbot integration.

The research shed light on the importance of chatbots utlisation in hotel management. The employer can utlisation chatbots to effectively interact with their customers and get information regarding their needs, and preferences, and serve them according to it. This ultimately enhances their relationship with the customers (Satheesh et al., 2020).

In the same context, Putri et al., (2020) research have shown that Chatbots enable visitors to reach hotels for customised services at any time and from any location. It is a personal front desk that provides customers with real-time, context-appropriate hotel service information and the ability to verify room availability, reserve, and price rooms (Putri et al., 2019). This customised interaction guarantees positive tourist experiences that lead to a higher satisfaction level which in turn impacts their loyalty level too as the tourists feel that their preferences and needs are acknowledged and valued.

Furthermore, the research also shows that the integration of AI fraud detection provides more overwhelming experiences to the tourist and thus enhances their satisfaction and loyalty level. In this research, the AI fraud system integration is supported by Social Control theory. This theoretical integration is well explained in Tan et al (2023) research. According to the research, the inclusion of the AI fraud detection system guarantees social security to the consumers (Tan et al., 2023). In this context, the Social Control theory posits that the implementation of an AI fraud detection system would significantly reduce the likelihood of fraudulent activities. This is because individuals would be less inclined to engage in deceptive practices, given that they would be completely cognizant of the fact that their activities are being monitored. According to Al-Hyari et al. (2023), through the integration of the AI fraud detection system, the hotel management cannot only protect its data but also ensure the full security of the tourist's data and the transaction (Al-Hyari et al., 2023).

Limitations and Future Research

This research is limited to Saudi Arabia and did not take into account the other geographical states. More geographical states and hotels could be considered to increase the research's generalizability. The research is only limited to assessing the satisfaction and the loyalty level of tourists. The future researcher can consider hotel management to get a deeper insight into AI implementation. Furthermore, the research data was collected in a short time frame of three months. Data could be collected considering the longer time frame for data collection to catch the potential variation.

Recommendation

The research supports that the integration of AI into the hotel has the ability to enhance the overall tourist experiences. However, some recommendations should be taken into consideration to improve AI performance in hotels. The hotel management can utilise AI to collect data on customers' preferences and activities, including their lodging choices, eating preferences, and favourite activities. The hotel administration could also use AI technologies to handle typical requests like room service, maintenance, and bookings to help tourists promptly and free up staff time for more complicated duties. Furthermore, there should the inclusion of feedback system from the tourists to gather timely information regarding the tourists' experience within the hotel.

Conclusion

Artificial intelligence can improve visitor satisfaction in luxury hotels by delivering tailored and streamlined services. Technological tools like chatbots, face recognition, personalised services, and AI fraud detection systems have the potential to improve the tourist experience, leading to higher levels of satisfaction and loyalty. The current research investigated the impact of AI on tourist satisfaction. The study provided theoretical viewpoints on the impact of technology in the hospitality sector and proposed recommendations to improve tourist satisfaction through the use of AI. The practical implications of the research indicated that understanding the impact of AI on tourist satisfaction and loyalty levels might lead to the implementation of AI-powered solutions in luxury hotels, thereby improving tourist preferences.

References

Abuhassna, H., Yahaya, N., Zakaria, M. A. Z. M., Zaid, N. M., Samah, N. A., Awae, F., Nee, C. K., & Alsharif, A. H. (2023). Trends on Using the Technology Acceptance Model (TAM) for Online Learning: A Bibliometric and Content Analysis. *International Journal of Information and Education Technology, 13*(1).

Agnew, R. (1985). Social control theory and delinquency: A longitudinal test. *Criminology, 23*(1), 47-61.

Al-Hyari, H. S. a., Al-Smadi, H. M., & Weshah, S. R. (2023). The impact of artificial intelligence (AI) on guest satisfaction in hotel management: An empirical study of luxury hotels. *Geo Journal of Tourism and Geosites, 48,* 810-819.

AlArjani, A., Modibbo, U. M., Ali, I., & Sarkar, B. (2021). A new framework for the sustainable development goals of Saudi Arabia. *Journal of King Saud University-Science, 33*(6), 101477.

Ali, T. H. (2024). The Impact of Recession on Customer Unethical Behavior in Sharm El Sheikh Hotels: The Role of Customer Loyalty. *The International Journal of Tourism and Hospitality Studies, 6*(1), 24-37.

Alotaibi, E. (2020). Application of machine learning in the hotel industry: a critical review, *Journal of Association of Arab Universities for Tourism and Hospitality*, Vo,18, Issue:3, Pp.78-96

Alotaibi, E & Khan, A. (2022). Impact of Covid-19 on the Hospitality Industry and Responding to Future Pandemic through Technological Innovation, *Procedia Computer Science*, Vol. 204 (8), Pp.844-853

Alotaibi, R., Ali, A., Alharthi, H., & Almehamdi, R. (2020). AI chatbot for tourist recommendations: a case study in the city of Jeddah, Saudi Arabia.

Bulchand-Gidumal, J., William Secin, E., O'Connor, P., & Buhalis, D. (2023). Artificial intelligence's impact on hospitality and tourism marketing: exploring key themes and addressing challenges. *Current Issues in Tourism*, 1-18.

Delas Alas Jr, R. V., & Limos-Galay, J. A. (2023). Accommodation services and customers' satisfaction in relation to hotel industry in Occidental Mindoro. *International Journal of Research*, *11*(1), 113-125.

Gong, A. J., Bolsegui, M. L., Lee, E. E., Mathai, S. C., & Weiss, C. R. (2024). Assessing the psychometric validity of the epistaxis severity score: internal consistency and test–retest reliability. *American Journal of Rhinology & Allergy*, *38*(1), 38-46.

Guerola-Navarro, V., Oltra-Badenes, R., Gil-Gomez, H., & Fernández, A. I. (2021). Customer relationship management (CRM) and Innovation: A qualitative comparative analysis (QCA) in the search for improvements on the firm performance in winery sector. *Technological Forecasting and Social Change*, *169*, 120838.

Gupta, S., Modgil, S., Lee, C.-K., & Sivarajah, U. (2023). The future is yesterday: Use of AI-driven facial recognition to enhance value in the travel and tourism industry. *Information Systems Frontiers*, *25*(3), 1179-1195.

Han, D., Hou, H., Wu, H., & Lai, J. H. (2021). Modelling tourists' acceptance of hotel experience-enhancement Smart technologies. *Sustainability*, *13*(8), 4462.

Huang, D., Chen, Q., Huang, J., Kong, S., & Li, Z. (2021). Customer-robot interactions: Understanding customer experience with service robots. *International Journal of Hospitality Management*, *99*, 103078.

Hussain, A., Li, M., Kanwel, S., Asif, M., Jameel, A., & Hwang, J. (2023). Impact of Tourism Satisfaction and Service Quality on Destination Loyalty: A Structural Equation Modeling Approach concerning China Resort Hotels. *Sustainability*, *15*(9), 7713.

Hussein Al-shami, S. A., Mamun, A. A., Ahmed, E. M., & Rashid, N. (2022). Artificial intelligent towards hotels' competitive advantage. An exploratory study from the UAE. *foresight*, *24*(5), 625-636.

Iliadi, S. (2023). Adoption of Artificial Intelligence in Tourism Industry: A Systematic Literature Review.

Jabeen, F., Al Zaidi, S., & Al Dhaheri, M. H. (2022). Automation and artificial intelligence in hospitality and tourism. *Tourism Review*, *77*(4), 1043-1061.

Jahmani, A., Jawabreh, O., Abokhoza, R., & Alrabei, A. M. (2023). The Impact of Marketing Mix Elements on Tourist's Satisfaction towards Five Stars Hotel Services in Dubai during COVID-19. *Journal of Environmental Management & Tourism*, *14*(2), 335-346.

Kempf, K. L. (2023). The Empirical Status of Hirschi′ s Control Theory. In *New directions in criminological theory* (pp. 143-185). Routledge.

Kim, T.-H., Kang, J. W., & Lee, M. S. (2023). AI Chat bot-ChatGPT-4: A new opportunity and challenges in complementary and alternative medicine (CAM). *Integrative Medicine Research*, *12*(3), 100977.

Korstanje, M. E., & Seraphin, H. (2018). Awakening: A critical discussion of the role of robots in the rite of hospitality. *Tourism and hospitality: Perspectives, opportunities and challenges*, 59-77.

Latif, S. A. A., Nasir, S. N. S., Matyakubov, U., & Isaqov, R. (2024). The Effects of Service Quality on Tourist Loyalty Towards Malaysian Budget Hotels. BIO Web of Conferences,

Leonhardt, M., & Overå, S. (2021). Are there differences in video gaming and use of social media among boys and girls?—A mixed methods approach. *International journal of environmental research and public health*, *18*(11), 6085.

Li, M., Yin, D., Qiu, H., & Bai, B. (2021). A systematic review of AI technology-based service encounters: Implications for hospitality and tourism operations. *International Journal of Hospitality Management*, *95*, 102930.

Liang, S., Wu, D., Li, Z., Guo, Z., & Ju, F. (2024). From Hospitality to Hostility: The Impact of Polarity Difference in Managerial Responses on Subsequent Guest Satisfaction.

Lin, B., Lee, W., Wise, N., & Choi, H. C. (2023). Consumers' ethical perceptions of autonomous service robots in hotels. *Journal of Hospitality & Tourism Research*, 10963480231194693.

Lukanova, G., & Ilieva, G. (2019). Robots, artificial intelligence, and service automation in hotels. In *Robots, artificial intelligence, and service automation in travel, tourism and hospitality* (pp. 157-183). Emerald Publishing Limited.

Madhura, D., Prajakta, M., Tanaya, Z., Vijaya, N., Ashish, K., Bhakti, T., & Neha, P. (2023). An AI Integrated Online Hotel Management System. *Journal of Web Engineering & Technology*, *9*(1), 1-18.

Mariani, M., & Borghi, M. (2021). Customers' evaluation of mechanical artificial intelligence in hospitality services: a study using online reviews analytics. *International Journal of Contemporary Hospitality Management*, *33*(11), 3956-3976.

Mnyakin, M. (2023). Big Data in the Hospitality Industry: Prospects, Obstacles, and Strategies. *International Journal of Business Intelligence and Big Data Analytics*, *6*(1), 12-22.

Moshashai, D., Leber, A. M., & Savage, J. D. (2020). Saudi Arabia plans for its economic future: Vision 2030, the National Transformation Plan and Saudi fiscal reform. *British Journal of Middle Eastern Studies*, *47*(3), 381-401.

Nam, K., Dutt, C. S., Chathoth, P., Daghfous, A., & Khan, M. S. (2021). The adoption of artificial intelligence and robotics in the hotel industry: prospects and challenges. *Electronic Markets*, *31*, 553-574.

News, A. (2024). *How Saudi Arabia is making itself a top tourism destination for a winter getaway*. https://www.arabnews.pk/node/2436816/saudi-arabia

Nguyen, V. T., Phong, L. T., & Chi, N. T. K. (2023). The impact of AI chatbots on customer trust: an empirical investigation in the hotel industry. *Consumer Behavior in Tourism and Hospitality*.

Nie, G., Jiang, L., & Peng, W. (2023). Correlation Analysis between Uric Acid and Metabolic Syndrome in the Chinese Elderly Population: A Cross-Sectional Study. *International Journal of Endocrinology*, *2023*.

Ojugo, A. A., Akazue, M. I., Ejeh, P. O., Ashioba, N. C., Odiakaose, C. C., Ako, R. E., & Emordi, F. U. (2023). Forging a User-Trust Memetic Modular Neural Network Card Fraud Detection Ensemble: A Pilot Study. *Journal of Computing Theories and Applications*, *1*(2), 50-60.

Peng, S., Swiatek, W., Gao, A., Cullivan, P., & Chang, H. (2024). AI Revolution on Chat Bot: Evidence from a Randomized Controlled Experiment. *arXiv preprint arXiv:2401.10956*.

Pizam, A., Ozturk, A. B., Balderas-Cejudo, A., Buhalis, D., Fuchs, G., Hara, T., Meira, J., Revilla, M. R. G., Sethi, D., & Shen, Y. (2022). Factors affecting hotel managers' intentions to adopt robotic technologies: A global study. *International Journal of Hospitality Management*, *102*, 103139.

Prentice, C., Dominique Lopes, S., & Wang, X. (2020). The impact of artificial intelligence and employee service quality on customer satisfaction and loyalty. *Journal of Hospitality Marketing & Management*, *29*(7), 739-756.

Preziosi, M., Acampora, A., Lucchetti, M. C., & Merli, R. (2022). Delighting hotel guests with sustainability: Revamping importance-performance analysis in the light of the three-factor theory of customer satisfaction. *Sustainability*, *14*(6), 3575.

Prum, S., Sovang, L., & Bunteng, L. (2024). Effects of Service Quality, Hotel Technology, and Price Fairness on Customer Loyalty mediated by Customer Satisfaction in Hotel Industry in Cambodia. *Utsaha (Journal of Entrepreneurship)*, 12-39.

Putri, F. P., Meidia, H., & Gunawan, D. (2019). Designing intelligent personalized chatbot for hotel services. Proceedings of the 2019 2nd International Conference on Algorithms, Computing and Artificial Intelligence,

PwC. (2023). *Which regions will gain the most from AI?* https://www.pwc.com/m1/en/publications/potential-impact-artificial-intelligence-middle-east.html

Reim, W., Åström, J., & Eriksson, O. (2020). Implementation of artificial intelligence (AI): a roadmap for business model innovation. *AI*, *1*(2), 11.

Rostan, P., & Rostan, A. (2021). Where is Saudi Arabia's economy heading? *International Journal of Emerging Markets*, *16*(8), 2009-2033.

Roy, P., Ramaprasad, B. S., Chakraborty, M., Prabhu, N., & Rao, S. (2020). Customer acceptance of use of artificial intelligence in hospitality services: an Indian hospitality sector perspective. *Global Business Review*, 0972150920939753.

Satheesh, M. K., Samala, N., & Rodriguez, R. V. (2020). Role Of Ai-induced Chatbot in Enhancing Customer Relationship Management in the Banking Industry. *ICTACT Journal on Management Studies*, *6*(4), 1320-1323.

Shafiee, M. M., Tabaeeian, R. A., & Khoshfetrat, A. (2020). Tourist engagement and citizenship behavior: The mediating role of relationship quality in the hotel industry. *Tourism and Hospitality Research*, *20*(4), 481-492.

Shahid, S., & Paul, J. (2022). Examining guests' experience in luxury hotels: Evidence from an emerging market. *Journal of Marketing Management*, *38*(13-14), 1278-1306.

Sthapit, E., Ji, C., Ping, Y., Prentice, C., Garrod, B., & Yang, H. (2024). Experience-driven well-being: the case of unmanned smart hotels. *International Journal of Contemporary Hospitality Management*.

Tan, E., Jean, M. P., Simonofski, A., Tombal, T., Kleizen, B., Sabbe, M., Bechoux, L., & Willem, P. (2023). Artificial intelligence and algorithmic decisions in fraud detection: An interpretive structural model. *Data & policy*, *5*, e25.

van der Schyff, E. L., Ridout, B., Amon, K. L., Forsyth, R., & Campbell, A. J. (2023). Providing Self-Led Mental Health Support Through an Artificial Intelligence–Powered Chat Bot (Leora) to Meet the Demand of Mental Health Care. *Journal of Medical Internet Research*, *25*, e46448.

Venkatraman, S., & Miah, M. (2022). ARTIFICIAL INTELLIGENCE IN HEALTHCARE: A POTENTIAL GAME CHANGER. *Global Journal of Business Disciplines*, *6*(1).

Willcocks, L. (2020). Robo-Apocalypse cancelled? Reframing the automation and future of work debate. *Journal of Information Technology*, *35*(4), 286-302.

Wong, I. A., Lian, Q. L., & Sun, D. (2023). Autonomous travel decision-making: An early glimpse into ChatGPT and generative AI. *Journal of Hospitality and Tourism Management*, *56*, 253-263.

Zhang, X., Tavitiyaman, P., & Tsang, W. Y. (2023). Preferences of technology amenities, satisfaction and behavioral intention: The perspective of hotel guests in Hong Kong. *Journal of Quality Assurance in Hospitality & Tourism*, *24*(5), 545-575.

Zhang, Z., Wan, J., Zhou, M., Lai, Z., Tessone, C. J., Chen, G., & Liao, H. (2023). Temporal burstiness and collaborative camouflage aware fraud detection. *Information Processing & Management*, *60*(2), 103170.

Zhou, W. (2019). The impact of AI on the hospitality industry. *Towards data science. Published November, 28*.

3.2 Pilot study on applicable recommendations for restaurant professionals – Exploring Swedish wines paired with Swedish sturgeon caviar

Henrik Scander[1] | ORCiD: 0000-0002-2435-3869,
Sarah Forsberg[2] | ORCiD: 0000-0002-6779-7929,
Mihaela Mihnea[1] | ORCiD: 0000-0003-2606-9455,
Karin Wendin[2] | ORCiD: 0000-0002-7249-2628,

1: School of Hospitality, Culinary Arts & Meal Science, Örebro University, Sweden;
2: Food and Meal Science, Kristianstad University, Sweden

Abstract

Recently, there has been a surge of interest in food and beverage pairing research, yet much of the available information stems from experiential knowledge rather than empirical studies.
This study bridges that gap by exploring professional food pairing practices using complex, high-value Swedish products, specifically focusing on white wine, sparkling wine, and sturgeon caviar.
Through involving semi-structured interviews with experts in wine and caviar combinations, our empirical findings highlight the intricate interplay between sensory attributes and contextual elements in shaping the dining experience.
While specific assurances of an optimal pairing may be elusive, general recommendations proved effective, underscoring the subjective nature of taste perception and emphasized the importance of social interaction in discovering ideal pairings for guests. For example, Swedish wines was recommended to explained and the caviar shown how to be eaten. These preliminary findings from a pilot study lay the groundwork for further investigation into food pairings.

Key Words:

Sommelier, beverage combination, Sturgeon caviar, sustainable products, Expert insights

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

The field of food and beverage pairing research has witnessed significant growth in recent years, prompting a surge of interest in the topic (C. Spence, 2020). However, much of the pairing information available originates from experiential and tacit knowledge, disseminated through various culinary experts (Rune et al., 2021). Despite the recognition of professional food and beverage pairing as a vital skill, empirical studies within gastronomy remain limited. While early research focused on the measurement of food and beverage combinations, recent developments underscore the intricate nature of taste combinations, emphasizing the importance of sensory attributes and contextual elements (Harrington, 2006; Nygren et al., 2017).

As research progresses, there is a shift towards investigating food and beverage combinations in natural environments, exploring language as a tool for conveying combinations, and embracing interdisciplinary approaches (Chartier, 2012; Donadini et al., 2012; Donaldini et al., 2008; Herdenstam et al., 2018; Herdenstam et al., 2009; Nygren et al., 2017). Moreover, advancements in sensory science have led to the development of novel methods applicable to food and beverage combinations (Aaslyng & Frost, 2010; Eschevins et al., 2019; Jung et al., 2017; Kim & Hong, 2015; Mielby & Frøst, 2010; Paulsen et al., 2012; Rohm et al., 2010; Charles Spence, 2020; Velasco, Beh, et al., 2018; Velasco, Tu, et al., 2018)

Recent research delves into the health implications of food and beverage combinations, societal patterns of consumption, and the sociological aspects of taste preferences (Scander et al., 2018a, 2018b; Scander et al., 2019; Scander et al., 2020). Additionally, review papers have shed light on the divide between cognitive ideals and experiential realities in food and beverage pairing research, with systematic reviews offering insights into experimental design and findings (Rune et al., 2021; Spence, 2022)

The act of eating and drinking in combination may appear simple, yet it encompasses a complex interplay of factors. Sommeliers navigate a myriad of decisions regarding food and beverages pairing daily in their professional work, each choice influenced by a multitude of factors such as sensory attributes, experience, knowledge, social craft, and cultural norms (Scander & Jakobsson, 2022). While research has demonstrated the potential for optimizing taste experiences through product pairing, there remains a dearth of literature on the practical application of food pairing knowledge within the restaurant industry. In this study, we aim to provide insights into professional food pairing as a culinary practice, bridging sensory expertise with cultural taste.

Aim

Our aim is to explore applicable food pairing for restaurant professionals using complex, high-value Swedish products, focusing on white wine, sparkling wine, and sturgeon caviar.

Method

This qualitative research investigates Swedish white and sparkling wines paired with Swedish-cultivated sturgeon caviar. Semi-structured interviews were conducted with experts in the field of wine and caviar combinations, and thematic analysis was performed using approach of Graneheim and Lundman (2004). Participants were selected using the snowball effect, with an emphasis on their experience in professionally combining wine and caviar as sommeliers. The pilot study involved six interviews, with plans to expand the participant pool to include additional wine experts and chefs in subsequent publications.

Analysis

After transcription, a content analysis was conducted in line with Graneheim and Lundman (2004). The transcripts were read closely to foster familiarity with the content, creating a sense of closeness to the material. Meaningful units, particularly those related to the practices of sommeliers in competitions and dining halls, were identified for further condensation and coding. The codes were then compared to highlight similarities and differences, and subsequently sorted into subcategories and broader categories. At each step of the analysis, contextual comparisons were made to ensure the empirical foundation of the data. All authors were involved in both the research design and data analysis process. The first two steps of the analysis were carried out by the first author, and these results were then discussed and agreed upon with the other authors. In the final step, all authors worked together to enhance the trustworthiness of the study (Graneheim & Lundman, 2004; Suh et al., 2009).

Ethics

Ethical considerations were prioritized throughout the research. All participants gave informed consent following the guidelines of the Swedish Research Council. They were informed that their participation was voluntary and that they could withdraw at any time. Formal written consent was obtained at the time of the interviews. Given the small size of the Swedish culinary field, conducting a study with participants who do not know each other would have been both scientifically and practically difficult. Therefore, all personal and restaurant names in the data are presented under pseudonyms.

Results

In these preliminary results, three themes emerge regarding guidelines for professionally recommending successful wine and caviar combinations: Traditions and origins, sensory taste, and interaction with the guest.

Traditions and origins

The informants emphasized the importance of taking advantage of origin and tradition in food and wine pairings to enhance guest satisfaction. As one informant explained, “It’s essential to create authenticity by matching food and wine from the same region. When we talk about Swedish caviar and pair it with a Swedish wine, we give the guest a more genuine taste experience.” This approach highlights the value of connecting food and wine through geographical and cultural origins to deepen the dining experience.

Furthermore, the importance of respecting and benefiting from traditional food and wine pairings that have developed over time was underscored. Another participant noted, “For a new origin like Swedish wine regions, there’s a real opportunity to create a story that markets itself, making it appealing both from a taste and storytelling perspective.” This comment points to the potential for expanding traditions and narratives in new culinary contexts, especially when introducing lesser-known wine regions like Sweden. Adapting the atmosphere and presentation to reflect the origin of the food and wine was also highlighted. One informant shared, “Using regional ingredients and even adding cultural elements like decorations or music from that region can make the entire experience more immersive and memorable for the guest.”

Sensory taste

Regarding the sensory experience, several strategies were identified to maximize guest satisfaction when combining Swedish wines and caviar. One common insight was the need to adjust the flavor profiles and intensities of both elements to create harmony. “Swedish wines can have prominent acidity,” noted one participant, “so sometimes we have to tone it down to match the delicate flavors of caviar.” This process involves adjusting the wines' characteristics to maintain balance and reflect local traditions. The importance of texture in creating a satisfying mouthfeel was also discussed. As one informant mentioned, “It’s about matching the structure of the wine with the texture of the caviar. When done right, it creates a unified and enjoyable taste experience that really brings out the best of Swedish flavors.” This speaks to the role of texture in enhancing the pairing experience, ensuring that both elements complement each other.

Additionally, creating balance or contrast in flavors was seen as crucial for a dynamic taste experience. One participant highlighted, “Sometimes, it’s the contrast between the wine and the caviar that makes the pairing exciting for the guest.” By either complementing or contrasting the flavors, sommeliers can offer more engaging and memorable pairings. Another aspect discussed was the idea of breaking traditional taste patterns to provoke and engage guests. “Offering a surprising combination can challenge the palate in an interesting way, which often makes for a memorable meal,” noted one sommelier. This approach reflects an intention to push boundaries while honoring Swedish gastronomy.

Interaction with the guest

In this theme, the informants shared strategies for enhancing the guest experience through active interaction between the sommelier and the guest. A key point raised was the importance of attentiveness. As one sommelier stated, “Often, the guest won’t tell you exactly what they want, but if you can read between the lines, you can create a personalized experience that exceeds their expectations.” This kind of subtle observation helps sommeliers tailor their service to each guest. The role of the sommelier as a guide and educator was also emphasized. One informant explained, “We’re not just serving wine; we’re educating the guest. By introducing them to wines from new regions, like Skåne, we help them explore flavors they wouldn’t have chosen on their own.” This reflects the duty of the sommelier to inform guests about emerging wine regions, particularly those from southern Sweden, and to expand their culinary horizons.

The sommeliers also discussed their role in creating entertaining and memorable experiences for guests. “Sometimes it’s about telling a great story—whether it’s about the origins of the wine or setting up a special tasting event that really draws in the guest’s attention,” said one informant. These strategies help ensure that the dining experience is not only satisfying but also engaging and enjoyable for the guest.

Finally, the idea of the sommelier acting as a bridge for guests to impress their companions was mentioned. “By giving them that little extra advice, you can help the guest make a choice that leaves an impression on their friends or colleagues,” one sommelier shared. This interaction helps to elevate the guest’s dining experience, adding an element of personal satisfaction and connection. By focusing on these interactions between sommelier and guest, the restaurant can create a unique and memorable experience for each guest, leading to increased satisfaction and loyalty.

Discussions

The study unveiled a load of empirical knowledge from the experts, shining a spotlight on the essential role of sensory cues and contextual elements in shaping the food pairing of Swedish wines and sturgeon caviar. This emerged into three themes regarding applicable guidelines for professionally recommending successful wine and caviar combinations: Traditions and origins, sensory taste, and interaction with guest.

The emphasis on leveraging origin and tradition in food and wine pairings to enhance guest satisfaction is notable and in line with traditional wine paring recommendations (Harrington, 2006). Discussing how incorporating elements such as regional ingredients, cultural details, and storytelling about the origins of food and wine can contribute to creating an authentic and memorable dining experience would be intriguing to further investigate due to different guests' interest or purpose of their visit.

To further explore the strategies highlighted for maximizing guest satisfaction through the sensory experience of wine and caviar combinations offers rich discussion potential. This could include delving into the importance of adapting flavor profiles, considering textures, and creating balance or contrast in flavors to create dynamic taste experiences that celebrate local flavors and traditions.

While specific assurances of an optimal dining experience may remain elusive, the study found that general pairing recommendations wielded considerable efficacy. Through these in-depth interviews, the subjective nature of taste perception emerged as a recurring factor, underscoring the importance of experimentation and exploration in uncovering ideal pairings (Herdenstam et al., 2009; Scander et al., 2018b). Experts consistently emphasized the need to strike a balance and achieve balance between wine and caviar to enhance the overall sensory journey without overpowering either component. Despite the inherent challenges in guaranteeing an ideal pairing, the study underscored the effectiveness of general recommendations, highlighting the inherently subjective nature of taste perception and emphasizing the role of social interaction in crafting memorable dining experiences. For instance, experts recommended Swedish wines accompanied by practical guidance on savoring caviar, thus enriching the dining journey for guests (Scander & Jakobsson, 2022). This part where the experts could interact to also impress the guest is also a way of bridging the gap between guests and dining room workers, and could be understood as a form of cultural intermediator of taste (Smith Maguire, 2018a, 2018b)

Looking ahead, this pilot study acknowledges the evolving landscape of culinary research, particularly in light of food paring. Shifts in cultivability, resource efficiency, and natural selection might also necessitate a reevaluation of consumption patterns in relation to pairing dynamics. Moreover, the dining experience is intricately woven with a complex tapestry of sociological, cultural, psychological, and physiological influences (Herdenstam et al., 2018).

Conclusions

In conclusion, this study offers nuanced insights into the pairing of Swedish white and sparkling wines with Swedish sturgeon caviar, drawing upon the expertise of industry professionals. The findings underscore the importance of experimentation and overarching guidelines in navigating the multifaceted realm of food and wine pairings. While specific assurances of an optimal pairing may be elusive, general recommendations proved effective, underscoring the subjective nature of taste perception and emphasized the importance of social interaction in discovering ideal pairings for guests. For example, Swedish wines was recommended to explained and the caviar shown how to be eaten. It's important to note that these results are preliminary as it is a pilot study, offering a foundational understanding for further investigation into food and wine pairings.

References

Aaslyng, M. D., & Frost, M. B. (2010). The effect of the combination of salty, bitter and sour accompaniment on the flavor and juiciness of pork patties. *Journal of Sensory Studies*, *25*(4), 536-548. https://doi.org/10.1111/j.1745-459X.2010.00285.x

Chartier, F. (2012). *Taste buds and molecules: the art and science of food, wine, and flavor*. John Wiley & Sons.

Donadini, G., Fumi, M. D., & Lambri, M. (2012). The hedonic response to chocolate and beverage pairing: A preliminary study. *Food Research International*, *48*(2), 703-711. https://doi.org/http://dx.doi.org/10.1016/j.foodres.2012.06.009

Donaldini, G., Spigno, G., Fumi, M. D., & Pastori, R. (2008). Evaluation of ideal everyday Italian food and beer pairings with regular consumers and food and beverage experts. *Journal of the Institute of Brewing*, *114*(4), 329-342.

Eschevins, A., Giboreau, A., Julien, P., & Dacremont, C. (2019). From expert knowledge and sensory science to a general model of food and beverage pairing with wine and beer. *International Journal of Gastronomy and Food Science*, *17*, 100144. https://doi.org/https://doi.org/10.1016/j.ijgfs.2019.100144

Graneheim, U. H., & Lundman, B. (2004). Qualitative content analysis in nursing research: concepts, procedures and measures to achieve trustworthiness. *Nurse Education Today*, *24*(2), 105-112. https://doi.org/10.1016/j.nedt.2003.10.001

Harrington, R. J. (2006). The Wine and Food Pairing Process. *Journal of Culinary Science & Technology*, *4*(1), 101-112. https://doi.org/10.1300/J385v04n01_11

Herdenstam, A., Nilsen, A., Öström, Å., & Harrington, R. (2018). Sommelier training – Dialogue seminars and repertory grid method in combination as a pedagogical tool. *International Journal of Gastronomy and Food Science*, *13*, 78-89.

Herdenstam, A. P. F., Hammarén, M., Ahlström, R., & Wiktorsson, P.-A. (2009). The Professional Language of Wine: Perception, Training and Dialogue. *Journal of Wine Research*, *20*(1), 53-84. https://doi.org/10.1080/09571260902978543

Jung, H. Y., Kwak, H. S., Kim, M. J., Kim, Y., Kim, K. O., & Kim, S. S. (2017). Comparison of a descriptive analysis and instrumental measurements (electronic nose and electronic tongue) for the sensory profiling of Korean fermented soybean paste (doenjang). *Journal of Sensory Studies*, *32*(5), Article e12282. https://doi.org/10.1111/joss.12282

Kim, M. J., & Hong, J. H. (2015). Do sensory constructs underlying a multidimensional sensory attribute moderate the effect of information on its perception? A case study of nuttiness in soymilk. *Food Quality and Preference*, *40*, 87-96. https://doi.org/10.1016/j.foodqual.2014.09.006

Mielby, L. H., & Frøst, M. B. (2010). Expectations and surprise in a molecular gastronomic meal. *Food Quality and Preference*, *21*(2), 213-224. https://doi.org/http://dx.doi.org/10.1016/j.foodqual.2009.09.005

Nygren, I. T., Nilsen, A. N., & Öström, Å. (2017). Dynamic changes of taste experiences in wine and cheese combinations. *Journal of Wine Research*, 1-18.

Paulsen, Ueland, Nilsen, Öström, & Hersleth. (2012). Sensory perception of salmon and culinary sauces – An interdisciplinary approach. *Food Quality and Preference*, *23*(2), 99-109. https://doi.org/http://dx.doi.org/10.1016/j.foodqual.2011.09.004

Rohm, H., Durrschmid, K., Forker, A., & Jaros, D. (2010). TWO-DIMENSIONAL MAPPING OF SENSORY TEXTURE DESCRIPTORS. *Journal of Texture Studies*, *41*(6), 789-803. https://doi.org/10.1111/j.1745-4603.2010.00255.x

Rune, C. J. B., Münchow, M., & Perez-Cueto, F. J. A. (2021). Systematic Review of Methods Used for Food Pairing with Coffee, Tea, Wine, and Beer. *Beverages*, *7*(2), 40. https://www.mdpi.com/2306-5710/7/2/40

Scander, H., & Jakobsson, B. M. (2022). Gastronomy competition and restaurant practice: Sommeliers' understanding of the game of social craft. *International Journal of Gastronomy and Food Science*, *29*, 100567. https://doi.org/https://doi.org/10.1016/j.ijgfs.2022.100567

Scander, H., Monteagudo, C., Nilsen, B., Tellström, R., & Yngve, A. (2018a). Beverage consumption patterns and energy contribution from beverages per meal type: results from a national dietary survey in Sweden. *Public Health Nutrition*, *21*(18), 3318-3327. https://doi.org/10.1017/S1368980018002537

Scander, H., Monteagudo, C., Nilsen, B., Tellström, R., & Yngve, A. (2018b). Food and beverage dinner combinations, patterns among Swedish adults. *International Journal of Gastronomy and Food Science*, *14*, 20-26. https://doi.org/https://doi.org/10.1016/j.ijgfs.2018.08.003

Scander, H., Neuman, N., & Tellström, R. (2019). Sommeliers' Food and Beverage Combinations: Social Conventions and Professional Identity. *Journal of Gastronomy and Tourism*, *4*(1), 29-39.

Scander, H., Neuman, N., Tellström, R., & Yngve, A. (2020). Acquiring competence: Sommeliers on "good combinations" of food and beverages. *International Journal of Gastronomy and Food Science*, *20*. https://doi.org/https://doi.org/10.1016/j.ijgfs.2020.100199

Smith Maguire, J. (2018a). Taste as Market Practice: The Example of "Natural" Wine. *Consumer Culture Theory*, 71-92. https://doi.org/doi:10.1108/S0885-211120180000019005

Smith Maguire, J. (2018b). The taste for the particular: A logic of discernment in an age of omnivorousness. *Journal of Consumer Culture*, *18*(1), 3-20. https://doi.org/10.1177/1469540516634416

Spence, C. (2020). Food and beverage flavour pairing: A critical review of the literature. *Food Research International*, *133*, Article 109124. https://doi.org/10.1016/j.foodres.2020.109124

Spence, C. (2020). Multisensory Flavour Perception: Blending, Mixing, Fusion, and Pairing within and between the Senses. *Foods*, *9*(4), 407.

Spence, C. (2022). Gastrophysics: Getting creative with pairing flavours. *International Journal of Gastronomy and Food Science*, *27*, Article 100433. https://doi.org/10.1016/j.ijgfs.2021.100433

Suh, E. E., Kagan, S., & Strumpf, N. (2009). Cultural competence in qualitative interview methods with Asian immigrants. *Journal of Transcultural Nursing*, *20*(2), 194-201.

Velasco, C., Beh, E. J., Le, T., & Marmolejo-Ramos, F. (2018). The shapes associated with the concept of 'sweet and sour' foods. *Food Quality and Preference*, *68*, 250-257. https://doi.org/10.1016/j.foodqual.2018.03.012

Velasco, C., Tu, Y. W., & Obrist, M. (2018, Oct 16). Towards Multisensory Storytelling with Taste and Flavor. [3rd workshop on multisensory approaches to human-food interaction (mhfi)]. 3rd Workshop on Multisensory Approaches to Human-Food Interaction, Boulder, CO.

EuroCHRIE

QATAR - 2024

Hospitality and Tourism in a New Era: Building Bridges and Overcoming Challenges

Full Papers Track 4 – Education

4.1 The Effectiveness of Decision Making in the Educational Sector: "Benchmarking of Strategic Management of Colleges in Oman and UK"

Jalal Hassan Zeaiter[1] & Najla Ali Al Sheidi[2]

1 Oman Tourism College, Seeb, Oman,
2 Oman Tourism College, Seeb, Oman,

Abstract

The study aims to compare the decision-making processes in the educational institutions of Oman and the UK, considering their respective strategic management models to achieve this aim; the data regarding the decision-making was collected from the respective colleges of the UK and Oman. The target population was concerned departments' Dean, Directors, and HOD. About 14 responses were collected. Frequency and percentage of responses were identified. Three main themes were identified through thematic analysis of survey results, including information systems, internal and external threats management, and outstanding accomplishments of institutions. However, the small sample size (N=14) is the primary limitation restricting the study results. Results from a study between the UK and Oman showed differences in risk management and internal procedures. This study offers recommendations for bettering strategic management techniques and enhancing our awareness of decision-making processes in higher education. Furthermore, it highlights the need for a well-rounded strategy for making decisions that combines effectiveness with inclusion. Recommendations are offered to educational policymakers and administrators to improve strategic decision-making and entire institutional performance.

Key Words:

Decision making, strategic management, educational institutions, Oman colleges, UK colleges.

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

Within the educational sector, decision-making plays a crucial role in fostering positive outcomes for teachers and students and ensuring the effectiveness of the whole education system (Mulford, 2003). The review of existing literature reveals that decision-making practices help in the optimal utilization of resources, ensure accountability, and, therefore, improve the final outcomes (Munna, 2021).

Research indicates that colleges, nowadays, are inclined towards taking data-driven and evidence-based decision-making (Wilcox, 2021). The study conducted by the American Association of Community Colleges (AACC) demonstrates the reliance of higher education institutions to inform decision-making. The data include the performance of students, community demographics, workforce, and retention rate (AACC, 2018). Furthermore, there is an assertion that result-focused decision-making in colleges includes collaboration between industry and community organisations, student support services, and program selection choices (AACC, 2018).

Equity and diversity are necessary in decision-making. This diversity is necessary when making decisions for program designs, resource allocation, recruitment and retention of students and staff, and providing them support services (Aspen Institute, 2018). Therefore, universities are highly reliant on technology to get data, which could assist in making decisions by utilizing tools and software for analysis and making decisions (Nanda, 2022; Michael & Shuaieb, 2021; Power, 2015). In this regard, online platforms are employed to facilitate collaboration among stakeholders to assist in making informed decisions.

The results of a research conducted by National Foundation for Educational Research (NFER) in the UK showed a high dependency on data while making decisions that proves to be effective for resource allocation and ultimately affect student's development (NFER, 2017). Evidence-based practices are gaining importance in the UK education industry, providing evidence to support curriculum design, teaching practices, and strategies evaluation. (Education Endowment Foundation, 2020).

Accountability is also recognized as crucial in decision-making within the UK education sector, utilizing data and performance evaluation to ensure schools and educational providers are held responsible (CEY, 2018).

Problem statement

Oman's educational landscape is relatively unstable and underdeveloped compared to the UK's. Various factors contribute to these differences, including different management practices in the educational sector. However, the lack of research comparing the strategic management practices and decision-making process between Oman and the UK poses a significant research gap. Therefore, there is a need to investigate the strategic management practices in the educational sector of Oman and the UK. This research aims to fill the gap by gathering real-time data from college representatives of colleges of both countries. By comparing strategic managerial practices and decision-making approaches, this research could provide valuable knowledge that can enhance the decision-making process in the educational sector of Oman and the UK.

Research aims and objectives

This research aims to compare strategic decision-making processes and management practices in the UK educational sector. To achieve this aim, the following objectives have been devised:

To analyse and compare management practices in the educational sector of Oman and the UK, focusing on leadership style, resource allocation, and governance framework.

To investigate the factors that contribute to the effectiveness of decision-making.

To identify the strategic management practices that could enhance the development of educational institutions in both countries, encompassing areas such as curriculum design, technology integration, HRM, and partnership with industries and community organisations.

To provide evidence-based recommendations to improve management strategies and decision-making processes for educational institutions in Oman and the UK, keeping the specific challenges of the education system in mind.

Research Questions

This research intends to answer following research questions:

What is the difference between the management practices of educational institutes of Oman and the UK?

What are the strategic management practices through which educational institutions can enhance their progress and development?

Literature review

Oman, a country situated in the southeastern corner of the Arabian Peninsula, is one of the seven Muslim-majority Arab Gulf countries (Alkindi, 2006; Rajasekar and Khan, 2013). With an area of 309500 square kilometers, Oman is divided into 11 governorates comprising a of total 61 provinces (Al-Balushi, 2017). As of 4th January 2017, the total population of Oman was reported to be 4,552,688, with 54% Omanis and 46% foreigners (Al-Balushi, 2017). Geographically, the country holds a very important position with the United Arab Emirates to the northwest, Saudi Arabia to the west, and Yemen to the southwest (Allen Jr, 2016). Since 1970, Sultan Qaboos has been the ruler of Oman with Muscat as serving capital city. Historically, before the 1970s, most of the Arab population used to live in tribal communities. Resultantly, informal education within an Islamic cultural context constituted the primary source of knowledge (Al-Lamki, 2009). These informal educational initiatives focused on improving Quranic and Arabic language proficiency, putting limitations on former schooling (Alkindi, 2006). Therefore, prior to the 1970s, there were only three schools in the whole of Oman, catering solely to males, with an enrolment of students less than 1,000 (Al Mahdy *et al*., 2018). In comparison, the United Kingdom has established an education system dating back to the 19th century. Higher education in the UK has undergone significant changes in the last four decades of the 20th century, including an overall increase in number of universities, changes in funding sources, and modifications in allocations of public funds (Haynes and Greenaway, 2003). Although public funding is reduced drastically but the compliance requirements have been rigorously practiced, including the establishment of systematic evaluations of teaching and research performance.

The review of previous literature showed a different management practice in the education sector of UK and Oman. The primary difference, as Kezar (2004) indicates, was in funding sector, training of staff, curriculum design. These differences reflect cultural, political, and economic situation of both countries and different educational priorities and objectives.

The national government in the UK contributes significantly to education management by setting rules, designing the national curriculum, and setting rules (House of Commons Education and Skills Committee, 2019). On the contrary, the educational sector in Oman is decentralized, providing more authority to schools and provincial educational agencies (Al-Hajri, 2018).

As the research indicates, the funding structure of both countries is significantly different. According to World Bank data, the percentage of GDP spent on funding education in both countries is as follows:

Year	Government expenditure on education in Oman	Government expenditure on education in UK
2020	-	5.5
2019	5.4	5.2
2018	5.2	5.2
2017	5.8	5.4
2016	-	5.4
2015	-	5.5

The funding structure in the UK is centralized and relies on government sponsorship (House of Commons of Education and Skills Committee, 2019). Although the funding situation is continuously evolving, still the government is the primary funding body. Research explored the impact of funding in conducted by Azmat (2017) explores the impacts of changes in higher education funding in England on student’s performance (Azmat, 2017). The shift from state-funded undergraduate programs to considerable tuition fee results in poor performance and means-tested grants and loans. Whereas the funding system in Oman is private, with families and private enterprises providing the major funding for schools, colleges, and universities (Al-Hajri, 2018).

Not only the funding criteria, but the eligibility of teachers also plays an important role and there has been observed a drastic difference. According to UK's House of Commons of Education and Skills Committee, teachers must have a minimum bachelor's degree and training on professional development to get eligibility. In contrast, Oman's educational sector lacks pre-defined rules for the eligibility criteria of teachers, resulting in minimal training or on- the-job training (Al-Hajri, 2018).

There is limited research focusing on decision-making in Oman's educational system. The research analysed the decision-making methods of school principals in Oman. Effective decision-making in schools was correlated with enhanced school performance and student outcomes. Moreover, the research focused on data-informed decisions and the involvement of stakeholders in decision-making. In addition, the sense of responsibility among staff and the school's culture are considered significant factors that influence decision-making (Al-Shaikh & Al-Mahrouqi, 2019).

Methodology

Research design

The research aims to analyse the effectiveness of decision making in educational sector of UK and Oman. To achieve the aim, the qualitative methodological approach was employed. The research includes two phases. Firstly, an extensive literature review to identify the effectiveness of decision making in educational sector of Oman and the UK. This leads to the second phase of research which was an open-ended interview questionnaire.

Study area

The study focuses on laying out strategies for better management of colleges in the UK and Oman. The UK is in the European union and the educational sector there is developed. On the other hand, Oman is in the Arabian Peninsula, and colleges there are not well structured. This study evaluates the strategies and management of different colleges in Oman and the UK and implements the results on the colleges in Oman.

Data collection

Based on the literature review, the questionnaire was designed to identify strategic management practices in Oman Tourism Colleges and colleges in the UK. The questionnaire had different sections, including demographic profiles of respondents, their opinion on strategic planning and future orientation, risk management and opportunities, and the academic excellence of colleges in both countries. About 14 respondents were agreed to have an interview.

Target population

The data was collected from tourism colleges in Oman and the UK. The target population was the Deans, Directors, and Heads of departments. The questionnaire was designed and approved by sending an email with the objectives and questionnaire to each department's office. Once they confirmed, the interview was conducted online or in person, depending upon the feasibility of the respondents.

Data analysis

The study implements thematic analysis technique to answer the research questions and to identify relevant themes and the strategic management practices commonly employed in higher education system of Oman and the UK.

Ethical Consideration

The participants were provided with a consent form that contained all the details about the research's aims and objectives. To ensure the participants' anonymity and confidentiality, details about their personal identity were not gathered during the research. Additionally, all the participants were allocated and identified by a number to ensure their names would not be asked. The data gathered during the research was kept confidential and inaccessible to anyone except the researcher.

Results

The table indicates a thorough overview of the critical characteristics of respondents from the UK and Oman, including their gender, age, education, and occupation. 42.9% of the respondents from the UK were female, while 57.1% were men. According to the age, 28.6% of people were between the ages of 31 and 40, 35.7% were between the ages of 41 and 50, and 14.3% were beyond 50. Regarding education, 7.1% of people possessed undergraduate degrees, 42.9% postgraduate degrees, and 35.7% doctoral degrees. Regarding occupation, there were 14.3% Deans, 21.4% Assistant Directors, and 28.6% Directors and Heads of Departments. All respondents in Oman were men, with 21.4% falling into the 41–50 age range, 35.7% of those over 50, and 42.9% between 31 and 40. The occupations of all Omani respondents included Assistant Directors (21.4%), Directors (42.9%), and Deans (14.3%), and they all had postgraduate or doctoral degrees.

Characteristic	**Frequency**	**Percentage**
Gender		
Male	8	57.1%
Female	6	42.9%
Age		
31 to 40	4	28.6%
41 to 50	5	35.7%
Above 50	2	14.3%
Education		
Undergraduate	1	7.1%
Postgraduate	6	42.9%
Doctorate	5	35.7%
Occupation		
Directors	4	28.6%
Head of Department	4	28.6%
Assistant Directors	3	21.4%
Dean	2	14.3%

Theme 1: Strategic Planning and Future Orientation

The results will explore how much emphasis educational institutions in Oman and the UK put on long-term planning and flexibility in response to opportunities and difficulties in the future. The responses' analysis provided helpful details about the strategies used by educational institutions in both nations.

Theme 1, "Strategic Planning and Future Orientation," encompasses questions about the importance of strategic planning in higher education institutions, its impact on decision-making, and the need for continuous evaluation. Eight of the fourteen respondents from the UK said that their universities provide a competitive edge in professional development. This advantage can be obtained using various strategies, such as annual staff development plans based on needs assessments, performance reviews, and observations. Furthermore, college-funded training programs and conferences help employees improve their knowledge and abilities, which benefits their performance. In comparison, only six of the fourteen Oman respondents identified the presence of staff development committees. However, some participants also emphasized the importance of having great industry connections, teamwork, and partnerships to enhance their competitive advantage.

Responses in the UK for future-oriented plans and strategies showed a proactive commitment to managing the future, with many institutions looking to be the top educators in their specialized disciplines. Usually, the plans are well-organized and in line with the desired goals of the country. A few strategies include extending academic programs, creating professional courses based on market demands, and increasing student enrolment and training possibilities. The fewer participants in Oman gave more in-depth answers, but those who did stress the importance of being competitive and relevant in the long run. Government initiatives, regulatory organizations, and the Ministry of Higher Education's focus on outstanding research and excellent instruction are some external influences pushing these strategies.

The UK colleges' long-term institutional plans demonstrated immense dedication to long-term development and advancement. The college's brand and marketing communications needed to be strengthened, industry relationships needed to be strengthened, programs needed to be expanded, and new ones needed to meet industry demands. Some institutions also attempted to become the top universities in the Middle East, strongly emphasizing staff professional development and research efforts. Respondents in Oman emphasized the need to compete favourably in the educational field, ensure sustainability and good governance, and expand vocational training. In contrast to the UK responses, Oman's responses could have been more comprehensive. UK institutions concentrate on long-term goals and clearly defined strategies in their strategic, integrated approach to future planning. While Oman institutions prioritize competitiveness and significance, they link strategies with national objectives and industry demands.

Theme 2: Risk Management and Improvement Opportunities

Theme 2, "Risk Management and Improvement Opportunities," revolves around identifying and mitigating internal and external risks within educational institutions and exploring areas for improvement in the management system. The findings will examine how Oman and UK colleges recognize and reduce internal and external risks and their competency with particular internal procedures. The study of the responses gained an interesting awareness of how these institutions manage risk management and their areas of competence. Colleges use various techniques in the UK to detect potential risks and take steps to reduce them. Responses emphasized using surveys, input from students and staff, and regular meetings to evaluate the seriousness of challenges and identify feasible alternatives.

A well-structured set of policies and procedures ensures that risk management is applied and managed effectively. Some institutions indicated that the number of students enrolled, and the quality of the teaching staff presented external risks. At the same time, the absence of essential management positions negatively impacted organizational quality as an internal risk. However, Oman's responses could have been more thorough, and only a small number of them mentioned using risk incorporation and a community at the university level to manage risks. Still, there needed to be more references to out-of-date managerial strategies and academic and human resources concerns.

The UK colleges' skill with internal procedures demonstrated their knowledge of numerous internal processes. Course development appeared as a key strength, with many respondents describing it as an area in which they develop. Significant references to marketing and student mentoring also show the institutions' attention on attracting students and offering assistance during their educational journeys. Research and financial management were recognized, and expertise areas that assisted the overall institutional performance were identified.

Responses in Oman showed a more comprehensive range of expertise, with respondents choosing all internal procedures. This suggests that Omani colleges are taking a more equitable approach to internal process management.

The analysis demonstrates that UK colleges' structured risk management methods strongly emphasize risk policies, meetings, and stakeholder participation. While they demonstrate balanced expertise across all internal operations, Omani institutions excel in particular areas like course creation and marketing. These results indicate the sector's positive attributes as well as its limitations.

Theme 3: Academic Excellence and Institutional Success

Theme 3, "Academic Excellence and Institutional Success," focuses on the achievements of the institutions, the factors contributing to their success, and the desired academic aspects for future success. The results highlight the significant achievements of educational institutions in Oman and the UK and the aspects influencing those achievements. The responses' thematic analysis offers insightful information about the main forces that encourage excellence in both nations.

The accepted significant accomplishments in the UK centre on graduating an essential percentage of students in tourism and hospitality-related professions, which increases the job market with skilled experts. Furthermore, the universities received awards for their commitment to community service and research and for regularly raising student achievement. Some institutions emphasized successful programs like Oman Chef, OTC graduation, and other corporate social responsibility initiatives.

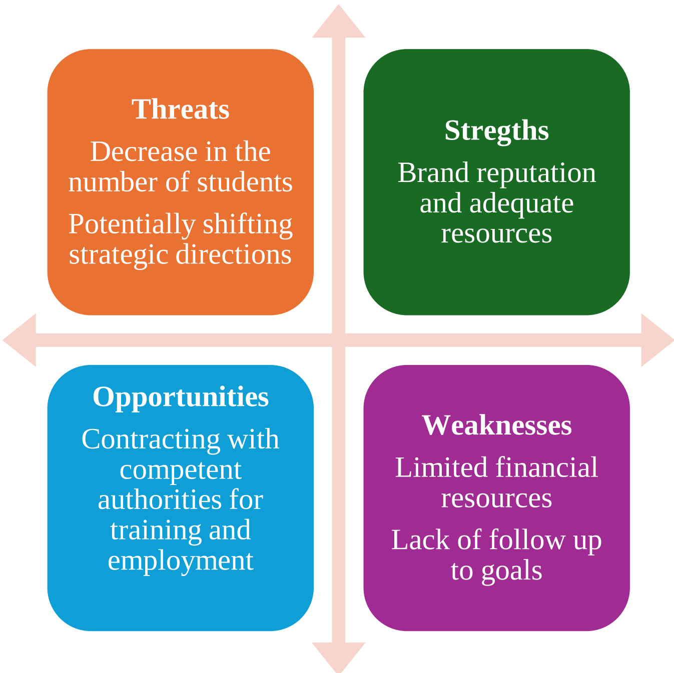
In Oman, the achievements were mainly concentrated on maintaining high standards of instruction, attaining national and international accreditations, and forming collaborations and worldwide recognition.

Several elements have been pointed out as contributing to the success of the accomplishments in the UK. These include hiring qualified and experienced academics, proposing cutting-edge facilities and tools, and inspiring well-organized and cooperative management methods. Their success was also significantly supported by transparent management, clear procedures, and an emphasis on staff and student motivation.

While in Oman, elements prompting success were connected to close associations with the Ministry of Higher Education, a committed culture, knowledgeable professors, and effective management techniques. Strong collaborations, teamwork, and leadership contributed significantly to the institutions' successes.

The UK universities stressed the importance of academics' continual professional development through seminars and courses to keep up with educational modifications when investigating the academic characteristics essential for future institutional success. Clearly, stress was placed on increasing a stimulating learning environment that draws students in and stimulates self-directed and ultimate learning. In addition, it was assumed necessary to integrate high-tech teaching methods and update the curriculum to replicate market demands while confirming that teachers had solid educational backgrounds and experiences.

In Oman, the emphasis was on executing creative programs to stimulate growth and success and assimilating AI technology to the institution's advantage. It also highlighted how crucial it is to increase teachers' industrial experience and link student achievement to the business world. Following is the SWOT analysis of strategic management practices in Oman as reported by respondents:



Discussion

The study aims to understand the strategic management practices and decision-making processes of colleges in Oman and the UK and highlight key areas of strategic planning, risk management, and academic excellence. Educational institutions benefit a lot from the strategic planning process as it helps to establish a direction for the future, define concrete goals, provide the tools for the optimal use of resources and coordinate the work of the staff members. The study's findings showed the UK and Oman's mutual perception of incorporating strategic planning to boost teaching effectiveness and research activities and improve cooperation within academic institutions and local communities.

With a focus on effective decision-making, the study compared the strategic management of colleges in Oman and the UK. Strategic planning is necessary in the educational institutions as a primary driver for defining goals, resource allocation and distribution to achieve those goals. The findings showed that Oman and the UK value strategic planning in their colleges (Bayraktutan *et al*., 2023).

Literature showed that strategic planning is necessary in the educational sector for effective teaching and research activities. Findings of current research highlighted the academic success and excellence as primary theme, emphasizing on achieving academic objectives to improve institutions' reputations (Hladchenko *et al*., 2015). Moreover, strategic planning helps in identifying the internal and external risks (Mbanefo *et al*., 2022).

Research conducted by Yaakob *et al*. (2019) stressed on strategic planning for regular evaluation. In addition to strategic planning, Nair *et al*. (2023) emphasized on innovative technology, the importance of introducing new programs and expanding academic offers to get competitive advantage and relevant.

Risk management is considered a crucial theme for institutions to make informed decisions. The research results showed that colleges in Oman and the UK recognizes the internal and external risks as important aspects and strive improve it (Siegel *et al*., 2018). Research has highlighted the importance of managing these risks for continuous improvement. Research conducted by Mahardhika explored this from private institutions perspective. Institutions has understood the importance of risks and how they impact the efficiency and therefore developed techniques to overcome those hazards. This proactive approach toward risks is necessary to manage future risks and difficulties (Mahardhika *et al*., 2023).

Leadership style and management also hold a significant importance in managing risks. Therefore, managerial bodies must consider evaluating the overall performance and quality of the institution. Effective planning in institutions can be helpful in identifying risk and managing it, emphasizing its importance in decision-making (Audebrand *et al*., 2010). The educational resilience is another crucial factor in risk management. Research conducted in Tanzania found areas for opportunities and growth by fostering strategic thinking and enhancing cooperation areas of improvement for educational resilience (Nnko *et al*., 2023).

The internal procedures include research and budget allocated for it, training, and opportunities for upgrade. Successfully achieving success in these areas, institutions can be confident to handle risks and improve further (Bell *et al*., 2018). The concept of acafemic excellence is crucial yet subjective. It mostly builds around accomplishments and mentoring plays an important role in this regard. Research by Amoli et al. (2016) stressed on growth through internal academic procedures such as mentoring. Efficient mentoring can enhance capacity and transfer information and overall academia performance. By carefully planning and strategizing academic goals, academic institutions can achieve their strategic objectives (Betancur *et al.,* 2022).

Similar to other colleges across the globe, colleges in Oman and the UK might have same idea that academic achievement depend on ranking (Parakhina *et al*., 2017). Research by APavlichenko stressed on importance of exchange of internal information. It is necessary for teaching staff motivation including money management and designing course (Pavlichenko *et al*., 2022). Recent research stressed on e-learning to enhance the quality of higher education and institutional performance (Alsuwaidi *et al*., 2023). By prioritizing the academic criteria and upgrading their palms, educational institutions can improve their performance (Roy *et al*., 2023).

Present research compared the strategic management practices employed in the colleges of Oman and the UK to have a thorough understanding of decision-making process in educational sector of both countries. It was observed that strategic management practices were given the prime importance. However, the decision-making process was different in educational sector of both countries. Omani institutions followed a centralized approach, and senior management holds a key role. On the other hand, key stakeholders including faculty, staff, and students, were included in the strategic decision-making process. The educational decisions might be affected by these differences in decision-making frameworks (Nuel *et al*., 2021).

Secondly, the institutional culture, leadership styles, and availability of resources impact the decision-making in institutions. Colleges that have strong collaborative management and cooperation culture make better decisions (Stukalina *et al*., 2014).

Furthermore, universities with financial resources and human resources make informed decisions. (Latorre-Medina et al., 2013). The comparison showed that UK has a decentralized decision-making process that give a chance to stakeholders to shift the situation. On the contrary, the centralized approach, as practiced by Oman's institutions avoid the delays and speed up the decision-making process. Bhopal et al. (2020) considered balance of centralized and decentralized decision making beneficial to make active and broad decisions without delays (Bhopal et al., 2020).

By being aware of the advantages and disadvantages of numerous decision-making strategies, educational institutions may speed up their strategic management processes and expand their effectiveness. Strongly emphasizing shared governance and stakeholder collaboration can result in better decision outcomes (Kayyali et al., 2023).

This research has some limitations regardless of the helpful findings presented. First, because the study's scope was restricted to colleges in Oman and the UK, it may not be related to how decisions are made in other nations or educational fields. It would be possible to gain a more comprehensive knowledge by extending the attention to integrating more wide-ranging geographic areas and academic institutions. Second, the research mainly depended on college students' self-reported data, which may have some prejudice or errors. Future studies can merge qualitative and quantitative methods for a more consistent and objective understanding.

Theoretical contribution

The main theoretical contribution made by this study is that despite being in different countries, namely Oman and the UK, it looked at the strategic management practices and decision-making processes in higher education institutions in both countries. Evaluating the significance of strategic planning, risk management, and academic prestige is one of the objectives of this study that contributes to the increased comprehension of how these factors influence organizational effectiveness and success in the educational realm. Moreover, the comparison of centralized decisions in Oman and decentralized decisions in the UK reveals how decision-making frameworks affect the performance of these institutions.

Conclusion

Present research is carried out to investigate the efficiency of decision-making in colleges of Oman and the UK. By interviewing the key stakeholders, the study found different approaches to decision-making. Culture, leadership style, and access to resources impact the decision-making abilities and therefore impact the final outcome. Therefore, it was concluded that involvement of key stakeholders in decision-making process is necessary. By including the stakeholders in the decision-making process, institution must improve the efficiency of their strategic management. Furthermore, the research found a need of proper rules and regulations. This study offers various recommendations for improving decision-making in education going forward. It’s imperative for educational institutions to prioritize strategic planning. Moreover, stakeholder cooperation, resource allocation, and staff development spending can all contribute to long-term institutional success. Based on the findings of this research, further research can be conducted for future advancements in strategic management methods in education by providing details on difference of decision-making environments in Oman and the UK.

Recommendations

Based on the results, it is recommended that educational institutions consider a balanced approach to making decisions and ensure the involvement of stakeholders to ensure diverse perspectives. Moreover, institutions must develop leadership training and prioritize strategic planning. Other than that, institutions of Oman can learn that innovation in instruction methods, investment in staff development, and high-quality research should be part of their strategic planning. Based on the results, it is recommended that Oman and the UK must embrace innovation in curriculum development to meet the continuously evolving needs of educational sector.

Oman must follow a decentralized decision-making approach and involve stakeholders in an inclusive decision-making process. For this, the decision-making framework must be reframed to include multiple stakeholders to make effective decisions. Moreover, there should be continuous professional development initiatives for teachers in Oman to deliver knowledge effectively. Besides that, the country must be inspired to use high-end technology in classrooms.

Practical examples of how educational institutions may include the findings in the policies and practices should be considered. For example, to ensure the participation of all the major players and balance the decision-making process, it is advisable to establish committees or advisory boards that will consist of representatives from university staff, faculty, students, and external stakeholders. These committees can be entrusted with evaluating the decisions made, presenting their feedback, and ensuring various views are considered before any significant policy and direction settlements.

Moreover, leadership training and strategic planning prioritization could be achieved by facilitating workshops or training dedicated to cultivating the administrative staff's and faculty’s leadership skills. Such programs may be designed to tackle strategic visioning, change management, and decisive strategies, and leaders may receive the tools and information needed for an institution's success through them.

Furthermore, the implementation of the innovation in curriculum and instruction design can be initiated by the setting up of special task forces and laboratories which are assigned to investigate possible new ways of teaching, integration of technology into instruction as well as conducting research of methods best suited for the design of programmes. These facilities may stimulate a culture of innovation and continuous perfection within the college, resulting in its responsiveness to the dynamic demands of the educational world. Overall, by offering practical recommendations and feasible measures, educational institutions can transfer the findings into practical changes in their functioning, leading to higher educational effectiveness and impact.

References

Alkindi, A. M. (2006). Education in Oman: Challenges and future prospects. International Education Journal, 7(4), 443-455.

Al-Lamki, R. S. (2009). Education in Oman: Challenges and opportunities. Sultan Qaboos University Journal for Social Sciences, Humanities and Education, 9(1), 43-56.

Allen Jr, C. (2016). Oman: Politics and Society in the Qaboos State. Routledge.

AlMahdy, H. S., Al-Balushi, S. M., & Al-Badi, A. H. (2018). The role of education in nation building: An empirical study in Oman. International Journal of Educational Research and Reviews, 6(6), 140-151.

Amoli, S. J., & Aghashahi, F. (2016). An investigation on strategic management success factors in an educational complex. Procedia-Social and Behavioral Sciences, 230, 447-454.

Anderson, L., & Rodriguez, M. (2023). The Role of Technology in Data-Driven Decision Making: Case Studies from Universities. Journal of Higher Education Policy and Management, 40(1), 45-62.

Audebrand, L. K. (2010). Sustainability in strategic management education: The quest for new root metaphors. Academy of Management Learning & Education, 9(3), 413-428.

Azmat, G. (2017). The effect of changes in higher education funding in England on students' choices and outcomes. Labour Economics, 47, 172-196.

Bayraktutan, S., Nanobashvili, K., & Kakashvili, G. (2023). The Concept of Creating a Strategic Plan Database (on the example of higher educational institutions). Intellect, 26(1 (73)), 81-84.

Bell, R. G., Filatotchev, I., Krause, R., & Hitt, M. (2018). From the guest editors: Opportunities and challenges for advancing strategic management education. Academy of Management Learning & Education, 17(3), 233-240.

Betancur, R. R., Pardo-del-Val, M., & Martínez-Pérez, J. F. (2022). Strategic orientation to educational innovation: A systematic review and conceptual model. Intangible Capital, 18(3), 442-468.

Bhopal, K., & Pitkin, C. (2020). ‘Same old story, just a different policy’: race and policy making in higher education in the UK. Race Ethnicity and Education, 23(4), 530-547.

Clark, H., & Wilson, A. (2023). Promoting Equity and Inclusion in College Decision Making: Evidence and Strategies. Journal of Diversity in Higher Education, 10(3), 211-230.

Hladchenko, M. (2015). Balanced Scorecard–a strategic management system of the higher education institution. International Journal of Educational Management, 29(2), 167-176.

House of Commons Education and Skills Committee. (2019). The role of school governing bodies in England. Retrieved from https://publications.parliament.uk/pa/cm201719/cmselect/cmeduc/1094/1094.pdf

Johnson, R., & Thompson, K. (2022). Data-Driven Decision Making in Higher Education: A Systematic Review of Literature. International Journal of Educational Technology in Higher Education, 19(1), 1-20.

Kayyali, M. (2023). The Relationship between Rankings and Academic Quality. International Journal of Management, Sciences, Innovation, and Technology IJMSIT, 4(3), 01-11.

Latorre-Medina, M. J., & Blanco-Encomienda, F. J. (2013). Strategic management as key to improve the quality of education. Procedia-Social and Behavioral Sciences, 81, 270-274.

Mahardhika, B. N., & Raharja, S. (2023). The Importance of Strategic Planning With Modern Trends in Education. AL-ISHLAH: Jurnal Pendidikan, 15(2), 1807-1820.

Mbanefo, M. (2022). Promoting Educational Resilience through Effective Strategic Planning of Students Learning Outcomes by Educational Institutions. doi: https://doi.org/10.56059/pcf10.4627.

Nair, S. (2023). The effects of Strategic Management Accounting on Firm Performance: A Study on Private Higher Education Institutions in Malaysia. doi: http://dx.doi.org/10.37896/jxu17.6/031.

Nnko, K. (2023). THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT An Analysis of the Strategic Planning Practices of Public Institutions in Tanzania. doi:http://dx.doi.org/10.24940/theijbm/2023/v11/i5/M2305-013.

Nuel, O. I. E., Nwakoby, N. P., & Ifechi, A. N. (2021). Mentoring: The way to academic excellence.

Parakhina, V., Godina, O., Boris, O., & Ushvitsky, L. (2017). Strategic management in universities as a factor of their global competitiveness. International Journal of Educational Management, 31(1), 62-75.

Paul, A. (2013). TOTAL QUALITY MANAGEMENT IN EDUCATIONAL INSTITUTIONS : INFLUENCES ON CUSTOMER SATISFACTION. 2(3), pp.31–46.

Pavlichenko, V., Pavlichenko, O., Borodiyenko, O. and Malykhina, Y. (2021). METHODOLOGY OF CREATING STRATEGIC AND INVESTMENT PLANS FOR THE DEVELOPMENT OF EDUCATIONAL INSTITUTIONS. Financial and credit activity: problems of theory and practice, 4(39), pp.387–395. doi:https://doi.org/10.18371/fcaptp.v4i39.241401.

Rajasekar, N., & Khan, M. R. (2013). Economic valuation of watershed: A case study of Oman. Journal of Natural Resources and Development, 3(1), 8-19.

Siegel, D. S., & Leih, S. (2018). Strategic management theory and universities: An overview of the Special Issue. Strategic Organization, 16(1), 6-11.

Smith, J., & Johnson, L. (2021). Enhancing Decision-Making in Higher Education: Strategies and Best Practices. Journal of Higher Education Management, 25(2), 87-104.

Stukalina, Y. (2014). Strategic management of higher education institutions. Organizacijų vadyba: sisteminiai tyrimai, (70), 79-90.

Yaakob, M. F. M., Musa, M. R., Habibi, A., & Othman, R. (2019). Strategic management and Strategic Planning in school: Is it worth for teachers?. Academy of Strategic Management Journal, 18(3), 1-6.

4.2 Coping with uncertainty, ambiguity and risk – a crucial future competence in entrepreneurship education

Anita Zehrer, Gundula Glowka, Desiree Wieser, Christine Pirhofer

MCI The Entrepreneurial School, Austria

Abstract

Coping with uncertainty, ambiguity and risk is a crucial future competence that needs to be addressed in entrepreneurship education, as the business landscape is increasingly unpredictable. The Erasmus+ project EICAA (Entrepreneurial and Intrapreneurial Competences Assessment Alliance) has undertaken the development of a digital platform explicitly designed for the evaluation and enhancement of entrepreneurial competences. This encompasses a comprehensive spectrum of competences, including those germane to the adept handling of uncertainty, ambiguity, and risk. The evaluative methodology is predicated on a questionnaire-based approach, allowing for a systematic and quantifiable assessment. This paper, situated within the context of a higher education institution in Austria, draws upon empirical data gathered during the year 2023 among cohorts of students specializing in tourism and management. The ensuing analysis endeavors to shed light on significant correlations between Dealing with Uncertainty and specific competences within the EICAA framework, underscoring the need for further attention to these competences.

Key Words:

Entrepreneurship Education, Entrepreneurial Competences, Digital Platform, Students

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

Drawing from Social Cognitive Theory (Bandura, 2001), initially known as Social Learning Theory, entrepreneurial learning is inherently experiential (Cope, 2005; Politis, 2008). In the context of entrepreneurial learning, Social Cognitive Theory suggests that individuals learn entrepreneurial skills and behaviors primarily through observation, imitation, and modeling of others. Within the European Union, entrepreneurship competence development holds a pivotal role in lifelong learning. However, the conventional definition of entrepreneurship often confines it to the establishment of businesses and startup intentions. In contrast, the EU adopts a more comprehensive perspective, defining entrepreneurship as a collection of competences that enable individuals to think and act entrepreneurially. This broader conceptualization sees entrepreneurship as a means of personal development, active goal pursuit, fostering creativity, and instigating change; It underscores the role of entrepreneurship in empowering individuals, driving innovation, and shaping a future characterized by resilience, ingenuity, and meaningful progress and celebrates entrepreneurship as a vehicle for personal fulfillment, societal impact, and the pursuit of purpose-driven endeavors (Bacigalupo, et al. 2016). The

EICAA initiative seeks to pioneer a platform for assessing this spectrum of entrepreneurial competences and proposing interventions to enhance specific entrepreneurial skills. The ultimate goal is to transcend the limited understanding of entrepreneurship, emphasizing its broader relevance and contribution to personal and professional development.

Coping with uncertainty, ambiguity, and risk is an ongoing process that involves a combination of strategic thinking, adaptability, and emotional resilience. Developing these skills will not only help navigate challenges effectively but also contribute to personal and professional growth. University graduates are required to engage in judicious decision-making within the business milieu. This necessitates a nuanced comprehension of fundamental business functions, the application of enterprising knowledge, and the adept utilization of economic and financial principles. Such competencies are indispensable for effectively addressing contemporary transformative phenomena, including the green transition, the aging workforce, and the pervasive influence of digitalization (Bernardó & Teodoro, 2022; Teodoro et al., 2022a, 2022b).

Notwithstanding the imperative nature of these competences, a discernible disjunction emerges between the educational offerings at the management level proffered by academic institutions and the requisites articulated by industry stakeholders (Zehrer & Mössenlechner, 2009). This disjuncture underscores a prevailing incongruity in the alignment of educational curricula with the dynamic demands and expectations of the contemporary business landscape. The chasm between pedagogical endeavors and industry exigencies accentuates the imperative for a recalibration of educational paradigms to better cater to the exigencies of a rapidly evolving business ecosystem.

In the present context, learners are introduced to a competency monitor as a didactic instrument, leveraging it to discern the intricacies of students' proficiencies, both in terms of deficiencies and strengths. Furthermore, its utility extends to a comprehensive review of the knowledge assimilated during prior academic pursuits, with an emphasis on forging meaningful connections between theoretical constructs and practical application. This pedagogical approach entails a conscientious utilization of the competency monitor as a reflective tool, prompting students to engage in an introspective examination of competencies previously acquired and facilitating the transference of such cognitive frameworks into the pragmatic exigencies of the business milieu. This pedagogical strategy is conceived to instill a cognizant and adaptive mindset, wherein students learn to extrapolate and apply their acquired competencies in a purposive manner within the dynamic landscape of business practice.

Literature Review

Risk is a concept characterized by multiple definitions, reflecting its subjective nature and variability in perception across individuals and contexts (Brustbauer & Peters, 2013; Claver et al., 2008). For instance, Palmer and Wiseman (1999, p. 1039) conceptualize risk within organizations as "income stream uncertainty," highlighting its dependence on firm-specific attributes and external factors. Within decision-making frameworks, risk is often articulated as "the probabilistic uncertainty of outcomes resulting from a choice, encompassing variation in the distribution of potential outcomes, their associated probabilities, and subjective values" (Brustbauer, 2016, p. 71).

Nevertheless, a broader and more inclusive definition that serves as common ground across different perspectives is the notion of risk as "the distinction between reality and possibility" (Renn, 1998, p. 50). This definition underscores risk as the delineation between what is known and what could potentially occur, encapsulating the fundamental essence of uncertainty and the inherent challenge of navigating between existing circumstances and future contingencies.

Risk encompasses various categories that span financial, reputational, operational, personal, strategic, and legal dimensions within organizational contexts (Memili et al., 2010). Financial risks pertain to liquidity management, treasury operations, and asset allocation. Image risks are associated with a company's reputation and adherence to regulatory compliance. Operational risks encompass human errors, process inefficiencies, and technological challenges. Strategic risks involve factors such as market intelligence, employee retention, competitive pressures, and knowledge transfer. Legal risks arise from evolving workplace, environmental, and fiscal regulations (Tavares et al., 2021). Personal risks extend to health issues, mortality, or other individual circumstances (Zahra, 2005). Industry-specific risks emanate from competitors and market dynamics.

Alternatively, risks are categorized into internal and external dimensions by Brustbauer & Peters (2013). Internal risks encompass factors such as quality standards, operational processes, partner relationships, IT infrastructure, and product development. External risks are linked to emerging market trends, technological advancements, customer behavior, political shifts, and supply chain disruptions.

Despite the often negative connotations associated with risk, it can also yield positive outcomes such as increased profitability and enhanced performance (Brustbauer, 2016). This dual nature of risk underscores its role as a critical factor in organizational decision-making and strategic management, where effective risk assessment and mitigation strategies can lead to both resilience and competitive advantage.

Hence, risk, which can be regarded as a future core entrepreneurial competence, is traditionally characterized as the likelihood of an event occurring along with its ensuing repercussions, coexists with uncertainty, a pervasive element in situations where the computation of event probabilities and consequences prove challenging (Takemura, 2021). Within the realm of conducting business operations amid an uncertain milieu, aspiring entrepreneurs consistently grapple with the intricacies of decision-making amidst uncertainty (Bevan, 2022). The entrepreneurial landscape introduces challenges that demand adept navigation through the market's inherent ambiguity, a landscape shaped by the fluidity of client preferences and competitive dynamics (Schindehutte et al., 2006).

An entrepreneur's reaction to uncertainty hinges upon a combination of analytical acumen for risk evaluation and a disposition towards unpredictable circumstances. Amidst heightened uncertainty, the concept of ambiguity tolerance becomes pertinent, denoting an individual's ability to make decisions in situations where information is incomplete (Moriano & Gorgievski, 2008). Moreover, individuals endowed with elevated self-efficacy within a particular domain demonstrate increased resilience when confronted with situations marked by complexity and uncertainty (Gist, 1987).

Nonetheless, entrepreneurs frequently manifest overconfidence by relying on scant information, engaging in optimistic planning devoid of retrospective consideration of past challenges, and maintaining a robust belief in their capacity to exert control over performance even in chance-influenced scenarios. Consequently, when chance factors prominently in a situation, entrepreneurs often perceive lower levels of risk (Chell, 2013). The significance of risk perception is accentuated, as individuals perceiving elevated risk levels across diverse scenarios may exhibit reluctance in recognizing nearly any concept as a genuine opportunity (Baron, 2006). The inclination towards risk-taking is shaped by antecedent experiences or profound knowledge in a particular domain (Sitkin & Pablo, 1992).

Empirical Study

In the pursuit of empirical insights, a quantitative research methodology was employed, manifested in the utilization of the Entrepreneurial and Intrapreneurial Competences Assessment Alliance (EICAA) self-administered questionnaire. This instrument was systematically administered to a cohort of students specializing in tourism and management within the confines of a distinguished higher education institution in Austria during the temporal span extending from November 2022 and December 2023. The questionnaire, designed for self-administration, necessitated respondents to evaluate the applicability of a comprehensive set of 19 entrepreneurial competences. The evaluation process was structured through a meticulously calibrated five-point interval scale, wherein respondents were solicited to assign ratings ranging from 1 denoting a complete lack of knowledge to 5 representing an expert level of proficiency.

The participant pool comprised a total of 186 students, constituting a representative segment of the targeted demographic. This cohort engagement yielded a response rate of 21.77% underscoring the meaningful participation of students in the evaluative exercise. The quantitative data gleaned from this survey affords a structured foundation for subsequent analytical endeavors, offering a quantitative lens through which to scrutinize and interpret the perceived efficacy and relevance of entrepreneurial competences within the delineated academic context.

Results

In the data sample, 83 students were female and 77 males. The majority of students, n=121, belonged to the age group of 18-23 years old. The age group of 24-30 years counted 57 students, 31-40-years 7 students and one student was between 41 -50 years old.

Table 1. Years of work experience

Work experience in years	Number	Percent
0-2-years	86	46,2
10-plus-years	6	3,2
2-5-years	45	24,2
5-10-years	25	13,4

Of the 186 students, 84 were not employed and 102 had employment. From the employed students, 10 were self-employed.

Preliminary results are exploring the correlations of the competence Dealing With Uncertainty and the relations to the other entrepreneurial competences. The competences can be split into three main areas, which are ideas & opportunity, resources and into action. In the following, the correlations for the competence Dealing With Uncertainty are shown for each competence from the three areas.

Dealing With Uncertainty and Ideas & Opportunity Competences

The area *Ideas & Opportunities* involves the competences Spotting Opportunities (OPP), Design Orientation (Des_OR), Creativity (CREA), Vision (VIS), Valuing Ideas (VALUE_IDEA) and Ethical and Sustainable Thinking (SUST). The correlations in table 2 show that all competences correlate significantly and positively with the competence Dealing With Uncertainity (UNC).

Table 2. Correlations of Dealing With Uncertainty with Ideas & Opportunities Competences.

	UNC	OPP	Des_OR	CREA	VIS	VALUE_IDEA	SUST
UNC	**1**	**0.547****	**0.622****	**0.522****	**0.615****	**0.648****	**0.463****
OPP		1	0.694**	0.685**	0.618**	0.558**	0.522**
Des_OR			1	0.720**	0.675**	0.663**	0.545**
CREA				1	0.699**	0.661**	0.585**
VIS					1	0.733**	0.616**
VALUE_IDEA						1	0.595**
SUST							1

**. The correlation is significant at the 0.01 level (two-tailed).

Dealing With Uncertainty and Resource Competences

The competence area *Resources* includes the competences Self Awareness and Self efficacy (SELF), Motivation and Perseverance (MOT), Mobilising (financial) Resources (MOB_FR), Enterprising Literacy (ENT_L), Mobilising Others (MOB_O), Digital Competence (DIGI). The results in table 3 show that all competences correlate positively with Dealing With Uncertainty (UNC) above a value of 0.5.

Table 3. Correlations of Dealing With Uncertainty with Resource Competences

	UNC	SELF	MOT	MOB_FR	ENT_L	MOB_O	DIGI
UNC	**1**	**0.575****	**0.565****	**0.693****	**0.603****	**0.578****	**0.580****
SELF		1	0.712**	0.641**	0.548**	0.678**	0.496**
MOT			1	0.636**	0.562**	0.570**	0.548**
MOB_FR				1	0.638**	0.604**	0.578**
ENT_L					1	0.561**	0.654**
MOB_O						1	0.570**
DIGI						*	1

**. The correlation is significant at the 0.01 level (two-tailed).

Dealing With Uncertainty and Into Action Competences

The competence area Into Action includes the competences Taking the initiative (INI), Planning and Management (PLAN), Process Management (P_M), Design Validation and Co-Creation (DESN_VAL), Working with Others (OTHERS) and Learning through Experience (LTE). The results in table 4 show that Dealing With Uncertainty (UNC) correlates positively at values above 0.5 with every competence.

Table 4. Correlations of Dealing With Uncertainty with Into Action Competences

	UNC	INI	PLAN	P_M	DESN_VAL	OTHERS	LTE
UNC	**1**	**0.551****	**0.623****	**0.725****	**0.558****	**0.604****	**0.559****
INI		1	0.693**	0.669**	0.403**	0.656**	0.567**
PLAN			1	0.781**	0.501**	0.682**	0.562**
P_M				1	0.528**	0.653**	0.605**
DESN_VAL					1	0.483**	0.467**
OTHERS						1	0.661**
LTE							1

**. The correlation is significant at the 0.01 level (two-tailed).

Discussion

The observed correlations suggest a noteworthy association between the competency of Dealing With Uncertainty and specific dimensions within the EICAA framework.

In the realm of *Ideas & Opportunity Competences*, Dealing With Uncertainty demonstrates the strongest correlation with Valuing Ideas (0.648**), succeeded by Design Orientation (0.622**) and Vision (0.615**). In this context, the substantial correlation (0.648**) between Dealing With Uncertainty and Valuing Ideas implies that students who exhibit a higher proficiency in navigating uncertainty are also more likely to place a significant emphasis on the valuation of ideas. This suggests a potential linkage between the ability to handle uncertain situations and the recognition or appreciation of innovative concepts or opportunities. Similarly, the positive correlations with Design Orientation (0.622**) and Vision (0.615**) indicate that there is a notable connection between Dealing With Uncertainty and these competences. Students adept at managing uncertainty may also demonstrate a propensity for creative design thinking (Design Orientation) and possess a forward-looking, strategic perspective (Vision).

Turning to *Resource Competences*, our findings indicate that Dealing With Uncertainty exhibits the highest correlation with Mobilising (financial) Resources (0.693**) and Enterprising Literacy (0.603**). In this instance, the substantial correlation of Dealing With Uncertainty with Mobilising (financial) Resources (0.693**) suggests a robust positive relationship. This indicates that students proficient in navigating uncertainty are more likely to demonstrate a heightened capability in mobilizing financial resources. In practical terms, this could mean that those adept at managing uncertain situations are also skilled in securing and effectively utilizing financial resources for entrepreneurial ventures. Furthermore, the positive correlation with Enterprising Literacy (0.603**) implies that there is a meaningful association between Dealing With Uncertainty and a broad understanding of entrepreneurial principles and practices. Students who excel in handling uncertainty may also exhibit a higher level of enterprising literacy, encompassing knowledge and proficiency in entrepreneurial concepts and strategies.

Within the domain of *Into Action Competences*, the most notable correlation for Dealing With Uncertainty is with Process Management (0.725**), followed by Planning and Management (0.623**). In this case, the substantial correlation of Dealing With Uncertainty with Process Management (0.725**) suggests a robust and positive relationship. This implies that students who exhibit proficiency in handling uncertainty are highly likely to also excel in the domain of process management. Process management involves organizing and overseeing activities and workflows to achieve specific goals. The positive correlation indicates that those who can navigate uncertainty effectively are also adept at structuring and managing processes in their entrepreneurial endeavors. Similarly, the positive correlation with Planning and Management (0.623**) suggests a significant connection between Dealing With Uncertainty and the ability to plan and manage tasks and resources effectively. Students who demonstrate competence in handling uncertainty are also likely to excel in strategic planning and overall management.

Conclusion

In conclusion, the observed correlations underscore a nuanced relationship between the competency of Dealing With Uncertainty and various dimensions within entrepreneurial competence frameworks. The associations suggest a potential interdependence between the ability to navigate uncertainty and the emphasis placed on valuing ideas, design orientation, and visionary thinking within the entrepreneurial context. Additionally, the correlations highlight the robust link between Dealing With Uncertainty and effective mobilization of financial resources, as well as a comprehensive understanding of entrepreneurial principles encapsulated by Enterprising Literacy in the Resource Competences framework. Furthermore, the competency of Dealing With Uncertainty is strongly correlated with proficiency in effective process management and strategic planning within the domain of Into Action Competences. These findings collectively illuminate the multifaceted nature of entrepreneurial competencies and the integral role of Dealing With Uncertainty in shaping diverse aspects of entrepreneurial success.

As discussed by Bevan (2022), in the context of conducting business operations within an uncertain environment, emerging entrepreneurs consistently grapple with the complexities of decision-making amid uncertainty. The entrepreneurial terrain presents challenges that necessitate adept navigation through the inherent ambiguity of the market, a landscape shaped by the dynamic nature of client preferences and competitive dynamics (Schindehutte et al., 2006). Our findings reveal a significant correlation between Dealing with Uncertainty and specific competences within the EICAA Framework, underscoring the need for further attention to these competences. In the realm of higher education, educators stand to benefit from an awareness of these correlations, allowing them to implement interventions and course modules aimed at enhancing these crucial competences.

The present case study serves a dual purpose: firstly, it illuminates the efficacy and pragmatic applicability of the instruments developed within the framework of the Entrepreneurial and Intrapreneurial Competences Assessment Alliance (EICAA); and secondly, it functions as an illustrative guide delineating the utilization of the EICAA platform. Notably, this study underscores the practical instantiation of the EICAA Competence Monitor within an educational milieu.

References

Bacigalupo, M., Kampylis, P., Punie, Y., Van den Brande, G. (2016). EntreComp: The Entrepreneurship Competence Framework. Publication Office of the European Union, Luxembourg.

Bandura, A. (2001). Social Cognitive Theory: An Agentic Perspective. Annual Review Pychology, 52, 1-26.

Baron, R. A. (2006). Opportunity recognition as pattern recognition: How entrepreneurs "connect the dots" to identify new business opportunities. Academy of Management Perspectives, 20(1), 104–119.

Bernarndó, E., & Teodoro, J. (2022). *EICAA-Competence Framework: executive summary*. Deliverable 2.3 EICAA Erasmus+ Project. https://www.eicaa.eu/

Bevan, L. D. (2022). The ambiguities of uncertainty: A review of uncertainty frameworks relevant to the assessment of environmental change. Futures, 137, 102919.

Bird, B. (2019). Toward a Theory of Entrepreneurial Competency. In: Katz, J.A. and Corbet, A.C. (Ed.) Seminal Ideas for the Next Twenty-Five Years of Advances (Advances in Entrepreneurship, Firm Emergence and Growth, Vol. 21), Emerald Publishing Limited, Bingley, pp. 115-131. https://doi.org/10.1108/S1074-7540201900000210

Brustbauer, J. (2016). Enterprise risk management in SMEs: Towards a structural mod-el. International Small Business Journal: Researching Entrepreneurship, 34(1), 70–85. https://doi.org/10.1177/0266242614542853

Brustbauer, J., & Peters, M. (2013). Risk perception of family and non-family firm man-agers. Int. J. Entrepreneurship and Small Business, 20(1), 96–116.

Chell, E. (2013). Review of skill and the entrepreneurial process. International Journal of Entrepreneurial Behavior & Research, 19(1), 6–31.

Cope, J. (2005). Toward a Dynamic Learning Perspective of Entrepreneurship. Entrepreneurship Theory and Practice, 29(4), 373-397. https://doi:10.1111/j.1540-6520.2005.00090.x

Gist, M. E. (1987). Self-efficacy: Implications for organizational behavior and human resource management. Academy of Management Review, 12(3), 472–485.

Moriano, L. J. A., & Gorgievski, M. (2008). Psychology of entrepreneurship: research and education.

Palmer, T. B., & Wiseman, R. M. (1999). Decoupling risk taking from income stream uncertainty: A holistic model of risk. Strategic Management Journal, 20(11), 1037–1062.

Renn, O. (1998). Three decades of risk research: accomplishments and new challenges. Journal of Risk Research, 1(1), 49–71.

Schindehutte, M., Morris, M., & Allen, J. (2006). Beyond achievement: Entrepreneurship as extreme experience. Small Business Economics, 27, 349–368.

Sitkin, S. B., & Pablo, A. L. (1992). Reconceptualizing the determinants of risk behavior. Academy of Management Review, 17(1), 9–38.

Takemura, K. (2021). Behavioral decision theory: Psychological and mathematical descriptions of human choice behavior (Second edition). Springer Singapore Pte. Limited. https://doi.org/10.1007/978-981-16-5453-4

Tavares, F., Santos, E., & Tavares, V. (2021). Risk categorization in Portuguese organi-zations in times of the COVID-19 pandemic – an exploratory statistical analysis. Journal of Entrepreneurship and Public Policy, 10(3), 306–322. https://doi.org/10.1108/JEPP-03-2021-0033

Teodoro, J., Bernadó, E., Bratzke, F., Zehrer, A., & Van BockHaven, W. (2022a). Online support for education in entrepreneurial and intrapreneurial competences: A proposal for an assessment tool and support for tailor-made training. Education Sciences, 12, 805. https://doi.org/10.3390/educsci12110805

Teodoro, J., Bernadó, E., Bratzke, F., & Zehrer, A. (2022b). Online support for education in entrepreneurial and intrapreneurial competences with an assessment tool and tailored-training support, OpenU International Conference “Experimenting with Online Pedagogical Resources for European Universities”, October 13-14, 2022, Paris, France.

Zehrer, A., & Mössenlechner, C. (2009). Key competences of tourism graduates – the employers’ point of view. *Journal of Teaching in Travel and Tourism*, 9(3-4), 266-287. https://doi.org/10.1177/1467358416636929

4.3 Big Data and Blockchain synergy in Digital Transformative Tourism Education

Mayssa Ahmed Ben Belgacem, Aaisha Sulaiman AL Shuaili

Oman Tourism College

Abstract

Current tourism learning in higher education system often lacks a focus on the recent technologies necessary for tourism growth, competitiveness, and adaptability. Hence, the alignment of tourism transformative education with the changing needs of the practical tourism context is pivotal to prepare students to be responsible, informed and technologically qualified learners for a best future of the industry. This research highlights the crucial role of the transformative education and strives to bridge the gap in the existing tourism literature. Through meticulous analysis, this paper aims to improve the quality and effectiveness of tourism education and its interaction with the industry by evaluating and implementing a distinctive potential of big data and blockchain synergy.

Key Words:

Transformative Education, Tourism, Big Data, Blockchain.

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

In light of recent and emerging challenges such as climate change, violent and hateful ideologies, conflicts, and the potential hazards of global pandemics, education must teach young people the knowledge, skills, values, and attitudes required to live cooperatively, be flexible, think critically, respect diversity, care for the environment, and enthusiastically participate in finding solutions both locally and globally. Accordingly, Transformative Education is critical in assisting individuals to develop these competencies. (UNESCO, 2022)

Transformative Learning was first presented in 1978 by Jack Mezirow. It presents a wide-range approach to adult education that includes identity changes and considers numerous perspectives and experiences, (Mezirow, 2008). Transformative Education can also be defined as "an approach to teaching based on promoting change, where educators challenge learners to critically question and assess the integrity of their deeply held assumptions about how they relate to the world around them". (Eschenbacher, 2020)

Transitioning to digital transformative education, new digital technologies have rapidly transformed societal functions and have created a continuous need for the acquiring and mastering of new skills. The education sector has witnessed a series of paradigm shifts in its system of delivery influenced by technology. In the past two decades, distance education and e-learning have become an important means of delivering knowledge and skills in the education sector (Daniel, 1996, Altbach, 2005). This trend has filtered down to tertiary level education in travel and tourism, where there has been a significant push towards digital delivery of unit materials as a way to adequately prepare students for the digital workforce that awaits them.

As the tourism industry undergoes rapid transformation, the integration of cutting-edge technologies such as big data, blockchain, and emerging technologies presents new opportunities for revolutionizing tourism education (EU Commission, 2020). Integration these technologies enable tourism educators to analyse vast amounts of data, including travellers' preferences, booking patterns, and market trends, to inform curriculum development and strategic decision-making (Li et al., 2021).

This article explores the potential of these technologies to enhance experiential learning, foster global collaboration, and prepare students for the dynamic landscape of the tourism sector. This study is structured into four parts: the first part entails the potential opportunities of adopting Bigdata in both realms of learning analytics and tourism industry. The second part examine the role of Blockchain in creating a transparent and secure academic and industrial environment. The third part is dedicated to illuminate the authors' proposed scheme presenting the transformative potential of integrating big data and blockchain synergy. Then, the analysis of the combined impacts of these technologies paves the way for advanced solutions that fill the gap between education and industry. Finally, challenges and future directions are discussed to open the doors for further research.

Big Data in Transformative Education

Applying big data in education using learning analytics plays a crucial role in measuring students' learning outcomes and implementing efficient teaching process. This can facilitate the determination of the best teaching strategies and contribute to track the level of students' engagement in the learning process.

The immense potential of big data in organising, interpreting, and analysing massive amount of data, will enable educational institutions to analyse students' learning behaviour and design a personalized learning experience and informed decision-making process (Dishon, 2017).

Table 1 illustrates Big Data learning analytics, highlighting their critical role in developing educational experience.

Table 1: Big data learning analytics

Significance	Description
Data-Driven Decision Making (DDDM)	Implementing Data-driven decision-making assist in improving teaching and students learning experience. As well as enhancing accountability and transparency and promoting innovation and collaboration in the educational institution. Moreover, DDDM help educators to evaluate students' behaviour and preferences and provide personalised instructions and feedback. (Estrellado, 2020)
Data Privacy and Security	Ethical considerations surrounding data privacy and security are crucial when implementing big data initiatives in education. Ensuring the protection of student data is essential for maintaining trust and compliance with legal regulations (Reidenberg, 1995).
Integration of Analytics	The integration of predictive modelling and learning analytics into educational institutions can lead to more effective student support mechanisms and improved educational outcomes. This integration optimises resources and enhances decision-making processes (Baker, 2009).
Personalised Learning	When compared with more technical subjects such as IT, students of tourism often have problems in seeing the direct benefits of computerised systems and the potential cost savings involved. Personalized learning opportunities give students the chance to practice and improve their weak points in knowledge. This is a direct improvement over traditional

	teaching through a fixed curriculum and is made possible through utilizing Intelligent Learning Environments (Cheung et al.2021)
Predictive Analytics for Student Success	Predictive analytics powered by big data can forecast student success and identify potential areas of concern. This proactive approach allows for early intervention strategies to be implemented, thereby supporting students in achieving their academic goals (Fahd and Miah, 2023).

Big data in the transformative Tourism sector and Educational Empowerment

By incorporating big data in the tourism industry, it is expected to expand more efficiently and effectively in determining the future patterns of the industry. Big data can be gathered from private and public sources. The ability to gather and evaluate customer data and other forms of information has transformed tourism marketing and pricing strategies (Tong-On et al.2021). In fact, data in the travel industry is being used to better comprehend business and leisure travellers, develop customer service, offer the right pricing on the product, and more effectively promote and distribute their services. With the incremented availability of data, such technology will also enhance operational efficiency within tourism industry. This can be seen by utilizing data to find out patterns and make quick decisions (Naqvi et al.2021). Through carefully maintained business processes, data can help avoid making decisions out of habit or from emotional incentives. This makes the industry more methodical, and operators will be able to embrace well-informed changes that are beneficial to their company and clients.

The significance of big data analytics in tourism is exceedingly critical. It has numerous implications and could change the whole perspective of how the tourism industry works. Utilising big data tools can help tourism organisations to expand their productivity and enhance their offers to potential travellers, by analysing data from social platforms, commerce websites as well as review sites, to find out what travellers think about specific destinations and what can be developed. This is becoming increasingly important in the tourism industry where there is an overabundance of data and where it is often difficult to determine the information that will provide the most valuable insight. This necessitate improving training and education requirements for the industry (Lim et al.2023)

The integration of big data in tourism education would create innumerable benefits for the students as well as the educators. In the case of students, it would create opportunities for engaging in real-life work environment (Fettes et al., 2020). Students will be able to engage in experiential learning, allowing them to apply what they are learning in the classroom to a real work environment. This can be achieved through the use of simulations and case studies using the big data sets from the business environment. Real-life examples can foster a greater understanding of concepts and data analysis that will stay with them throughout their career. Big data will create opportunities for more internships with tourism businesses (Ivkovic & McRae, 2021).

For educators, the use of big data in tourism education can help measure student learning and teacher effectiveness. This can be done using learning analytics to track how students are engaging in the learning process and determine what teaching strategies are effective. Big data sets can also be used to evaluate curriculum effectiveness through measuring the knowledge and skills gained by students as they progress through the program. This can ultimately lead to program improvement. The increase in data analysis skills required in the tourism industry can also create more research opportunities for educators in their respective fields. Table 2 presents the role of Big Data in tourism education.

Table 2: Leveraging Big Data in Tourism for Enhanced Education

Importance	Description	Education Awareness Benefits
Understanding Traveler Behaviour	Big data facilitates the analysis of massive dataset to identify travellers' preferences, motivations and booking matters (Zhao et al.,2019).	The incorporation of big data analytics in educational curriculums will result in raising students' awareness on the critical role of data-driven decision making and the advanced industry practices (Manyika et al., 2011).
Enhancing Destination Management	Enabling destination managers to track tourists flows, evaluate carrying capacity and enhance resource allocation (Emmer and Holešinská 2020).	Enhancing students' comprehension about the critical role of sustainable tourism practices and responsible resources management in tourism industry.
Facilitating Market Research	Big data analytics allow to identify the emerging markets and recognising the business opportunity as well as designing creative and customised marketing campaigns to enhance tourists' experiences in the industry (Xiang & Gretzel, 2010).	Through the analysis of big data, students will be able to identify the recent market trends and create effective marketing strategies.
Enabling Personalised Experiences	Big data assist tourism organisations to personalise tourists' experiences through information gained from their preferences and interactions (Yoo & Gretzel, 2011).	Students will recognise the importance of customer-centric approaches and will learn to personalise consumers' experiences based on their preferences.

Blockchain in Education

Blockchain is a decentralised, distributed ledger technology that securely records transactions across multiple computers in a tamper-resistant and transparent manner (Tapscott & Tapscott, 2016). Each transaction, or block, is linked to the previous one, forming a chain of blocks, hence its named blockchain. This technology utilises cryptographic techniques to ensure the integrity and immutability of data, making it highly secure and resistant to unauthorised alterations. The technological evolution raised the need of digital educational development (Balcerzak et al., 2022). However, the physical presence remains a necessity presenting a restriction for learning advancement (Ghazali & Saleh, 2018; Daraghmi et al.,2019; Islam et al., 2018).

Blockchain learning analytics.

Blockchain offers learning analytics advantages such as secure assessment and certification emerging a pivotal application of this transformative technology. Applying Blockchain within the education sector guarantee a secure credentialing and certification. Indeed, it facilitates the execution of tamper-proof as well as transparent certification systems. This will help these establishment to ensure the authenticity of academic achievements certifications stored on the blockchain ledger (Lam & Dongol, 2022).

This technology presents an essential tool addressing different challenges encountered by educational institutions such the case of Saudi Arabia, undertaking a rapid educational expansion based on the Saudi Vision 2030. Blockchain allows the verification of various obstacles encountered by both students and educators. This will assure safeguarding the education integrity and the rapid advancement of digital transformative education (Savelyeva & Park, 2022).

Similarly, the use of Blockchain within the Indian Higher Education context seeks to combat the propagation of counterfeit degrees by improving transparency and security across the education system (Grech & Camilleri, 2017). India Higher Education presents a successful case of applying blockchain-based ecosystems such as Secure Key Technologies. Higher Educational Institutions in this country strength authentication and identity validation processes, laying a solid basis for an efficient digital future (Grech & Camilleri, 2017; Savelyeva & Park, 2022).

Incorporating Blockchain Technology in Assessment Methods

The growing difficulty in remote assessment, remarkably reached unprecedented levels of fraud and plagiarism during the Covid-19 outbreak. In order to combat plagiarism and e-cheating in remote assessments, the use of Blockchain technology, Digital Signature principles, and plagiarism detection tools successfully reduce or remove these difficulties by carefully analysing and classifying these elements. Eventually, the primary goal is to implement and encourage information security and reliability within the assessment system of distance learning. By incorporating cutting-edge technologies and best practices, higher educational institutions strive to uphold academic integrity and ensure the credibility of remote assessments (Dias et al., 2023).

Furthermore, blockchain-based assessment platforms offer secure and transparent environments for conducting exams and assessments, ensuring the immutability of student performance data (Lam & Dongol, 2022).

The Role of Blockchain in Transformative Tourism Education

Table 3 outlines the benefits of blockchain implementation and underscores the significance of fostering digital awareness within tourism education.

Table 3: The Role of Blockchain in Transformative Tourism Education

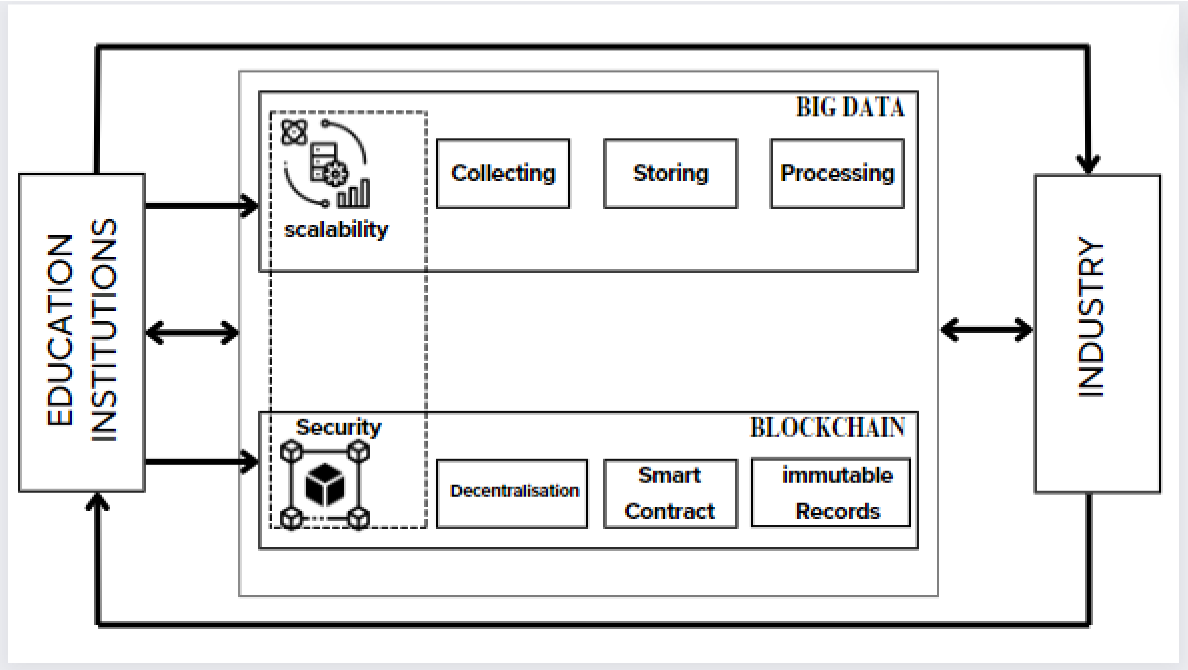
Role	Description
Enhancing Transparency& Trust	The exploitation of Blockchain technology in tourism education will assist students to generate advanced solutions for enhancing transparency and accountability in the industry. This may involve process like validating supply chain integrity and certifying travel documents. (Van et al,. 2023).
Exploring Decentralized Applications	Through decentralised applications, students and teachers can collaborate and interact directly and smoothly by relying on innovative approaches to deliver the content of their tourism study. Exposing student to this technology will motivate them to understand its potential in reforming the business models and tourists' experiences (Ozdemir and Erol, 2020).
Promoting Innovation and Collaboration	Blockchain technology fosters the concepts of innovation and collaboration by allowing stakeholders to share data securely and transparently. Hence, students need to be encouraged to participate in blockchain and industry research projects to strengthen the industrial partnership (Ivanov and Webster, 2024).
Facilitating sustainable Tourism	Educators can reinforce students' knowledge on how blockchains are promoting sustainable tourism practices and responsible consumption and production. (Park and Kim, 2023).
Enabling Financial Inclusion	Tourism industry can financially benefit from blockchain technology through presenting secure and low-cost payment systems. Therefore, teachers can discuss with students the critical role of blockchain in facilitating access to financial services and its role in empowering communities in tourism industry (Zheng and Law, 2022).
Decentralized Identity Verification	Decentralised Blockchain system offers secure techniques to verify travellers' identities and decreasing the dependence on centralised agencies. Hence, educators should encourage students to learn about blockchain-based identity solutions to create a secure tourism experience (Zheng and Li, 2023).
Transparent Supply Chain Management	Blockchain provides another advantage of enabling transparent supply chain management. Educators can engage students in comprehending the pivotal role of blockchain in encouraging supply chain transparency in the tourism field, while encouraging reliable sourcing and sustainable practices. (Ivanov and Webster, 2020).
Facilitating Smart Contracts	Smart contracts are usually used to automate the implementation of an agreement so that all participants can be instantly certain of the outcome, without involving any intermediaries or time loss. these are written contracts which will be converted into lines of code. Smart contracts in the tourism industry can revolutionise the need for contracting services. It helps to connect travellers directly with the service providers through smart contracts (Luo and Hu, 2023).

Big data and Blockchain synergy

The marriage of Blockchain and Big Data illustrates a perfect union of innovation within the digital transformative education. This dynamic partnership offers a new era of data-driven learning transformation.

The below scheme (Figure. 1) illustrates the role of Big Data and Blockchain synergy in bridging the gap between academia and the industry.

Figure. 1: Big Data & Blockchain Synergy



Source: Authors

This scheme isn't only a theoretical construct. It demonstrates a blueprint for enhancing tangible, transformative change within the educational environment. This will create a better future involving effective cooperation, innovation, and progress. The approach combines systematic steps of Big Data as well as Blockchain decentralised system.

Through a series of efficient phases, Big Data enables educational institutions gain actionable insights, update teaching strategies, and improve students' experiences. The collection of data can be gathered from private datasets including learning outcomes, students' performance, and administrative processes. As well as publicly available datasets from various sources such as social media, online reviews, and booking platforms.

However, the characteristic of unstructured nature of big data including an enormous amount of valuable information remains unprocessed. This information could be utilised to enhance the predictive capabilities of data analytics, and aid in better decision-making within the education sector. However, this is a challenging feat as unearthing this information requires sifting through a vast volume of data, and this requires storage and computation of such big data. Yet, current data analytics platforms implemented within educational institutions may run into scalability issues, given the volume of data involved, and this is where there is a potential for big data analytics on Blockchain. Moreover, within the tourism industry, big data analytics in the realms of fraud detection, consumer behaviour prediction, revenue management, etc. could benefit from a more cost-efficient analytics platform in the form of blockchain.

The interaction between educational institutions and industry can lead to generate numerous benefits and opportunities not only through implementing Big Data Technology but also Blockchain which plays a primordial role across decentralisation, smart contract, and Immutable Records. In fact, the decentralisation system can ensure the authenticity of academic achievements and manage the process of validating credentials for students by verifying academic records and certifications. In turns, employers can easily and securely streamline the recruitment process.

Challenges and Future Directions

Data Privacy and Security Concerns in Educational Innovation

Big data and Blockchain technologies pose a critical challenge of Privacy and Security Concerns (Kerzner et al., 2023). To address such restriction, educators should ensure the implementation of a transparent system ensuring secure data processing practices mitigating the risk of algorithmic bias (Koh et al., 2022).

On one hand, educational data privacy is often relatively under addressed when compared with other domains such as health or business where there are strict regulations on what data can be collected and how it can be used (Reidenberg, J.R. 1995). However, due to the sensitive nature of the student data and changing laws reforms new tools and methods are needed to ensure that educational data can be utilized in manners that preserve student privacy and adhere to emerging regulations. Therefore, the best practices methods for secure data storage and analysis are still in development.

Particularly, the extended database and analysis within the tourism education domain is related to various kind of risks associated to the collection, storage, and usage of personal data like students' academic records and learning behaviours. This is why it must fulfil data protection regulations like GDPR (General Data Protection Regulation) (Park et al., 2023). Moreover, the implementation of clear policies and the Compliance with regulatory frameworks governing data privacy and security is primordial to protect individuals' privacy rights and to mitigate legal risks associated with data processing and storage (Al-Kasasbeh et al., 2021; Faiella et al., 2022).

These challenges may also be addressed by the implementation of a strategic investment in education technology infrastructure, standardized protocols, scalable architectures to encourage learning outcomes and gutting students ready for the dynamic tourism industry (Guo et al., 2022).

Despite of the existence of several blockchain-based initiatives focusing on data integrity and Secure Record Keeping in education (Mitra, Tauz, & Dolecek, 2022; Kan & Kim, 2019; Zhu, Guo, & Zhang, 2021; Guesmi & Farah, 2021), challenges remain in selecting the appropriate blockchain technology and addressing storage complexities (Xu et al., 2017; Alawida, Samsudin, & Teh, 2019).

Additionally, the integration of blockchain technology into education requires careful consideration to ensure privacy, security, and scalability (Alawida et al., 2019; Farah & Belghith, 2017).

Embracing Continuous Professional Development for Educators

The issue of time has been cited as another factor that inhibits the ability of educators to seek continuous, professional development (CPD). Full-time educators may face a lack of relevant CPD opportunities due to the highly specific nature of their subject. This is a point which could apply to several teaching disciplines.

Due to the demands of teaching innovation and change, CPD remains a significant factor in the success of any educational course. In the field of tourism, it is widely regarded that educators delivering and teaching elements of the product to students must have an up-to-date knowledge and industry experience of their subject. However, this need is often cited as a point of weakness as many educators with valuable industry experience are often part-time or adjunct staff and may not have regular access to CPD opportunities.

Enhancing Collaboration for effective implementation

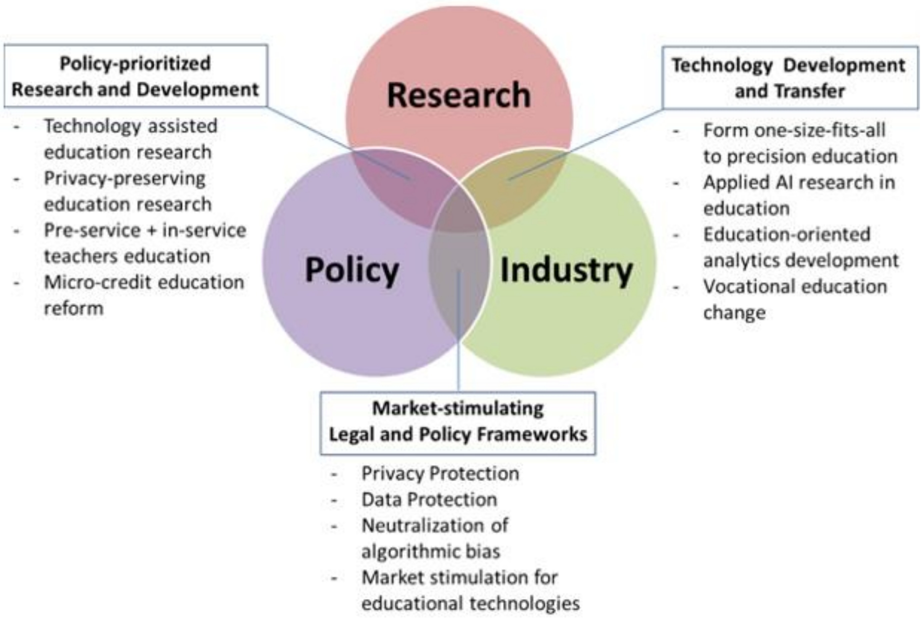
Data scientists, often employed for their expert analysis and interpretation of large data sets, are the leading force behind the big data phenomenon. Their skills and knowledge will be in high demand according to the potential benefits of big data in education. It is essential that education systems and institutions have a strong collaboration between data scientists or professionals, educators policy-makers, and researchers.

Such collaboration is necessary in the development and improvement of assessment and learning analytics tools. Data scientists must consult with educators to identify the needs of educational tools. This will ensure that tools are properly aligned with learning objectives and subject content. Together they must develop the competences and key abilities that students will need for the future workforce (Bereiter, 2002). Educators have a more focused understanding of educational theory and practice and can provide insight to data scientists on the educational context in which tools and data analysis will be applied. It will also be necessary for data scientists to train educators in the use of new tools and data analysis for the purpose of empowering educators to interpret data and ultimately use it toward the improvement of their own teaching and student learning. (Luan et al., 2020).

This collaboration will result in continual improvement and refinement of data analysis, providing more meaningful results and feedback to educators for the betterment of student learning. However, such collaboration may take a lot of work to interconnect across different disciplines and industries. Particularly, when none of the parties have a clear idea of their mutually beneficial interests or the expertise and abilities to make that vision a reality.

Figure 2 shows the latest accomplishments and changing future trends resulting from the use of big data and artificial intelligence (AI) in education, at the intersections of researchers, policymakers, and industry stakeholders.

Figure 2: Contemporary developments and future trends at the intersections between research, policy, and industry driven by big data and AI advances in education.



Source: Luan et al., (2020)

Conclusion

Today, technology has advanced from just facilitating and managing educational systems to becoming the foundation of creating different ways of learning. As technology rapidly grows, digital education is a continuous process that aims to provide the best learning experience among its learners where this enables them to gain knowledge anywhere and anytime. During this process, digital technology offers continuous interaction between learners and their environment, creating more meaningful educational process that result in new knowledge transfer, and changes in learners' behaviour. Through meticulous analysis, this paper aims to improve the quality and effectiveness of tourism education and its interaction with the industry by evaluating and implementing a distinctive potential of big data and blockchain synergy. Using Big Data and Blockchain technologies ensure data-driven insights, transparency and security integrity serves to improve and update curriculum design for better academic and practical future. This will create an educational vision based on flexibility, reactivity, and alignment with continuous change of the digital era, particularly in the tourism sector, creating an environment where advancement, cooperation, and creativity coexist peacefully.

References:

Alawida, M., Samsudin, A., & Teh, J. S. (2019). Digital cosine chaotic map for cryptographic applications. IEEE Access, 7, 150609-150622.

Alawida, M., Samsudin, A., Teh, J. S., & Alkhawaldeh, R. S. (2019). A new hybrid digital chaotic system with applications in image encryption. Signal Processing, 160, 45-58. https://doi.org/10.1016/j.sigpro.2019.02.016

Baker, R. S., & Yacef, K. (2009). The state of educational data mining in 2009: A review and future visions. Journal of educational data mining, 1(1), 3-17. https://doi.org/10.5281/zenodo.3554657

Balcerzak, A. P., Nica, E., Rogalska, E., Poliak, M., Klieštik, T., & Sabie, O. M. (2022). Blockchain technology and smart contracts in decentralized governance systems. Administrative Sciences, 12(3), 96. **https://doi.org/10.3390/admsci12030096**

Balobaid, A. S., Alagrash, Y. H., Fadel, A. H., & Hasoon, J. N. (2023). Modeling of blockchain with encryption based secure education record management system. Egyptian Informatics Journal, 24(4), 100411. https://doi.org/10.1016/j.eij.2023.100411

Bereiter, C. (2002). Education and mind in the knowledge age. Erlbaum. https://doi.org/ 10.4324/9781410612182. https://doi.org/10.4324/9781410612182

Cheung, S. K., Kwok, L. F., Phusavat, K., & Yang, H. H. (2021). Shaping the future learning environments with smart elements: challenges and opportunities. International Journal of Educational Technology in Higher Education, 18, 1-9. https://doi.org/10.1186/s41239-021-00254-1v

Daraghmi, E. Y., Daraghmi, Y. A., & Yuan, S. M. (2019). UniChain: A design of blockchain-based system for electronic academic records access and permissions management. Applied Sciences, 9(22), 4966. https://doi.org/10.3390/app9224966

Dishon, G. (2017). New data, old tensions: Big data, personalized learning, and the challenges of progressive education. Theory and Research in Education, 15(3), 272-289. https://doi.org/10.1177/1477878517735233

Emmer, F., & Holešinská, A. (2020). Big data: a source of mobility behaviour and a strategic tool for destination management. Czech Journal of Tourism, 8(2), 85-102. https://doi.org/10.2478/cjot-2019-0006

Eschenbacher, S. (2020). Transformative learning and the hidden dynamics of transformation. Taylor & Francis, 1. https://doi.org/10.1080/14623943.2020.1821631

Estrellado, R. A., Freer, E., Rosenberg, J. M., & Velásquez, I. C. (2020). Data science in education using R. Routledge. https://doi.org/10.4324/9780367822842

Fahd, K., & Miah, S. J. (2023). Designing and Evaluating a Big Data Analytics Approach for predicting students' success factors. Journal of Big Data, 10(1), 159. https://doi.org/10.1186/s40537-023-00835-z

Farah, T., & Belghith, S. (2017, December). A new chaotic encryption algorithm for WSN and implementation with sensors AS-XM1000. In 2017 18th International Conference on Sciences and Techniques of Automatic Control and Computer Engineering (STA) (pp. 684-689). IEEE. 10.1109/STA.2017.8314968

Fettes, T., Evans, K., & Kashefpakdel, E. (2020). Putting skills to work: it's not so much the what, or even the why, but how…. Journal of Education and Work, 33(2), 184-196.

Fisher, D., & Ifenthaler, D. (2012). Predictive analytics. In J. M. Spector, D. Ifenthaler, P. Isaias, K. M. Ross, & D. G. Sampson (Eds.), Data mining and learning analytics: Applications in educational research (pp. 209-232). Springer. https://doi.org/10.1080/13639080.2020.1737320

Ghazali, O., & Saleh, O. S. (2018). A graduation certificate verification model via utilization of the blockchain technology. Journal of Telecommunication, Electronic and Computer Engineering (JTEC), 10(3-2), 29-34. https://jtec.utem.edu.my/jtec/article/view/4707

Grech, A., & Camilleri, A. F. (2017). Blockchain in education. In P. Kommers & T. Issa (Eds.), Proceedings of the 14th International Conference on Cognition and Exploratory Learning in the Digital Age (CELDA 2017) (pp. 315-322). IADIS Press.

Guesmi, R., & Farah, M. B. (2021). A new efficient medical image cipher based on hybrid chaotic map and DNA code. Multimedia tools and applications, 80, 1925-1944. https://doi.org/10.1007/s11042-020-09672-1

Guo, Y., Zhao, Q., Cao, Z., & Huang, S. (2023). The influence of tourism and hospitality students' perceived effectiveness of outcome-based education on their VUCA skills. Scientific Reports, 13(1), 8079. https://doi.org/10.1038/s41598-023-35186-5

Islam, A., Kader, M. F., & Shin, S. Y. (2018). BSSSQS: a blockchain based smart and secured scheme for question sharing in the smart education system. arXiv preprint arXiv:1812.03917. https://doi.org/10.48550/arXiv.1812.03917

Ivanov, S., & Webster, C. (2020). Robots in tourism: A research agenda for tourism economics. Tourism Economics, 26(7), 1065-1085. https://doi.org/10. 1177/1354816619879583.

Ivanov, S., & Webster, C. (2024). Automated decision-making: Hoteliers' perceptions. Technology in Society, 76, 102430.https://doi.org/10.1016/j.techsoc.2023.102430

Ivkovic, S. S., & McRae, N. (2021). Improving Engagement of Interns and Employers with the United Nation's Sustainable Development Goals. International Journal of Work-Integrated Learning, 22(3), 345-356.

Kan, J., & Kim, K. S. (2019, May). MTFS: Merkle-tree-based file system. In 2019 IEEE International Conference on Blockchain and Cryptocurrency (ICBC) (pp. 43-47). IEEE. 10.1109/BLOC.2019.8751389

Kerzner, H., Mouakket, S., & Ould-Khaoua, M. (2023). Enhancing Educational Services through Blockchain Technology: Opportunities, Challenges, and Future Directions. International Journal of Information Management, 66, 102472.

Koh, J. W. L., Koh, B., Tan, C. H., & Ismail, N. (2022). Exploring the Ethical Implications of Big Data Analytics in Higher Education: A Review and Research Agenda. Journal of Computer Assisted Learning, 38(1), 36-47.

Lam, D., & Dongol, B. (2022). Blockchain and its Application to Higher Education. Journal of Educational Technology Systems. https://doi.org/10.1177/0047239519883795

Li, L., Abd El-Latif, A. A., Jafari, S., Rajagopal, K., Nazarimehr, F., & Abd-El-Atty, B. (2022). Multimedia cryptosystem for IoT applications based on a novel chaotic system around a predefined manifold. Sensors, 22(1), 334. **https://doi.org/10.3390/s22010334**

LIM, R. E., TAN, J. A. M., BOLIVAR, G. R., RADA, C. L., & MAGDALUYO, J. (2023). Effectiveness of Online Training Program: An Experimental Design. Publisher's Information, 9.

Luan, H., Geczy, P., Lai, H., Gobert, J., Yang, S. J., Ogata, H., ... & Tsai, C. C. (2020). Challenges and future directions of big data and artificial intelligence in education. Frontiers in psychology, 11, 580820.

Luo, J. M., & Hu, Z. W. (2023). Blockchain technology-based business model: a case study of travel sites. Journal of Tourism Quarterly, 5(3-4), 59-76. https://doi.org/10.3389/fpsyg.2020.580820

Manyika, J., Chui, M., Brown, B., Bughin, J., Dobbs, R., Roxburgh, C., et al. (2011). Big data: The next frontier for innovation, competition, and productivity. McKinsey Global Institute

Mezirow, J. (2008). An overview on transformative learning. In Contemporary Theories of Learning (pp. 40-54).

Mitra, D., Tauz, L., & Dolecek, L. (2022, June). Polar coded merkle tree: Improved detection of data availability attacks in blockchain systems. In 2022 IEEE International Symposium on Information Theory (ISIT) (pp. 2583-2588). IEEE. 10.1109/ISIT50566.2022.9834538

Naqvi, R., Soomro, T. R., Alzoubi, H. M., Ghazal, T. M., & Alshurideh, M. T. (2021, May). The nexus between big data and decision-making: A study of big data techniques and technologies. In The international conference on artificial intelligence and computer vision (pp. 838-853). Cham: Springer International Publishing. https://doi.org/10.1007/978-3-030-76346-6_73

Ozdemir, A. I., Ar, I. M., & Erol, I. (2020). Assessment of blockchain applications in travel and tourism industry. Quality & Quantity, 54, 1549-1563. https://doi.org/10.1007/s11135-019-00901-w

Park, J. H., & Kim, Y. B. (2021). Factors activating big data adoption by Korean firms. Journal of Computer Information Systems, 61(3), 285-293. https://doi.org/10.1080/08874417.2019.1631133

Park, H., Oh, H., & Choi, J. K. (2023). A Consent-Based Privacy-Compliant Personal Data-Sharing System. IEEE Access. 10.1109/ACCESS.2023.3311823

Reidenberg, J. R., & Gamet-Pol, F. (1995). The Fundamental Role of privacy and Confidence in the Network. Wake Forest L. Rev., 30, 105.

Savelyeva, T., & Park, J. (2022). Blockchain technology for sustainable education. British Journal of Educational Technology. DOI: 10.1111/bjet.13273.

UNESCO. (2022). 5th UNESCO Forum on transformative educationfor sustainable development, global citizenship,health and well-being. Korea: Ministry of Education and the Ministry of Foreign Affairs of the Republic of Korea. Retrieved from https://unesdoc.unesco.org/ark:/48223/pf0000381592?posInSet=2&queryId=N-EXPLORE-490d48ec-be22-49af-851b-dfa424d26c53

Van Nguyen, T., Cong Pham, H., Nhat Nguyen, M., Zhou, L., & Akbari, M. (2023). Data-driven review of blockchain applications in supply chain management: key research themes and future directions. International Journal of Production Research, 61(23), 8213-8235. https://doi.org/10.1080/00207543.2023.2165190

Xiang, Z., & Fesenmaier, D. R. (2017). Big data analytics, tourism design and smart tourism. Analytics in smart tourism design: concepts and methods, 299-307. https://doi.org/10.1007/978-3-319-44263-1_17

Xu, Y., Zhao, S., Kong, L., Zheng, Y., Zhang, S., & Li, Q. (2017). ECBC: A high performance educational certificate blockchain with efficient query. In Theoretical Aspects of Computing–ICTAC 2017: 14th International Colloquium, Hanoi, Vietnam, October 23-27, 2017, Proceedings 14 (pp. 288-304). Springer International Publishing. https://doi.org/10.1007/978-3-319-67729-3_17

Yoo, K. H., & Gretzel, U. (2016). The role of information and communication technologies (ICTs) in marketing tourism experiences. In The handbook of managing and marketing tourism experiences (pp. 409-428). Emerald Group Publishing Limited. https://doi.org/10.1108/978-1-78635-290-320161017

Zhao, Y., Xu, X., & Wang, M. (2019). Predicting overall customer satisfaction: Big data evidence from hotel online textual reviews. International Journal of Hospitality Management, 76, 111-121.

Zhu, H., Guo, Y., & Zhang, L. (2021). An improved convolution Merkle tree-based blockchain electronic medical record secure storage scheme. Journal of Information Security and Applications, 61, 102952. https://doi.org/10.1016/j.ijhm.2018.03.017

4.4 Decoding Generation Z for Enhanced Hospitality Education: Insights from two Swiss Hospitality Schools

Claire Jollain

Swiss Hotel Management School / Hotel Institute
Montreux, Switzerland

Abstract

Current tourism learning in higher education system often lacks a focus on the recent technologies necessary for tourism growth, competitiveness, and adaptability. Hence, the alignment of tourism transformative education with the changing needs of the practical tourism context is pivotal to prepare students to be responsible, informed and technologically qualified learners for a best future of the industry. This research highlights the crucial role of the transformative education and strives to bridge the gap in the existing tourism literature. Through meticulous analysis, this paper aims to improve the quality and effectiveness of tourism education and its interaction with the industry by evaluating and implementing a distinctive potential of big data and blockchain synergy.

Key Words:

Decision making, strategic management, educational institutions, Oman colleges, UK colleges.

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

This article presents the results of educational exercises conducted at two Swiss hospitality schools from 2018 to 2022, involving over 200 Generation Z undergraduate students. It comprises a literature review on this cohort's characteristics, followed by insights from classroom activities at HIM (Hotel Institute Montreux) and SHMS (Swiss Hotel Management School). HIM students addressed stereotypes through blog posts, whilst SHMS students discussed their views on academic modules and acquisition of hospitality skills.

The same lecturer, who is also the author of this article, led both school activities. Despite the differences between the two activities and their consecutive occurrence, the author chose to consolidate the results into a single article. This decision was made as both activities aimed to highlight Generation Z students' perspectives on their own qualities and skills. This article provides valuable insights into adult learning, suggesting ways to enhance teaching methods and curriculum. Moreover, it sheds light on how the hospitality industry can become more appealing to Generation Z.

Generation Z Characteristics

Generation Z, born between 1997 and 2012, is the second-youngest generation, following Millennials and preceding Generation Alpha. Whilst there's no universal agreement on exact birth years (Jayatissa, 2023), this group is marked by their lifelong exposure to technological advancements, including mobile phones, Wi-Fi, social media, and unrestricted information access. These factors have profoundly influenced their worldview and interactions (Dimock, 2019). Prensky (2001) coined the term "digital natives" to describe this generation, emphasizing their innate comfort with technology. Turner (2015) further elaborated that Gen Z's technological fluency extends beyond mere usage to include an intuitive understanding of digital ecosystems. They've also felt the aftermath of the great recession, observing parental job losses and Millennial siblings returning home. They're acutely aware of the growing wealth disparity and have a clearer grasp than previous generations of financial pressures related to rent and transport. Lastly, the escalating expenses of pursuing higher education have resulted in Generation Z bearing the highest levels of debt (Gomez et al., 2022).

Jayatissa (2023) has outlined Generation Z's defining traits based on various academic sources. These characteristics are categorised into positive or neutral aspects and areas of criticism.

Table 1. Generation Z Characteristics

	Positive or neutral points	Negative points
Communication skills	Tech savvy Creative Informal communication	Short attention span Soft skill Gap Lack of interpersonal skills Inability to deal with emotions and words Bad listeners
Behavioral / attitudes	Self-confident Independent Multi-tasking Pragmatic Adaptable Collaborative Attention to detail	Individualistic Social media-driven. Materialistic
Core values	Environmentally conscious Social activism Loyalty Transparency Mutual respect	Dislike authority and hierarchy
Career	Prefer stable employment Ambitious	Job hopping Dislike routine

Source: Jayatissa's literature review summarised by the author.

Furthermore, the impact of the Covid pandemic on the current generation is significant, as they have endured extended periods of isolation and reduced face-to-face interactions. This has led to a marked increase in mental health issues, making Generation Z the most vulnerable across all age groups (Parker and Igielnik, 2020).

Z.Lab by HIM

The initial class project ran from 2018 to 2021 in a Digital Marketing module for second-year students at HIM. Students were tasked with writing a blog post about their own generation, with the best articles featured on Z.Lab. The subsequent analysis focused on the first fifty articles written by students from 27 different countries.

It's crucial to note that this activity was part of a course module and not a formal research study. The blog posts weren't subjected to in-depth qualitative analysis. The primary aim was to teach students the basics of blog writing. Students consented to their articles being shared and used by the instructor. While some qualitative analysis methods were applied, such as identifying common themes and patterns, the content should not be viewed as the results of a formal research study. Therefore, the feedback and observations presented here are not definitive.

This discussion aims to compare the students' self-perceptions with the findings of a literature review conducted by Jayatissa (2023). Four main themes will be explored.

Generation Z feels unloved.

When reviewing the comments about their generation, the students initially expressed surprise and disappointment at the level of criticism directed at Gen Z, particularly regarding their reliance on social media. However, they also voiced strong disapproval of the older generations who judged them, highlighting the widespread lack of intergenerational understanding. One student wrote: " *In today's world lecturers think that when the class is boring, displaying a video on a screen will catch our attention. However, the truth is that if we were not engaged since the beginning there is no video on the internet that will make our brains process or even retain the information they want to transmit.*" (Murillo, 2018).

Similarly, another student challenged the importance of CVs in job hunting: " *We don't understand how some companies grade people based on a piece of paper! For me, it's like judging its book by its cover and we all know we shouldn't.*" (Wyngaard, 2019).

Overall, the students expressed a wish for older generations to reassess their own biases and worldviews. One student noted: "*Just because we prefer to hear the news from a quick video rather than a newspaper doesn't mean we have no attention span, just like wearing jeans to the office rather than a suit doesn't make Millennials lazy*." (Pow-Sang, 2019).

They saw a clear generational gap, believing that older generations should adapt to younger ones: "*It is said that depression and low self-esteem is increasing in our society, and who is responsible for this? Generation Z needs guidance to help them find their own values and not to get lost on the way. They need role models. Older generations are responsible of helping them on their way to success*." (Lundqvist, 2019).

Generation Z craves meaning and belonging.

In blog posts, this generation often appears cynical about the world, resulting in heightened values. On environmental issues, one student explained: "*My generation is up to date about with every news around the world; we have seen and heard about economic crisis and animals getting endangered. We are a generation that actually cares about sustainability as there might not be much left when we have children or grandchildren.* " (Talapatra, 2021).

Many students shared their career aspirations, revealing that their main priority was finding a company offering job security, personal development, and self-expression opportunities. " *I am looking for a work environment where I can thrive and where I am able to be in psychologically safe teams*." (Nguyen, 2019). They seemed less interested in large corporations, viewing them as unable to recognise individual employees: " *We don't want to work for big corporations, we don't want to be a number. We value small environments where everyone knows each other and where everyone's voice impacts general decision-making*." (Frances, 2019).

Contrary to expectations, they portrayed themselves as humble and open-minded. They genuinely want to learn and adapt, whilst also desiring recognition. "*Gen Z wants to do what they feel is right. It does not mean that we are not willing to change according to the feedback we receive. At the contrary, we want to be able to fail and see our mistakes in order to really understand why we are doing things* *in a certain way. When we learn something and it is recognized, we have a feeling of accomplishment that leads to higher personal productivity*." (Gullo, 2019).

Generation Z's relationship with technology is multifaceted.

All participants recognised technology's impact on their lives, views, and actions. They demonstrated a deep grasp of these tools' advantages and limitations: " *I know that we want everything RIGHT NOW, but this is how we are used to. With all the advances in technology we don't even need to wait to download any type of files, like it happened with past generations. For us everything happens fast, and everything is on our hands.*" (Gomez, 2019). Some students believe new technologies are their best means to positively transform the world: "*Our generation is hungry for improvement and driven by curiosity. What has happened in the past generations will be completely altered by the Generation Z as we will make huge world improvements, choose clean food over fast food, emphasize on diversity, and create things that may be currently unimaginable for you.*" (Wei, 2019). Nevertheless, they're aware their expectations can be unrealistic, partly due to social media: " *We are addicted to the Internet. We are free and unconventional. We are dreamer that always talking about things that are unrealistic* " (Yu, 2019).

Generation Z is tailored for hospitality.

By 2025, Generation Z is expected to constitute 27% of the workforce (OECD, 2021). A hallmark of Generation Z is their openness to the global community. This cohort travels more frequently than previous generations and shows a strong interest in varied cultures (Pitrelli, 2023). Thus, the hospitality sector is ideally suited to nurture their passion for exploration and cultural immersion. Indeed, Zandotti (2021) noted in her blog article: " *Hospitality is a worldwide industry open to welcome people from all over the world and make of it a melting pot".* Their travel aspirations are linked to their vision of a more equitable world. " *GenZ breaks stereotypes. By travelling in foreign countries, they strive for equality, less discrimination and fairness among each other*." (Labar, 2020).

This emerging generation possesses heightened emotional intelligence, which, according to Longi (2020), makes Gen Z particularly valuable to the hospitality sector: "*Today older generations find*

*mental coaching to be a remedy to those communication skills that have been lacking over decades of theory-based education, instead we have grown in a world that needs us already equipped of 4 emotional intelligences: self-awareness, self-management, social awareness and social skill*s."

Generation Z can significantly enhance the hospitality industry, which needs reinvention, as " *The world of hospitality is the last place where we can find magic!"* (Panni, 2019). Gen Z hoteliers recognise their ability to innovate with technology whilst restoring authentic customer relationships. " *Generation Z needs little to no training in technology, which saves valuable time and money*." (de Rooj, 2019). " *Authenticity through sustainability, the less-is-more concept and even taking a few steps back in order to more forward. We value the real and pure over the fake and plastic versions*." (Bergerud, 2020).

The students' rationales align with Jayatissa's research on social media dependence, limited resilience, social engagement, and resistance to hierarchies. However, their online journal entries don't reflect a significant lack of soft skills. This cohort actively seeks and values interpersonal connections more than previous generations, possibly due to the scarcity of such interactions in their daily lives.

Soft skills gap:

The author studied soft skills with a new group of hotel management students. The students completed a questionnaire to assess their soft skills and identify which modules helped develop these skills. The author shares a summary of the questionnaire data with the students and instructors. The first group of 68 students was interviewed in January 2023, and the second group of 32 students was interviewed in May 2023. The author selected the soft skills for assessment based on the curriculum and student input. The self-assessment was voluntary and conducted during class time. The author clarifies that the feedback is not from a formal survey and includes anonymous comments from participants.

Team Player

Despite slight variations in feedback across different cohorts, it is intriguing to observe that despite considering themselves as proficient team players, students tend to have a preference for working independently. They assert that it is during hands-on serving and cooking classes that they acquire the most valuable insights into teamwork. Nevertheless, their inclination towards self-reliance leads them to favor working alone. *"Most people are very united. But there are always one or two very lazy and irresponsible ones."*

The results validate Jayatissa's examination of literature, portraying Generation Z as self-sufficient and self-reliant. The students interviewed further elucidated this characteristic by articulating their reluctance to depend on the ineptitude of others.

Adaptability and Flexibility

The practical classes are also those which helped them develop their adaptability and flexibility: *"In kitchen practice we often don't have enough ingredients to make the dishes, so we need to change something."* In general, they demonstrate a willingness to collaborate with individuals of diverse backgrounds and possess the ability to adjust accordingly. This observation aligns with the traits previously outlined: Generation Z is known for its collaborative nature and adaptability.

Working under pressure

Furthermore, the students perceive the service class and the development of their restaurant concept as valuable experiences that have taught them to effectively handle high-pressure situations. A significant number of students expressed their appreciation for the supportive and instructive nature of their instructors. *"First service practice was scary, and I felt very nervous and pressure since it is the first time doing the service run despite Mr Thompson and Mr Florent guiding us."* Effective supervision plays a crucial role in helping students cope with stress. However, this assertion contradicts the findings of the literature review.

Dealing with problems & Solving conflicts

The practical courses provide a valuable opportunity for students to develop conflict resolution skills. Many students perceive themselves as proficient problem solvers and attribute conflicts to a lack of

effective listening skills. *"Sometimes during our group work, we had some different opinions and views and not all people choose to solve them easily."* In addition, group projects in other disciplines are also an opportunity for them to face difficulties and resolve them. *"There's a lot of difficulties during group projects so I have to stay alert and be tough when something unexpected happens."* Members of Generation Z exhibit a pragmatic mindset and are adept at leveraging their soft skills to tackle challenging situations.

Active listening

The module "Art of Employability" significantly contributed to the enhancement of their active listening abilities, as it provided them with the necessary tools to create compelling CVs and cover letters, as well as to refine their interview skills. Through engaging in personal development activities, both on an individual and group level, they were able to gain valuable insights into their own selves and others. Once student wrote: *"It was very enjoyable to hear a very good student share his experience." Students believe they can influence peers through active listening, contradicting Jayatissa's review of* Generation Z's poor listening skills. This raises the question of whether this generation can listen attentively when motivated.

Communication

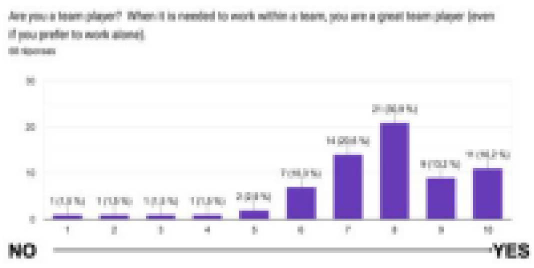
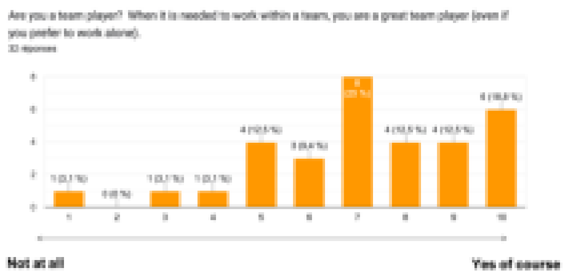
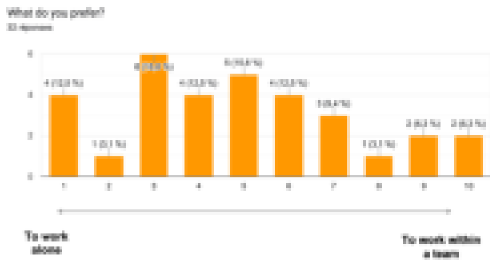
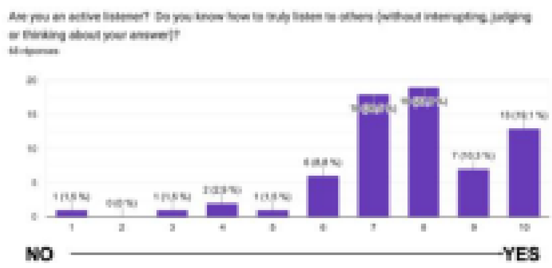
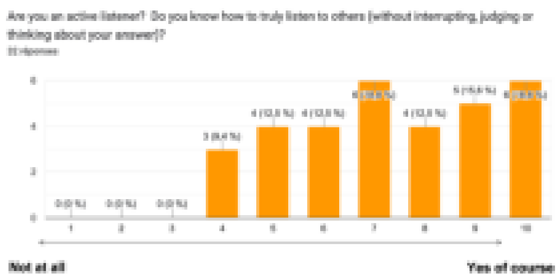
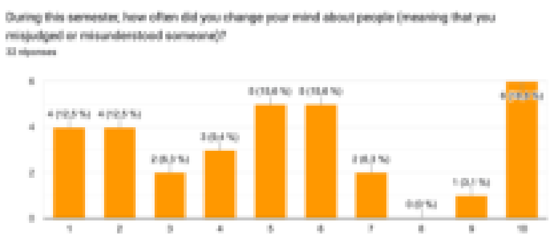
Students have expressed that the Business & Academic Communication module has been instrumental in enhancing their comprehension of professional communication, not only with their instructors but also with their peers. They noted the difference with high school: *“Here you learn to talk to people in a professional environment, different from high school, day to day classes”* Their incorrect usage of words seems to be a result of insufficient explanation and context:*” I got to learn more about the theory behind effective communication in this class, which helped me learn how to better communicate in real life.”* It is crucial to offer a framework and avoid assuming that Generation Z possesses knowledge about the habits and customs of the professional world.

Receiving feedback

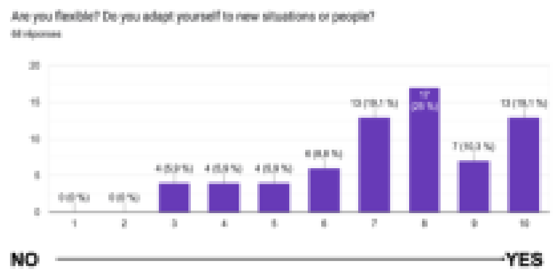
Jayatissa's literature review underscores the fundamental values of Generation Z, emphasizing transparency and mutual respect. The ability of GenZ members to embrace feedback is closely tied to these values, as they acknowledge the significance of acquiring knowledge and seeking advice to enhance their performance. The author's study reveals that practical service and kitchen courses, along with hospitality design courses, were particularly effective in supporting this developmental process. “*For my design project I had put much effort and thought but sadly my way to presentat lowered impacted my grade. Receiving feedback and seeing the critical thinking of the professor lead me to work more on this skill, which was the first step to many other personal and professional improvements.”*

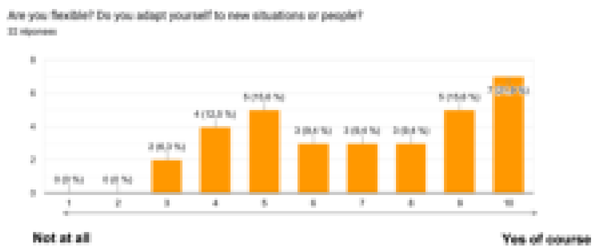
Creativity

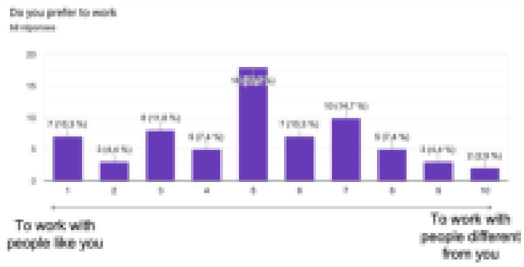
Hospitality design is the preferred module among students as it provides them with ample opportunities to nurture their creativity. It is intriguing to observe the teacher's role in fostering self-confidence among the students, as evident from the comments.*“In the module the professor showed how there is no necessary artistic background to be called creative, being presentable and innovative will give you the freedom to be considered creative.”* The students who were interviewed showed a certain level of uncertainty towards creativity, which contradicts Jayatissa's literature review. They have a unique perspective on the world compared to previous generations, yet they seem to lack confidence in suggesting original solutions.

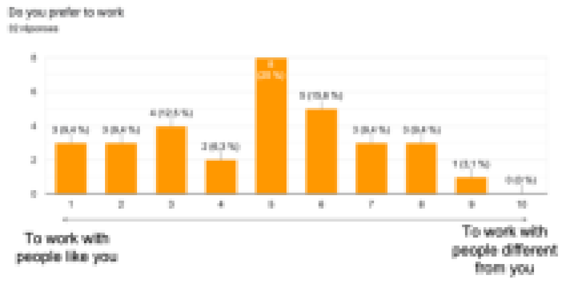
<table>
<tr><td>Feedback from January 2023</td><td>Feedback from May 2023</td></tr>
<tr><td colspan="2">Soft skill 1: Team player</td></tr>
<tr><td>
</td><td>
</td></tr>
<tr><td>
</td><td>
</td></tr>
<tr><td colspan="2">Soft skill 2: Active listener</td></tr>
<tr><td>
</td><td>
</td></tr>
<tr><td></td><td></td></tr>
</table>

Soft skill 3: Adaptability / Flexibility

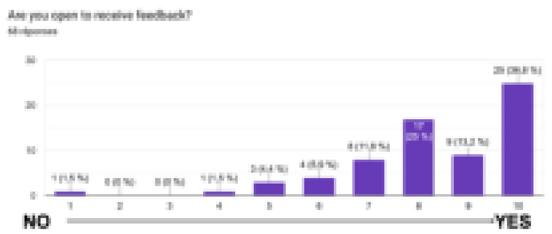


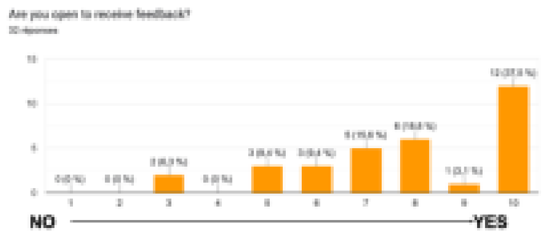


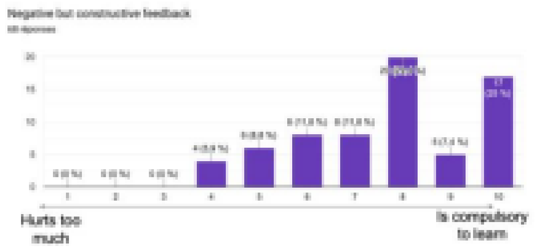


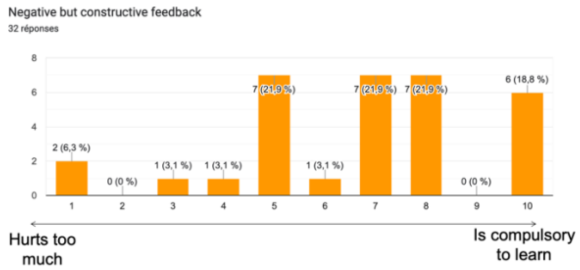


Soft skill 4: Receiving Feedback

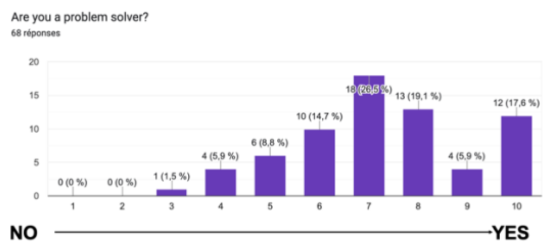


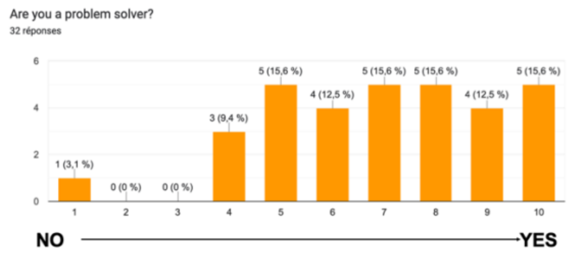


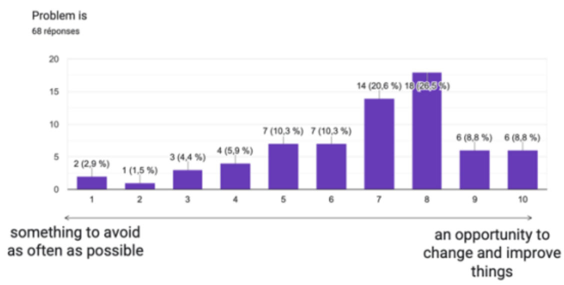


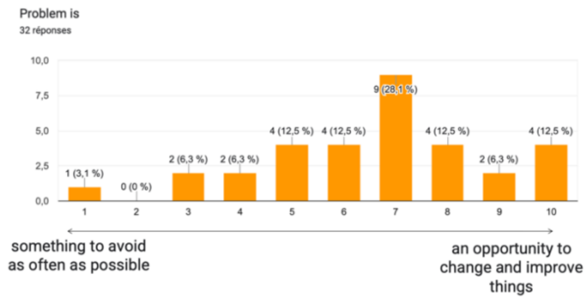


Soft skill 5: Problem Solving

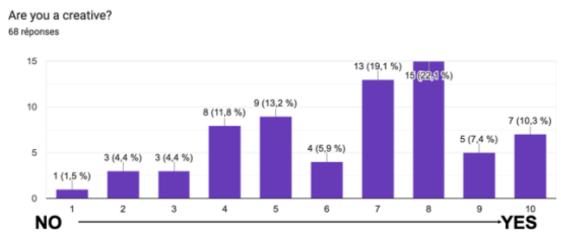


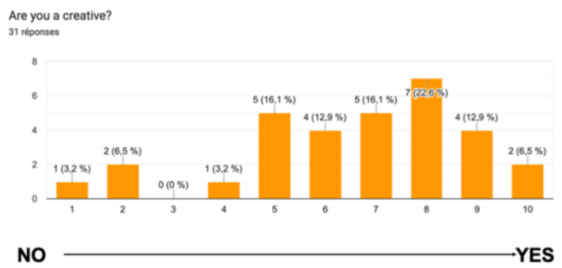


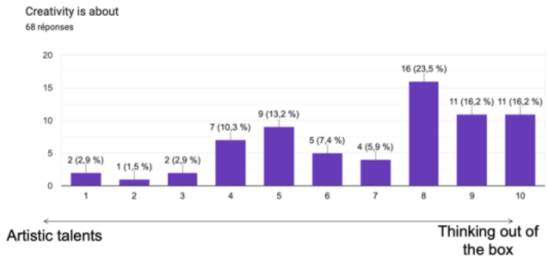


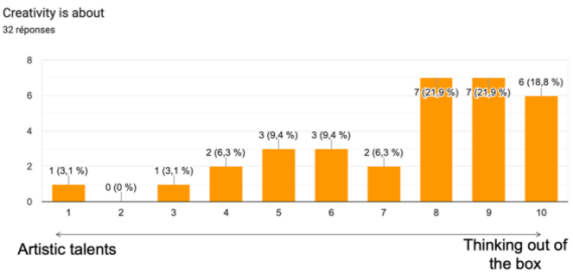


Soft skill 6: Creativity

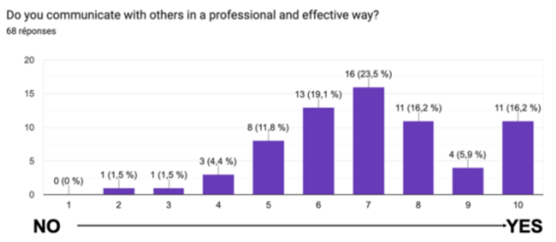


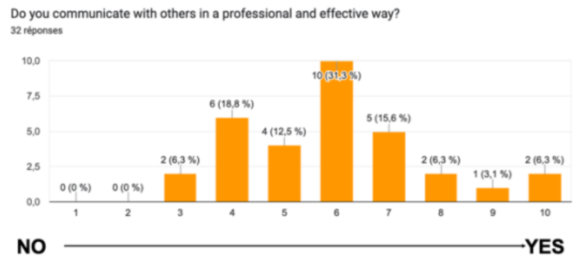


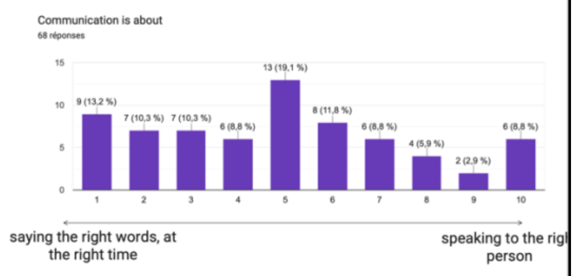


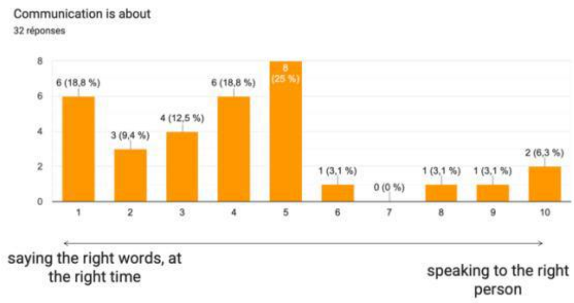


Soft skill 7: Communication

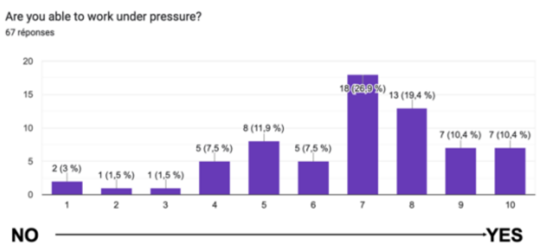


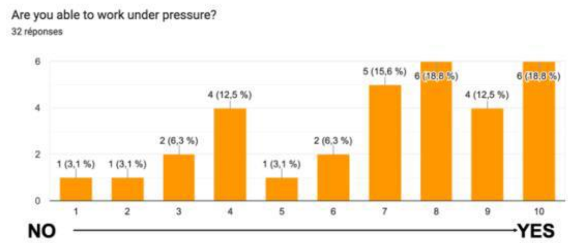


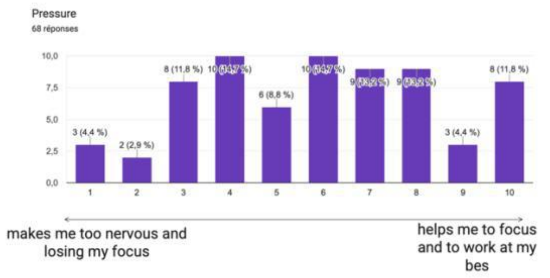


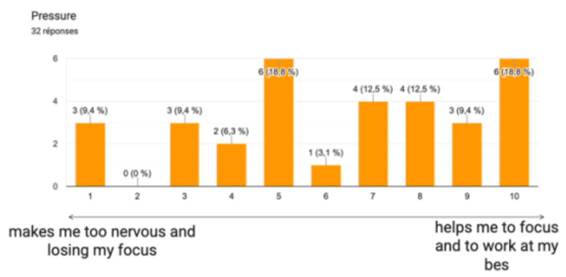


Soft skill 8: Working under pressure

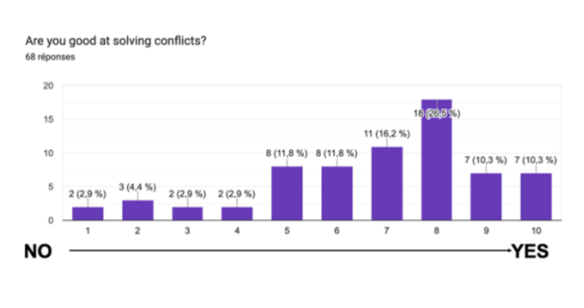


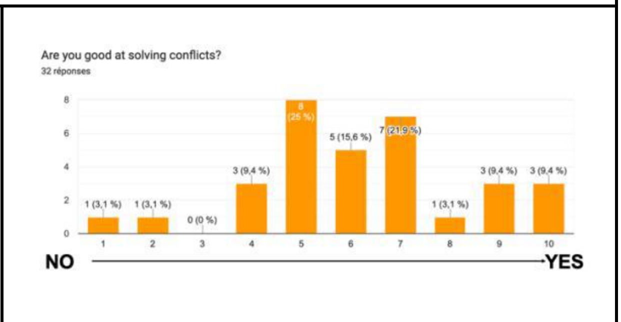


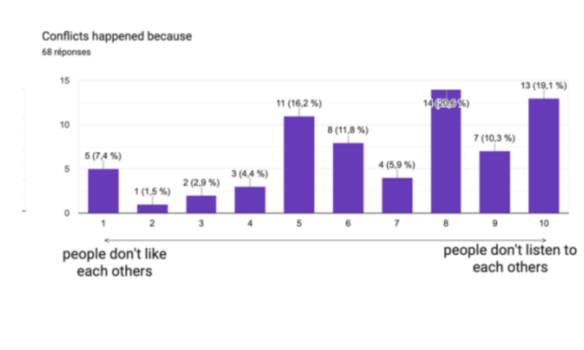


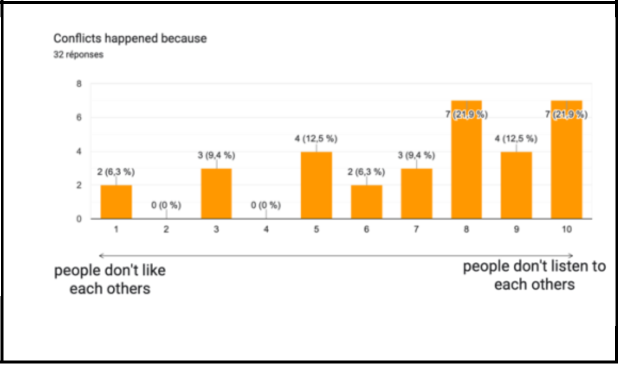


Soft skill 9: Solving conflicts









Source: Author's findings

Limitation:

The results compiled in this paper primarily consist of information gathered in class during various activities.These data were not originally intended to be used as a subject of research. However, given the diverse nature of the information collected, the author deemed it beneficial to share these findings in a more formal manner with the academic community, particularly within hospitality education. The author observed that many analyses regarding Generation Z often fail to provide these young individuals with an opportunity to express their perspectives. To further this exploration, it is essential to adopt a more structured pedagogical approach utilizing a formal academic methodology. The author fully acknowledges that this paper may be viewed as a preliminary study leading to more extensive research endeavors.

All participants in these activities who agreed to have their texts published on the blog are students from hospitality programs. This introduces a bias in the responses, given that these individuals are generally more aware of soft skills, interpersonal communication, and cultural diversity than their peers in Generation Z.

Conclusion:

The analysis of findings reveals a clear generation gap, often stemming from misunderstandings. The tendency to frequently change jobs is primarily linked to Generation Z's desire for workplaces that value loyalty, mutual respect, and environmental consciousness. While renowned for their creativity and technological prowess, this generation may struggle with emotional management and professional communication. It's evident that they require guidance and clarification, seeking more substantial support from older generations without unfounded assumptions. Generation Z displays a complex mix of traits, blending individualism and pragmatism with collaboration and flexibility.

These results can be viewed as a strong incentive to maintain vocational training initiatives: students favor experiential learning, tangible skills acquisition, and social engagement. This is precisely what hospitality institutions provide in their curricula. Highlighting vocational programs is an excellent strategy to attract young individuals to the hospitality industry.

References

Bergerud, K. (2020), *Gen Z is exactly what the hospitality industry needs,* Z.Lab-by-him, Retrieved April16th 2024 from: https://www.zlab-by-him.com/post/gen-z-is-exactly-what-the hospitality-industry-needs

de Rooj, R. (2019), *Gen Z is the Best in Hospitality*, Z.Lab-by-him, Retrieved December 14th 2023 from: https://www.zlab-by-him.com/post/gen-z-is-the-best-in-hospitality Dimock, M. (2019) *Defining Generations: Where Millennials End and Generation Z Begins.* Pew Research Center. Retrieved March 29th 2024 from https://www.pewresearch.org/fact tank/2019/01/17/where-millennials-end-and-generation-z-begins

Frances, J. (2019), *Why is the understanding and focus on GenZ a necessity for Corporations nowadays?*, Z.Lab-by-him, Retrieved December 7th 2023 from https://www.zlab-by him.com/post/why-is-the-understanding-and-focus-on-genz-a-necessity-for-corporations-now-a-days

Gome, M. (2019), *Expecting a workplace that I deserve*, Z.Lab-by-him, Retrieved December 14th 2023 https://www.zlab-by-him.com/post/expecting-a-workplace-that-i-deserve Gomez, K. Mawhinney,T. Betts, K. Sapp, K. Brown, A. Santner, K (2022), *Understanding Generation Z in the workplace: new employee engagement tactics for changing demographics*, Deloitte

Gullo, F. (2019), *Gen Z, we are different,* Z.Lab-by-him, Retrieved December 7th 2023 from https://www.zlab-by-him.com/post/gen-z-we-are-different

Jayatissa, K.A.D.U (2023), Generation Z – A new lifeline: A systematic literature review. *Sri Lanka Journal of Social Sciences and Humanities*, 3(2), 179-186

Labar, A. (2020), *GenZ, travelers of all time*, Z.Lab-by-him, Retrieved December 7th 2023 from https://www.zlab-by-him.com/post/genz-travelers-of-all-time

Longi, L (2020), *Gen Z: Born To Entertain*, Z.Lab-by-him, Retrieved April16th 2024 from https://www.zlab-by-him.com/post/gen-z-born-to-entertain

Lundqvist, J. (2019), *Gen Z at work- It is time to delete your misinterpretations*, Z-lab-by him, Retrieved November 12th 2023 from https://www.zlab-by-him.com/post/gen-z-at-work-it-is time-to-delete-your-misinterpretations

Murillo, C. (2018), *Gen Zers: is the world misunderstanding our love for internet?*, Z.Lab by-him, Retrieved December 7th 2023 from https://www.zlab-by-him.com/post/gen-zers-is-the-world misunderstanding-our-love-for-internet

Nguyen, A. (2019), *A letter to my future employer*, Z-lab-by-him, Retrieved November 12th 2023 from https://www.zlab-by-him.com/post/a-letter-to-my-future-employer OECD. (2021, March 26). *Chart: How Gen Z employment levels compare in OECD countries.* World Economic Forum. Retrieved January 7th 2024 from
https://www.weforum.org/agenda/2021/03/gen-z-unemployment-chart-global-comparisons/ Panni, G. (2019), *Why did I choose hospitality studies?*, Z.Lab-by-him, Retrieved December 7th 2023 from https://www.zlab-by-him.com/post/why-did-i-choose-hospitality-studies Parker, K., & Igielnik, R. (2020). *On the cusp of adulthood and facing an uncertain future: What we know about Gen Z so far*. Pew Research Center, May, 14. Retrieved December 7th 2023 from https://policycommons.net/artifacts/616196/on-the-cusp-of-adulthood-and-facing-an-uncertain future/1596804/.

Pitrelli, M. (2023), *Gen Zs don't have a lot of money, but they're traveling anyway*, CNBC Travel, Retrieved March 15th 2024 from: https://www.cnbc.com/2023/04/17/gen-z-travel-trends travel-often-save-money-and-seek-adventure-.html

Prensky, M. (2001). Digital natives, digital immigrants. On the Horizon, 9(5), 1-6. Pow-Sang, C. (2019) *The Dory Generation – How Gen Z simply thinks different*, Z-lab-by him, Retrieved January 7th 2024 from https://www.zlab-by-him.com/post/the-dory-generation-how gen-z-simply-thinks-different

Talapatra, A. (2021), *Generation Z: what do we want from our future workplace?,* Z-lab-by him, Retrieved January 7th 2024 from https://www.zlab-by-him.com/post/generation-z-what-do we-want-from-our-future-workplace
Turner, A. (2015). Generation Z: Technology and Social Interest. The Journal of Individual
Yu, M. (2019), *It's such a pity if you still stereotype Gen. Z*, Z.Lab-by-him, Retrieved December 7th 2023 from https://www.zlab-by-him.com/post/it-s-such-a-pity-if-you-still-stereotype gen-z
Wei, J. (2019), *Gen Z: Taking 'Entrepreneurship' to The Next Level*, Z-lab-by-him, Retrieved January 7th 2024 from https://www.zlab-by-him.com/post/gen-z-taking-entrepreneurship-to-the-next level
Wyngaard, L. (2019), *Gen Z versus Recruiter, Z-lab-by-him*, Z-lab-by-him, Retrieved January 7th 2024 from https://www.zlab-by-him.com/post/genz-versus-future-recruiters Zandotti, R. (2020), *Gen Z: why to choose hospitality studies and career?*, Z-lab-by-him, Retrieved April 17th 2024 from: https://www.zlab-by-him.com/post/gen-z-why-to-choose-hospitality studies-and-career

Full Papers Track 6 – The Employees Perspective

6.1 **Paradise for Everyone? Exploring HR Solutions for Local and Expatriate Workers in Isolated Environment Through a Case Study of the Maldives.**

Kristina Nikishova | ORCiD: 0009-0009-8185-5871,
Rachel Germanier | ORCiD: 0000-0002-5629-0882

Les Roches Global Hospitality Management,
Switzerland

Abstract

This paper investigates employee well-being and Human Resources (HR) strategies in luxury Maldivian resorts to determine how the current HR practices meet the needs of expatriate and local workers in this remote area. Semi-structured interviews were conducted with nine local and expatriate employees and an HR manager revealing challenges such as loneliness and adaptation to new cultural norms. While employees cope through technology and HR-provided psychological support, restrictions on facilities and a lack of activities for women remain concerns. HR initiatives, including training programs and salary benefits aim to promote work-life balance and satisfaction. The study highlights the complex interaction between isolation, organizational policies, and individual experiences in the luxury resort industry, offering insights for HR professionals and policymakers aiming to improve employee well-being in isolated workplaces.

Key Words:

Luxury resort, Employee wellbeing, Isolated workplace, Human Resources Practices

Track: The Employees' Perspective

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

While the Maldives presents itself as a paradisical holiday destination with its bungalows atop sapphire seas and immaculate beaches, previous research exposes an uglier side for the workers who maintain this remote haven in the form of employment law breaches and poor employee well-being. The literature has yet to explore how HR departments perceive and address the needs of their employees in this context. This study aims to fill that gap by comparing the lived experiences of employees in luxury Maldivian resorts with current HR practices. Thematically analyzed interview data provided valuable insights into HR strategies including psychological support to alleviate loneliness and training and salary benefits to act as external motivational factors to compensate to some extent for the remoteness of the working environment. An unexpected finding was that HR strategies need to recognize the role played by gender in employee well-being in remote areas like the Maldives. Further similar research into under-studied isolated areas where luxury tourism is booming could include locations such as jungles, mountains and savannahs to determine to what extent the findings from this study are transferable to other remote contexts.

Literature review

Employee perspective

Employee well-being in luxury establishments

The workplace environment is a crucial factor for job seekers (Hassan, 2022). Current studies highlight the impact of psychological well-being on economic outcomes, addressing challenges such as excessive workloads, long hours, and limited career opportunities faced by frontline employees (Lee & Moreo, 2007; McNamara et al., 2011). Migrant workers encounter additional issues including low pay, discrimination, and substandard living conditions (McDowell et al., 2007; Najeeb & Barrett, 2019). Seasonality exacerbates those difficulties, making matters such as leave entitlements during peak seasons more complicated (Del Bono & Weber, 2008). Nevertheless, a good level of training in luxury hotels assists employees achieve their career goals as they are eager to stay within the company (Karatepe, 2013). Still, there are gaps in understanding employee well-being, especially in remote environments like islands where workers are significantly impacted by stress and isolation (Douglas et al., 2018). In popular tourist destinations like the Maldives, employment regulations prioritize local hiring, yet expatriate workers remain integral to organizational success, and face issues ranging from inadequate living conditions to limited medical services (Najeeb & Barrett, 2019; Shakeela et al., 2011). This underscores the need for enhanced Human Resources Management (HRM) practices and a more comprehensive understanding of employee well-being within luxury establishments, particularly in areas characterized by remoteness and seasonal fluctuations.

Employee well-being on islands

Several studies (see Baum, 2012; Mullings et al., 2021; Ozcelik & Barsade, 2018) highlight the unique challenges faced by employees in remote areas, such as expatriate workers adjusting to a new lifestyle without urban conveniences (Mullings et al., 2021). This adaptation process can lead to feelings of loneliness and isolation, ultimately affecting job performance (Ozcelik & Barsade, 2018). Furthermore, working in isolated areas can be detrimental to physical and mental health with increased stress among foreign workers (Mullings et al., 2021). Support from family is considered as a crucial mitigating factor for stress and mental well-being in isolated workplaces (Golden et al., 2018). While difficulties such as burn-out and lack of work-life balance are widespread, it has been found that some employees find comfort in the slower pace of life and lower cost of living associated with remote environments (Wieland et al., 2021).

Employee well-being in the Maldives

A closer look at employee well-being in the Maldives reveals the complex environment shaped by both regional laws and business norms. Workers in the hospitality industry face various challenges, such as inadequate living conditions and imposition of restricted leave policies during peak season, due its reliance on expatriate labor (Najeeb & Barrett, 2019; Shakeela et al., 2011). Employment regulations mandating a minimum percentage of local hires aim to foster sustainable development, yet migrant workers remain essential to organizational performance (Najeeb, 2011; Najeeb & Barrett, 2019). The practice of assigning a whole island to one resort contributes to the feeling of isolation of employees by restricting their access to basic services and intensifying their sense of solitude (Shakeela et al., 2011). The industry’s seasonal nature and limitations of the resort model present further barriers to worker well-being, such as a reduction of meaningful leave benefits and challenges in obtaining legal protections (Najeeb & Barrett, 2019). Despite these obstacles, many expatriate employees are driven by the excitement of travel and professional prospects, indicating a complex environment where financial incentives and concerns for one’s own well-being overlap (Baum, 2012). Nonetheless, the body of research highlights the necessity of paying more attention to workers’ well-being in the Maldives, as the country’s present procedures fall short of meeting the needs of a diverse migratory labor force.

HR practices to support workers in isolated workplaces

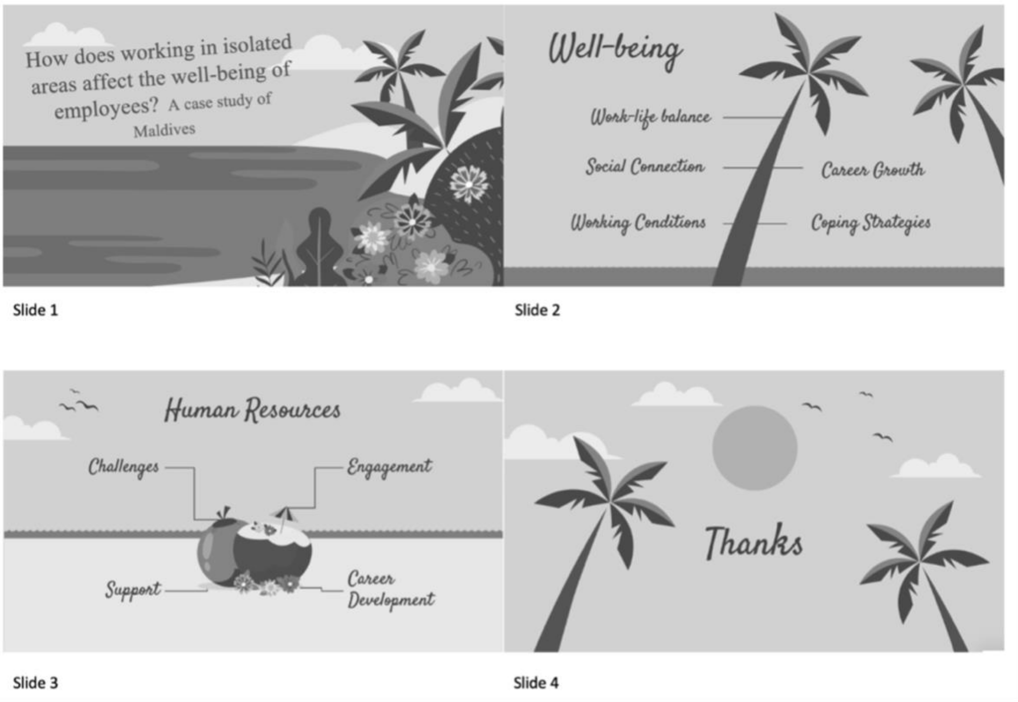
HR and employees tend to have diverse needs and interests (Najeeb and Barrett, 2019), however, the role of HR is to develop a positive workplace environment and mitigate negative outcomes in the favor of workers (Wong et al., 2019). When HR anticipates employees’ needs, both local and expatriate workers exhibit a lower stress level as the resources and organizational demands are balanced (Torvisco et al., 2022). Indeed, the HR department is expected to serve as a bridge in the gap between the management and employees by guiding, supporting and helping workers (Najeeb, 2016). As the role of HR is to propose solutions to business problems (Najeeb, 2016), they should be aware of the workers' needs and issues related to employees' well-being at the workplace, which provides credence to the research question this work set out to answer: To what extent do the current HRM practices meet the needs of both expatriate and local workers? A case study of the Maldives.

Methodology

In order to answer the research question, a qualitative, interpretive research approach was used in the form of a revelatory case study which provided insight into a previously unexplored phenomenon (Yin, 2009), involving the Maldives as the selected region of research (Veal, 2018).

The themes covered in the 45-minute to two-hour long interviews were derived from the literature: work-life balance, social connection, working conditions, career growth and coping strategies and were phrased as open-ended questions, such as, "How has working in an isolated area affected your ability to maintain a work-life balance?" in order to gain an in-depth understanding of the individuals' perspectives (Friborg & Rosenvinge, 2013). An informal tone was maintained throughout the interview and text supplemented with was shown on the screen to guide the interviewee, see figure 1 below.

Figure 3. Images shown during the interview



The participants, four Maldivians, five expatriate workers and one HR manager, were selected purposefully to provide insights into the specific situation rather than randomly for reasons of representativity and generalization as would be required in quantitative work (Schoch, 2019). To guarantee anonymity, pseudonyms were used for participants, see Table 1 below.

Table 4. Interviewees' demographics

Pseudonyms	Department	Position	Gender	Age	Nationality	Previous resort working experience

E1	Food & Beverage	Hostess	Female	31	Ukrainian	3
E2	Spa	Spa manager	Female	42	Filipino	7
E3	Sales	Manager	Female	38	Russian	2
E4	Front Office	Duty manager	Female	27	Swiss / French / American	5
E5	Front Office	GEM (Guest Experience Maker)	Male	26	Kazakh	2
L1	Front Office	Duty manager	Male	28	Maldivian	4
L2	Front Office	Bell supervisor	Male	26	Maldivian	3
L3	Housekeeping	Executive housekeeper	Male	36	Maldivian	6
L4	Front Office	GEM (Guest Experience Maker)	Male	28	Maldivian	7
HR1	Human Resources	Learning and development manager	Male	42	French	1

To assure internal validity, a pilot interview was conducted before the data collection process which led to adding more questions to the interview schedule. The interviews were transcribed and then analyzed using thematic analysis (Braun & Clarke, 2006). As is typical in exploratory case study research, this study has restricted external validity and there is no aim to generalize the findings (Clark et al., 2021; de Saint-Georges, 2018) rather, it gives voice to otherwise unheard locals and expatriates working in a particular remote luxury environment. This is in contrast to most social research which involves participants who are usually white, educated, and from industrialized, rich and democratic countries (Henrich et al., 2010).

Limitations of the approach taken

The constraints of this study include the online nature of conducting interviews and the resulting lack of face-to-face interactions, particularly for those respondents who did not know the interviewer well. It is hoped that the findings of this study will have transferability rather than generalizability and will act as “working hypotheses” for future work in remote areas as Lincoln and Guba (1985) and Eisenhart (2009) describe. Data from the HR perspective is limited to that provided by the sole HR employee participant but this is not uncommon in case study research. The insider positioning of the interviewer, with her professional experience of working in the Maldives, provided a layer of knowledge (Teusner, 2016) and ease of access (Mercer, 2007) possibly not available to outsiders, however, this same positioning could potentially lead to interview bias (Mercer, 2007) which was at the forefront of her mind during data collection. Finally, the interviewer was attentive to and guarded against the potential for this insider positioning to lead to subjectivity in the data analysis (Chowdhury, 2014).

Findings and discussion

Geographical isolation

One of the main themes expressed by the employees was the impact of geographical isolation on their well-being and work-life balance although perceptions differed between the locals and expatriates.

Local participants acknowledged the remoteness of the Maldives, but this did not seem troublesome as L1 noted: “You are in the middle of our Earth … surrounded by the sea,” while L2 mentioned, “[we are] living far from the civilization” and always staying on the island. None of the local respondents felt the isolation was problematic, indeed, L3 stated categorically, “I never feel loneliness,” and for many it was advancements in communication technology which alleviated this feeling. Interviewees were in touch with their families through “phone calls” and “social media” as “Internet is provided on the island for the team members as well without any additional charge” (L1). Expatriate participants on the other hand viewed isolation more negatively, describing the challenge of being away from home and loved ones, having limited access to ordinary amenities, and experiencing difficulty adapting to a different way of life. These findings are congruent with Golden et al. (2018), Ozcelilik and Barsade (2018) and Wieland et al. (2021), who mentioned that the main challenge associated with isolation is adaptation to a new lifestyle. Shared accommodation was a challenge faced by line staff with participants mentioning that they have to share rooms for four or six people and cultural differences complicating living standards. Expatriate workers noted it was difficult to rest in accommodation as not all roommates respect the personal space of others. The management-level staff stated they have better living conditions and more private space than their line staff colleagues supporting the finding of Najeeb (2011). Expatriate employees expressed more concerns about facilities than their local counterparts, suggesting a need for further improvements corresponding to the findings of Douglas et al. (2018). Finally, female participant E3 noted that there were few activities women could join in with indicating that well-being might be considered to be a gendered issue.

To mitigate the negative impacts of isolation, HR1 prepares “a lot of activities” such as “going to the beach” and “increasing…trips to Male” and offers a “higher salary” to compensate for being away from the employees’ loved ones. All respondents acknowledged the importance of HR efforts in arranging activities that contribute to employee well-being, with L1 noting, “Human Resources in the Maldives, they understand, since it is an isolated area and the mental health being of team members is very important.” L3 mentioned that “cultural trips” were organized by HR for expatriate workers to enhance their understanding of local life. Attending to the matter of gender, HR1 admitted they consider integrating “a female only gym time” which seems insufficient provision for the “40% of female employees” (E3). This finding is considered to be a novelty as previous studies did not explore gender as a specific phenomenon, mainly focusing on religion (Domroes, 2001) and gender roles (Bayhan Karapinar et al., 2020; Sun et al., 2023). HR1 recognized the impact of isolation on employee well-being and adaptation, particularly evident during employees’ initial “first 2-4 weeks in the Maldives.” The absence of infrastructure, especially in pre-opening resorts, exacerbates the challenge of acclimatizing to an unfamiliar environment. HR1 highlighted the psychological strain associated with isolation, workload and “separation from family…[and] … social friends,” emphasizing the need for early assessment of employees' mental health, which is in line with Golden et al.’s (2018) findings. To address this issue, HR1 explains that resorts maintain on-site medical staff to identify “first signs of depression…or anxiety,” with provisions for referral to psychologists in Male, underscoring HR's proactive approach to employee welfare. Additionally, an “open door policy” operates in the Maldivian resort where HR1 works, facilitating employees’ access to HR staff. This demonstrates that HR and hotels are adapting to changes in order to reduce negative effects of isolation on employees’ well-being (Mullings et al., 2021) and improve business performance (Ponting, 2020).

Career opportunities and professional growth

Throughout the interviews, participants emphasized career growth opportunities within the industry, with E1 noting the availability of “cross-training” and “lectures” for staff interested in development. Despite this, both locals and expatriates noted a lack of training from employers, with local staff (L2) highlighting a scarcity of industry professionals and expatriate workers (E1, E3, and E4) mentioning insufficient education for Maldivian employees. Local employees highlighted the superior career prospects in international resorts compared to local ones, although E3 observed a tendency for locals to go “into stagnation mode” when reaching desired positions due to entrenched attitudes. Contradicting this, local employee L1 noted “a lot of experience [gained] with regards to the hospitality and guest relations in Maldives," contrasting it with the broader business perspective offered by city hotels. Regarding salary benefits, E3 noted that "the Maldives is now very attractive in terms of salaries", providing an opportunity "to save a lot" as reported by L1. Overall, some expatriates initially struggled with isolation but eventually found opportunities for career growth. Najeeb (2011) noted that climbing the career ladder is also a possibility for local workers but this was not consistently observed by the expatriates interviewed.

The themes mentioned by the HR manager were aligned with those of the employees but, unsurprisingly, framed more positively. He mentioned two specific training practices: "cross exposure" practice, which allows individuals to "do a 40-hour training" within a desired department and switch roles as well as "internal career transitioning positions." In an attempt to address the problem of high turnover in the Maldives, HR1 stated they can help with outside transfers, while trying to retain employees who they try to attract through "salary and benefits" with "an extra $500". Previous studies (see Najeeb, 2011; Najeeb & Barrett, 2019) pointed out a significant gap in salaries for expatriates and local workers, prioritizing a need for a change in HRM practices. Professional growth opportunities are also linked to salary considerations (Najeeb, 2011), with HR leveraging strategic incentives like salary extras to attract and retain talent.

Despite employees' adaptability to isolation, separation from family poses a significant challenge particularly for expatriate resort workers. To address this, HR1 notes that psychologist support is available, underscoring a commitment to employee well-being but in a reactive rather than proactive manner. Additionally, HR1 emphasizes equitable treatment for all nationalities and offers monetary benefits and career development programs.

Returning to the research question, this work has demonstrated that the current HRM practices explored in the Maldives anticipate the needs of both expatriate and local employees to a certain extent by providing communication tools, training, financial benefits and reactive psychological help to compensate for isolation, while lacking the required improvements in infrastructure and diversified recreational activities for especially for female workers.

Implications for the industry

This study into the experiences of local and expatriate staff in a remote luxury hospitality setting demonstrates that in such an environment, salaries are unsurprisingly a great attraction and compensate for the living conditions for both locals and expatriates. It has shown too that HR must attend particularly to providing female expatriate workers whose needs have previously not been specifically attended to with appropriate living conditions and activities to safeguard their mental well-being. Clearly defined plans for career growth seem to mitigate feelings of loneliness such remote locations can instill in expatriate workers while the ambition to "climb the ladder" is not experienced in the same way by local workers who express a desire to receive more training from individuals they see as "professionals". A pro-active stance by HR personnel is recommended to intervene early if signs of difficulty in acclimatizing become apparent and the researchers suggest developing a sense of openness regarding mental health difficulties if these might be seen as troublesome and even shameful depending on the cultures of the individuals concerned.

While the study has provided some insights into how the well-being of employees is affected by working in isolated areas, there are still more questions to be answered. The study has focused only on the area of Maldives. Therefore, conducting an in-depth analysis of the employees working in the luxury segment in different geographical locations could provide valuable insights into more unique challenges faced by staff and the HR response in different types of remote areas including jungles, mountains, savannahs and bushland where high-end luxury establishments are flourishing. Moreover, it is recommended to conduct quantitative research about the effectiveness of HR practices addressing worker well-being in isolated areas. These findings could benefit businesses by integrating initiatives and incentives which would potentially reduce stress and anxiety during the acclimatization period of resort staff.

Conclusion

The study compared employee and HR perspectives on well-being and working conditions in a case study of a luxury resort in the Maldives. Isolation emerged as a significant factor for expatriate workers, leading to negative emotions like depression and anxiety mitigated to some extent by technological solutions to communication. An ability to adapt to the new environment was seen as crucial. HR initiatives focused on promoting work-life balance through activities and services like training programs and reactive psychological support. Nevertheless, restrictions on facility use were noted, along with a lack of activities for women, a novel finding. The study reaffirmed the influence of factors like salary benefits and career opportunities on employee satisfaction and turnover rates, emphasizing HR's role in providing competitive benefits. Overall, the research offers valuable insights into the interplay of isolation, organizational policies, and individual experiences in a remote luxury resort setting.

References

Baum, T. (2012). Human resource management in tourism: A small island perspective. *International Journal of Culture, Tourism and Hospitality Research*, *6*(2), 124–132. https://doi.org/10.1108/17506181211233054

Bayhan Karapinar, P., Metin Camgoz, S., & Tayfur Ekmekci, O. (2020). Employee wellbeing, workaholism, work–family conflict and instrumental spousal support: A moderated mediation model. *Journal of Happiness Studies: An Interdisciplinary Forum on Subjective Well-Being*, *21*(7), 2451–2471. https://doi.org/10.1007/s10902-019-00191-x

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101. https://doi.org/10.1191/1478088706qp063oa

Chowdhury, M. F. (2014). Interpretivism in aiding our understanding of the contemporary social world. *Open Journal of Philosophy*, *4*(3), Article 3. https://doi.org/10.4236/ojpp.2014.43047

Clark, T., Foster, L., Sloan, L., & Bryman, A. (2021). *Bryman's social research methods* (6th ed.). Oxford University Press.

de Saint-Georges, I. (2018). Generalizing from case studies: A commentary. *Integrative Psychological and Behavioral Science*, *52*(1), 94–103. https://doi.org/10.1007/s12124-017-9402-x

Del Bono, E., & Weber, A. (2008). Do wages compensate for anticipated working time restrictions? Evidence from seasonal employment in Austria. *Journal of Labor Economics*, *26*(1), 181–221. https://doi.org/10.1086/522070

Domroes, M. (2001). Conceptualising state-controlled resort islands for an environment-friendly development of tourism: The Maldivian experience. *Singapore Journal of Tropical Geography*, *22*(2), 122. https://doi.org/10.1111/1467-9493.00098

Douglas, H., Eti-Tofinga, B., & Singh, G. (2018). Hybrid organisations contributing to wellbeing in Small Pacific Island Countries. *Sustainability Accounting, Management and Policy Journal*, *9*(4), 490–514. https://doi.org/10.1108/SAMPJ-08-2017-0081

Eisenhart, M. (2009). Generalization from qualitative inquiry. In K. Ercikan & W. M. Roth (Eds.), *Generalizing from Educational Research: Beyond Qualitative and Quantitative Polarization* (pp. 51–66). Routledge.

Friborg, O., & Rosenvinge, J. H. (2013). A comparison of open-ended and closed questions in the prediction of mental health. *Quality & Quantity*, *47*(3), 1397–1411. https://doi.org/10.1007/s11135-011-9597-8

Golden, S. J., Chang, C. (Daisy), & Kozlowski, S. W. J. (2018). Teams in isolated, confined, and extreme (ICE) environments: Review and integration. *Journal of Organizational Behavior (John Wiley & Sons, Inc.)*, *39*(6), 701–715. https://doi.org/10.1002/job.2288

Hassan, Z. (2022). Employee retention through effective human resource management practices in Maldives: Mediation effects of compensation and rewards system. *Journal of*

Entrepreneurship, Management and Innovation, *18*(2), Article 2. https://doi.org/10.7341/20221825

Henrich, J., Heine, S. J., & Norenzayan, A. (2010). The weirdest people in the world? *Behavioral and Brain Sciences*, *33*(2–3), 61–83. https://doi.org/10.1017/S0140525X0999152X

Karatepe, O. M. (2013). High-performance work practices, work social support and their effects on job embeddedness and turnover intentions. *International Journal of Contemporary Hospitality Management*, *25*(6), 903–921. https://doi.org/10.1108/IJCHM-06-2012-0097

Lee, C., & Moreo, P. J. (2007). What do seasonal lodging operators need to know about seasonal workers? *International Journal of Hospitality Management*, *26*(1), 148–160. https://doi.org/10.1016/j.ijhm.2005.11.001

Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic inquiry*. SAGE Publications.

McDowell, L., Batnitzky, A., & Dyer, S. (2007). Division, segmentation, and interpellation: The embodied labors of migrant workers in a Greater London hotel. *Economic Geography*, *83*(1), 1–25.

McNamara, M., Bohle, P., & Quinlan, M. (2011). Precarious employment, working hours, work-life conflict and health in hotel work. *Applied Ergonomics*, *42*(2), 225–232. https://doi.org/10.1016/j.apergo.2010.06.013

Mercer, J. (2007). The challenges of insider research in educational institutions: Wielding a double-edged sword and resolving delicate dilemmas. *Oxford Review of Education*, *33*(1), 1–17. https://doi.org/10.1080/03054980601094651

Mullings, D. V., Giwa, S., Karki, K. K., Shaikh, S., Gooden, A., Spencer, E. B., & Anderson, W. (2021). The settlement and integration experience of temporary foreign workers living in an isolated area of Newfoundland and Labrador, Canada. *Journal of International Migration and Integration*, *22*(3), 1085–1104. https://doi.org/10.1007/s12134-020-00788-9

Najeeb, A. (2011). The status of migrant workers in the Maldives: “Precarious workers” or “labour aristocrats”? *Employment Relations Record*, *11*(2), 33–55.

Najeeb, A. (2016). HRM roles in paradise: Strategic or administrative? A study of tourist resorts in the Maldives. In A. Nankervis, C. Rowley, & N. M. Salleh (Eds.), *Asia Pacific Human Resource Management and Organisational Effectiveness* (pp. 147–170). Chandos Publishing. https://doi.org/10.1016/B978-0-08-100643-6.00007-5

Najeeb, A., & Barrett, M. (2019). Conformance or evasion: Employment legislation and employment practices in self-contained tourist resorts. *Employee Relations: The International Journal*, *41*(6), 1183–1204. https://doi.org/10.1108/ER-08-2018-0209

Ozcelik, H., & Barsade, S. G. (2018). No employee an island: Workplace loneliness and job performance. *Academy of Management Journal*, *61*(6), 2343–2366. https://doi.org/10.5465/amj.2015.1066

Ponting, S. S.-A. (2020). Organizational identity change: Impacts on hotel leadership and employee wellbeing. *Service Industries Journal*, *40*(1/2), 6–26. https://doi.org/10.1080/02642069.2019.1579799

Schoch, K. (2019). Case study research. In G. J. Burkholder, K. A. Cox, L. M. Crawford, & J. H. Hitchcock (Eds.), *Research design and methods* (pp. 245–258). SAGE Publications.

Shakeela, A., Ruhanen, L., & Breakey, N. (2011). The Maldives: A sustainable tourism success story? *E-Review of Tourism Research*, *9*(5), 243–263.

Sun, N., Liang, S., Li, H., & Song, H. (2023). Ex post i-deals, work-life balance, and work well-being in the hospitality industry: The moderating role of gender. *International Journal of Contemporary Hospitality Management*, *35*(9), 3077–3094. https://doi.org/10.1108/IJCHM-03-2022-0350

Teusner, A. (2016). Insider research, validity issues, and the OHS professional: One person’s journey. *International Journal of Social Research Methodology*, *19*(1), 85–96. https://doi.org/10.1080/13645579.2015.1019263

Torvisco, J. M., Santisi, G., Garofalo, A., Ramaci, T., & Barattucci, M. (2022). Validity and psychometric properties of the ILO-WHO workplace stress scale: A study with workers from the Canary Islands. *European Journal of Investigation in Health, Psychology and Education*, *12*(7), Article 7. https://doi.org/10.3390/ejihpe12070051

Veal, A. J. (2018). *Research methods for leisure and tourism* (5th ed.). Pearson Education Limited. https://bookshelf.vitalsource.com/#/books/9781292115313/cfi/0!/4/2@100:0.00

Wieland, L., Ayton, J., & Abernethy, G. (2021). Retention of general practitioners in remote areas of Canada and Australia: A meta-aggregation of qualitative research. *Australian Journal of Rural Health*, *29*(5), 656–669. https://doi.org/10.1111/ajr.12762

Wong, I. A., Xu, S., Chan, S. H. G., & He, M. (2019). A cross-level investigation of the role of human resources practices: Does brand equity matter? *Tourism Management*, *75*, 418–426. https://doi.org/10.1016/j.tourman.2019.04.013

Yin, R. K. (2009). *Case study research: Design and methods* (6th ed.). SAGE.

Full Papers Track 7 – General Track

7.1 The ROI of hotel human capital investment: What's that about… never heard of it!

Anthony Brien[1] | ORCiD: 0000-0002-0398-7408,
Mohini Vidwans

Lincon University, New Zealand

Abstract

This study investigated the relationship between hotel Human Capital Investment (HCI), employee productivity (EP) and the Return on Investment (ROI) of Human Capital (HC). When hotels invest in their HC, they should expect a return on that investment, a concept known as Return on Human Capital Investment – ROHCI.

Semi-structured interviews with general and operational hotel managers and a survey of employees sought to understand HCI, EP, and ROHCI and how these were measured and tracked. Participants were from international and domestic hotel brands in New Zealand.

This research reports hotel managers and senior hotel head office human resource directors do not understand or measure ROHCI at operational or tactical levels. These findings have not previously been considered or reported in the literature. The key message for industry practitioners and hospitality researchers is that they should work together to co-produce research that will help managers better understand ROHCI and its calculation.

Key Words:

Human Capital, Return on Investment, Hotels, New Zealand

Track: General Track

Focus of the Paper: Industry/Educational

Type of Submission: Full Paper

Introduction

The value-generating competencies of employees, known as human capital efficiency, are vital for organisational financial success (Barros, Peypoch, & Solonandrasana, 2009). Such competencies are bought into the hotel when the employee is first employed or as a result of training and learning to improve the knowledge, skills, and capabilities, which can lead to positive individual and organisational outcomes (Pelinescu, 2015). Purchasing such competencies and ongoing investment in employee training can be considered Human Capital Investment (HCI); however, there is a lack of research and understanding of how hotels confirm the actual financial return on such investments.

While HCI should be viewed as an investment rather than an expense (Namasivayam & Denizci, 2006; Pelinescu, 2015), measuring the outcomes of such investment has been overlooked (Santos &

Stuart, 2003). Surprisingly, the outcome of this research highlights the concept of Human Capital (HC) Return on Investment (ROI), which we term ROHCI, is not understood or used within the New Zealand hotel industry at operational or strategic Head Office levels. This outcome is a significant concern and missed opportunity, given that hotels report their HC as the greatest asset and should know the return this investment makes.

The adage that *if you don't measure it, you can't manage* is valid in many business contexts, and managing ROI is not exempt from this. Evaluating/measuring training as part of HCI was proposed many decades ago by Kirkpatrick (1977), with Phillips (1994) extending the model and adding ROI, which calculated training investment. In acknowledging training is only one aspect of ROHCI, there are several reported reasons for not being able to quantify HC-ROI, including the lack of managers' skills and knowledge to understand and collect the required data for calculation and measurement (Charlwood, Stuart, & Trusson, 2017). Further, Stern (2011) and Kline and Harris (2008) note that managers report not measuring ROHCI due to insufficient time, ineffective tracking systems and metrics, and lack of confidence in reporting incorrect values to higher management, dreading they may lose their jobs. These concerns aside, in today's environment where HC is difficult to find and increasing in cost, organisations should measure HCI to establish ROHCI by collecting appropriate metrics for communicating the impact of human resource work in the organisation (Birasnav, Rangnekar, & Dalpati, 2010).

The focus on ROHCI is one component of the overall productivity discussion that every business has today. Managers generally understand there is a link between HCI and Employee Productivity (EP) (Tangen, 2005); however, it is vital to know how EP finally tracks to ROI.

Past research on ROI considers benefits and costs; for example, Chambel and Sobral (2011) suggested benefits can be material or financial gain and social status, money and lost opportunity. Earlier research by Kirkpatrick (1977) focused primarily on the ROI of training. Still, there has not been any serious discussion on ROHCI in hotels, even though there are models such as those presented by Mankiw *et al.* (1992), Fitz-enz (J Fitz-enz, 2000; 2010), Prosvirkina (2014) and Manuti (2014). Arguably, the lack of interest and action in understanding this is explained by Kline & Harris (2008), who suggest, in a hospitality context, this could only be effectively done by larger organisations due to capturing data as part of the calculation.

The research reported here was undertaken in the New Zealand hotel industry, which set out to fill the notable gap in the literature related to evidence of increased productivity (and ROI) and positive returns from HCI. To achieve this, two research questions guided this research. (1) To what extent does HCI impact EP and, ultimately, hotel performance in terms of their ROI in the New Zealand hotel industry? (2) Investigate if and how hotel managers calculate or track ROHCI.

Method

This study focused on three to five-star rated hotels with 50 or more rooms from three major tourist locations in New Zealand - Christchurch, Auckland, and Queenstown. Using differing star ratings enabled comparison of results while the locations chosen were because this is where most New Zealand hotels are based. The reason for hotels with more than 50 rooms is supported in the literature (Bergin-Seers, Jago, Breen, and Carlsen (2006). Further, hotels with less than 50 rooms are assumed to be operated by owners and are less likely to involve formal HC and strategy functions (Ladkin & Riley, 1996). Finally, it was considered that larger hotels would understand the concepts of HCI, EP, and ROHCI.

Hotels from each location were listed under their star rating in order of size. Starting with the first hotel in each list, invitations to participate were sent to hotels until at least five hotels agreed to participate, or all hotels in the classification if there were less than five.

Semi-structured interviews with hotel General Managers (GMs) and Operational Managers (OMs) sought to investigate and gain a deeper understanding of how managers (1) define/measure productivity in the hotel context, (2) perceive HCI impacts on EP, and (3) understand and measure the link between HCI and ROHCI. The rationale for interviewing GMs and OMs was to understand if there were differences in their understanding of the HCI, EP and ROHCI concepts.

Transcripts were analysed via NVivo with themes developed using a Grounded Theory approach via standard coding. Employee surveys were captured and analysed via Qualtrics.

Results

This section considers the research results under several headings and begins with the participants' demographics.

Participants

Ninety-two managers were invited to participate in the study, and 25 managers agreed: 12 general managers (GMs) and 13 operational managers (OMs), which consisted of four Human Resource (HR) managers and nine Heads of Departments (HoDs). Over half of all managers held at least a Bachelor's degree, with six managers holding a Master's degree. The majority of managers were over 35 years of age. Finally, male managers outnumber females by fifteen to ten, with males having longer tenure as a GM than females.

Human Capital Investment

Generally, GMs and OMs had different views of HCI, including how HCI impacted EP and ROI. We suggest this reflects their default job descriptions and personal key performance indicators (KPIs). OMs consistently expressed specific, role-focused interpretations of HCI and gave practical ways to do this. This went beyond their professed interpretation of HCI and was closer to the comprehensive understanding of the theory that most GMs professed.

Investment in training was generally via a *buddy* or on-job training with smaller elements of off-job training and in-house e-learning. GMs and OMs acknowledge that each type of investment has advantages and disadvantages, and budgets and staff availability drive the costs associated with each type. However, no matter which investment method was used, no tracking or measurement of its success could be linked to ROI. The value of measurement-to-manage is lost and exampled by one hotel manager who said, "W*hen it comes to budget, financials, or return on investment, you need to speak to my Chief Finance Officer, who heads the finance department. I definitely know we have a budget, but I can't help with these questions*".

Employee Productivity

GMs generally viewed employees as their greatest asset and HCI as adding value to their employees. Another GM suggested that adding value to employees' professional and personal development improved their productivity: "It is really about developing or adding value to people, and allocating resources for their professional and personal development. HCI is about developing talent for the future and not [just] now. Examples of the investments are training programmes, reward programmes to boost morale and productivity, and flexible working arrangements. Sometimes providing training that is externally focused and not relevant to the work they do. Their own passion makes them committed and loyal, which impacts their work."

GMs have what could be considered a balanced view of how EP is measured. For example, two GMs noted: (1) In the restaurant, when they serve 130 covers at night, is it a good 130 or 130 terrible covers? You don't only look for quantity, but I believe quality has to come in as well. (2) Productivity standards are set to match service quality levels. We don't want to stretch the employees too much because it will have adverse effects on service quality, which is more important to us than just the numbers. While OMs did not discount quality as a measure of productivity, they are more focused on quantitative evaluation exampled by: (1) "Employee productivity is the ability to complete a task within the assigned timeline", (2) Our departments, like housekeeping, have structured productivity, and it is a combination of how many minutes they have to clean the rooms.

Managers identified factors that hindered EP, the most significant being high staff turnover. However, most GMs (22 out of the 25) did not know the cost of employee turnover, and only three managers reported that they had an idea of the cost involved. A GM noted, "We spent about $3,000 to $6,000 for a front-line employee. We invest in recruitment and training. Supervisors and management roles are about $10,000 and about $25,000 for Heads of Departments. Another GM pointed out, "That is a lot of money when you have employees leaving more than expected."

Measuring Return on Investment

This research reveals that the concept of ROHCI is not understood by participating hotel GMs or OMs as exampled in the following vignettes.

Even though I know the importance of calculating and knowing your investments, we never track our ROI. It is interesting. I report to the CEO of the company and the CFO, and I get questioned on payroll costs, food costs, using too much soap in the guest rooms, etc. For over 40 years in this industry, no senior management has ever questioned me about ROI. This is something that never comes up for discussion." A further representative quote, *"Yes, we do use our profit and loss statement and balance sheets to see how well we are doing."* Finally, *"I have no idea how to calculate ROI. Our ROI financials are done at the head office. Every month, they send us reports showing our profits.*"

These statements are of concern, with the first statement from a very senior and experienced GM. The second statement is irrelevant to ROHCI as increased profit may result from increased prices, not EP. The final statement is a mix of the former and an admission they do not understand how to calculate any form of ROI. However, managers did view indicators, such as guest satisfaction score, employee retention, turnover levels, career progression, profitability, profit and loss (P&L) statement, KPIs, and productivity levels as measures of ROHCI.

Given that hotel GMs and OMs did not understand the concept of or ways ROHCI can be calculated, the researchers approached a major hotel chain head office, where a senior HR Director said: *"ROI was not calculated or tracked because it was time-consuming, owners are not prepared to invest in software that can be used to track these investments. The industry is more focused on operational aspects, and nobody has the time to sit behind a desk to calculate ROI."*

Discussion

This research sought to understand the linkages between HCI and EP to ROI. Developing this understanding is vital given the extensive discussion in the literature and general hotel industry about employees being a hotel's greatest asset and increasing productivity. Yet, there is almost no discussion or research related to checking the ROI hotels make in their HCI aimed at lifting EP.

As a prelude to this discussion and subsequent results, it is important to remember that hotels, at the macro level, are not homogenous; therefore, no two hotels will have the same KPIs, EP from HCI or subsequent ROI. That said, in the main, hotels have similar operational variables; for example, they invest in employees, have rooms to clean, and have restaurants and bars where guests are served.

With the above in mind, this research proposed the movement from HCI to ROI would be sequential (see Figure 1), and there would be a positive transitional outcome from HCI to EP to ROHCI. However, this research shows that hotels do not engage the last component (ROHCI). As such, hotels have no idea whether HCI and EP are better or worse in different departments or if there are operational improvements from year to year from HCI. There is a disconnect between HCI and ROHCI.

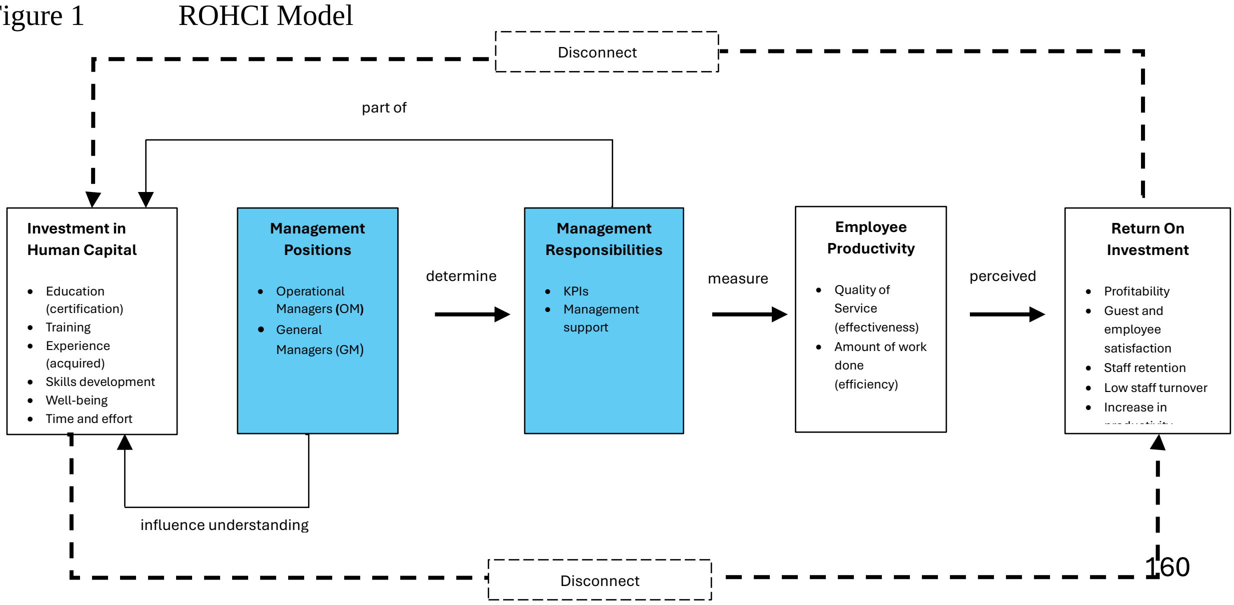
GM's default analysis of ROHCI is from the Profit and Loss Account, and they showed no understanding of the ROHCI concept as a measure of effectively managing the HCI. The assumption is that if the P and L report is better than the previous one, then the HCI has been worth it, which they further assume has increased EP, but this may not have been the case. Increased room prices may drive up revenue, but it does not necessarily mean that EP has been better. Another example is that costs in some products may have been reduced, but there is no change in HCI. GMs and OMs, including Human Resource Managers, did not discuss the concept in general operational meetings and have never been asked about it by Head Office. When the researchers queried the concept, all managers felt it might be something that the Head Office might do. This outcome is surprising and, as mentioned above, worrying, given that HC can be the most significant cost to a hotel. The researchers were even more surprised when the Corporate Head Office Human Resource Managers were not interested in gathering or analysing such information. From an overall chain perspective, such analysis would be valuable to learn where HCI and EP are better than others and take those learnings across the chain.

The general understanding is that if a hotel completes HCI, it will naturally lift EP, and there will be a ROHCI; however, there is no evidence to check this is the case. Indeed, some HCI may have a very low or even no ROHCI, while others may generate a significant ROHCI. Just because it may be challenging to measure is not an excuse not to do so. Given the present financial challenges hotels have experienced as part of COVID, arguably at any time, it is essential to know exactly where money is generating a suitable ROI.

There are various ways to calculate ROHCI; however, all require the total *costs of employees* – wages, training, etc. An issue for hotels not being able to calculate ROHCI is that none of the hotels participating in this research calculated employee turnover costs, a key factor in establishing the overall costs of employees. There is very little research on the topic of hotel employee turnover costs, but research by Davidson *et al.* (2010) in Australia noted it could be as much as $9,591.00 per full-time operational employee – being made up of recruitment, selection, orientation and training, lost productivity and pre-departure. The costs for management personnel are much higher.

Returning to the proposed research assumption of a sequential approach from HCI to ROHCI, Figure 1 notes the disconnect but adds the loop-back needed to ensure HCI is considered once ROHCI has been established. We argue that unless a hotel understands and undertakes ROHCI analysis, they have no idea if and where HCI has a positive or negative effect.

Figure 1 ROHCI Model



Returning to the details of this research, the definition of hotel EP differs depending on who you talk to. This research notes that employees and General Managers (GMs) had similar views, whereas Operational Managers' (OMs) views differed from employees and GMs. Employees and the GMs considered qualitative and quantitative forms of EP, whereas OMs were more focused on quantitative, such as the number of rooms cleaned or guests served. To be clear, OMs did not ignore the qualitative aspects, such as customer satisfaction. However, they received less attention, and this outcome is interesting if we consider the career path from employee to OM to GM. We propose that it results from the KPIs in the differing roles.

Exploring this outcome further, we note that employees are primarily focused on daily customer interaction. They are often evaluated via guest feedback and maintaining services numeric standards, so they see their role as having qualitative and quantitative EP aspects. OMs, however, generally have different drivers/KPIs, primarily ensuring guests are served within the department staffing budget and within set limits, for example, the guests served per wait staff. Here, we note guest input as part of evaluation may be less prominent as an OM seeks to meet budget KPIs if, for example, they wish to be promoted, and this will sharpen the mind and potentially drive actions.

Achieving GM status presents a different set of KPIs, which can include budget and guest feedback, and this is where we see employees and GMs having similar views on EP.

We conclude this discussion with a brief reference to the research participants. This study confirms previous literature findings regarding the demographic makeup of hotel management positions, with most GMs being male. At the same time, OMs were split evenly between genders, and Human Resource Managers were mainly female. It is, however, a continual concern that there is a lack of female GMs in today's hotel industry, something noted in the literature for some time but has not translated to change.

Conclusions and Implications

This research highlights differences in understanding of HCI, EP and ROI between General and Operational Managers and, further, of particular concern, the hotel sector's lack of knowledge and even willingness to engage in the discussion about ROHCI. This research identifies three key conclusions: A shared understanding of HCI, defining and measuring EP, and understanding and calculating ROI.

A shared understanding of HCI:

While HCI has been comprehensively investigated in the general literature, the literature is silent on management's understanding or interpretation of the concept, specifically in the hotel sector. This research highlights differences in the interpretation of HCI due to a person's job role, which is inconsistent with HCI literature. GMs and OMs have different opinions, while GMs and employees share similar opinions. This interpretation-disconnect also exists between researchers and practitioners where terms defining and measuring EP in the hospitality industry must include the key elements of quality of service, client satisfaction, and employee happiness.

While this finding may not be unique to the hotel industry, authoritative international organisations, such as the OECD, which try to standardise most things, need to acknowledge this and consider how different sectors measure productivity.

Defining and measuring employee productivity:

The second conclusion is that although hotels are considered a low-productivity sector, EP is not actively discussed within the New Zealand hotel industry as part of employee output. While there is an international definition of productivity, hotels internally define productivity differently, which differs between hotels with different star ratings.

Regarding measuring EP, the findings match previous literature, which says measuring productivity in hospitality is challenging due to the unique characteristics of services (and their inputs), including intangibility, simultaneous production and consumption, perishability, and heterogeneity. Further, this study revealed that measuring EP appears inconsistent within the industry, resulting in an understanding disconnect. This disconnect adds other dimensions to the existing complexities when assessing work outputs by managers within the industry.

It may be impossible to develop such common measures across the whole industry. Nevertheless, a hotel should define EP, which can happen between hotels of the same chains. Finally, because EP is not understood in terms of definition and practice, there will continue to be a disconnect between practitioners and academics on how the sector is perceived in terms of productivity.

Understanding and calculating ROI:

The final and most striking conclusion is that hotels do not track or calculate ROHCI at operational and head office levels. This finding is significant given labour is reported as the highest cost in a hotel's operation, and hotels often refer to staff as their greatest asset. The reasons for not doing so have been reported above, including hotels not having the necessary data or time. This may be correct, but such data can be gathered, for example, staff turnover costs. Further, without time to understand a hotel's ROHCI, even down to the department level, it may be a waste of money that could be best used elsewhere. Knowing why some departments have better ROHCI than others enables overall EP improvement.

A hotel ROHCI calculator

We conclude this paper with a suggested hotel ROHCI model, which we believe is a starting point for hotels to understand better if there is an acceptable ROI on the HCI. In doing so, we acknowledge this requires investment in gathering data and the time to complete the calculation; however, we also believe that this investment will pay dividends as a hotel is better informed as to where and why differing ROHCI appears in the hotel.

ROHCI = (Revenue minus Non-Human Capital Expenses divided by Human Capital Expenses)

Revenue: This can be a hotel's total or department's revenue over any period. A more refined calculation can include removing the cost of capital, depreciation, interest and taxes.
Non-Human Capital Expenses: Operating expenses (including human capital expenses) minus Human Capital Expenses.
Human Capital Expenses: Fixed and variable remuneration, plus benefits (meals, uniforms, health plans, etc.), plus indirect costs, including employee turnover costs, training, education, recruitment and leaving costs, etc.

Example:

ROHCI: $$\frac{(\$840{,}000\ (\text{revenue}) - \{\$300{,}000\ (\text{all operational costs}) - \$184{,}000\ (\text{HC expenses})\})}{\$184{,}000}$$

$$\frac{\$840{,}000 - \$116{,}000}{184{,}000}$$

$$\frac{\$724{,}000}{\$184{,}000}$$

$$= \$3.93$$

The \$3.93 means that for every dollar the hotel spent related to HCI, it received \$3.93. It is important to note that every hotel or department ROHCI will differ. Still, tracking changes enables more effective strategic future HCI decisions and learnings that can be transferred to other hotels or departments.

References

Barros, C. P., Peypoch, N., & Solonandrasana, B. (2009). Efficiency and productivity growth in hotel industry. *International Journal of Tourism Research, 11*(4), 389-402.

Bergin-Seers, S., Jago, L., Breen, J., & Carlsen, J. (2006). *Performance measurement in small motels*: Sustainable Tourism CRC.

Birasnav, M., Rangnekar, S., & Dalpati, A. (2010). Transformational leadership, interim leadership, and employee human capital benefits: an empirical study. *Procedia-Social and Behavioral Sciences, 5*, 1037-1042.

Charlwood, A., Stuart, M., & Trusson, C. (2017). Human capital metrics and analytics: assessing the evidence of the value and impact of people data: Loughborough University.

Davidson, M. C., Timo, N., & Wang, Y. (2010). How much does labour turnover cost?: A case study of Australian four-and five-star hotels. *International Journal of Contemporary Hospitality Management, 22*(4), 451-466.

Fitz-enz, J. (2000). *The ROI of Human Capital*. New York: Amacom Books.

Fitz-Enz, J. (2010). *The new HR analytics*: American Management Association.

Hinkin, T. R., & Tracey, J. B. (2000). The cost of turnover. *Cornell Hotel and Restaurant Administration Quarterly, 41*(3), 14-21.

José Chambel, M., & Sobral, F. (2011). Training is an investment with return in temporary workers: A social exchange perspective. *Career Development International, 16*(2), 161-177.

Kirkpatrick, D. L. (1977). Evaluating training programs: Evidence vs. proof. *Training Dev J*.

Kline, S., & Harris, K. (2008). ROI is MIA: why are hoteliers failing to demand the ROI of training? *International Journal of Contemporary Hospitality Management, 20*(1), 45-59.

Ladkin, A., & Riley, M. (1996). Mobility and structure in the career paths of UK hotel managers: a labour market hybrid of the bureaucratic model? *Tourism Management, 17*(6), 443-452.

Mankiw, N. G., Romer, D., & Weil, D. N. (1992). A contribution to the empirics of economic growth. *The quarterly journal of economics, 107*(2), 407-437.

Namasivayam, K., & Denizci, B. (2006). Human capital in service organisations: identifying value drivers. *Journal of Intellectual capital*.

Pelinescu, E. (2015). The Impact of Human Capital on Economic Growth. *Procedia Economics and Finance, 22*, 184-190. doi:https://doi.org/10.1016/S2212-5671(15)00258-0

Phillips, J. J. (1994). *In Action: Measuring Return on Investment Vol 1* (Vol. 1): American Society for Training and Development.

Prosvirkina, E. (2014). Human resources effectiveness in the Russian banking industry. *Humanity & Social Sciences Journal, 9*(1), 11-17.

Santos, A., & Stuart, M. (2003). Employee perceptions and their influence on training effectiveness. *Human Resource Management Journal, 13*(1), 27-45.

Stern, G. M. (2011). Company training programs: what are they really worth? *CNN Money*.

Tangen, S. (2005). Demystifying productivity and performance. *International Journal of Productivity and Performance Management, 54*(1), 34-46.

Tracey, J. B., & Hinkin, T. R. (2008). Contextual Factors and Cost Profiles Associated with Employee Turnover. *Cornell Hospitality Quarterly, 49*(1), 12-27. doi:10.1177/0010880407310191

7.2 Exploring the dynamic pattern: A Comparative Time Series Analysis of Key Performance Indicators in the Hotel Industries of Doha, Dubai, and London

Chiranjeewa Atapattu[1], Nishanthi Abeynayake[1], Anthony Mulholland[2]

1: Manchester Metropolitan University, United Kingdom;
2: Oryx Universal College W.L.L. , Doha, Qatar

Abstract

The Middle East and Europe have experienced significant growth in tourism over the last decade, reaching pre-pandemic levels in 2022. Doha, Dubai, and London saw a substantial expansion in their hospitality sectors. With more expected growth, especially in the Middle East due to investments, accurate forecasting is crucial for hoteliers in these competitive markets. The main goal of this study is to comprehensively analyze historical hotel metrics in Doha, Dubai, and London over the past ten years using STR data. This study uses advanced models such as ARIMA, AUTO ARIMA, GARCH, SARIMA, and LSTM to assess and compare their effectiveness in predicting hotel demand and performance indicators, providing insights for the Middle East and European regions. Advanced time series models, including ARIMA, SARIMA, and LSTM, are utilized to assess and compare their efficacy in forecasting hotel demand and KPIs, providing insights for the Middle East and Europe.

Key Words:
Hospitality KIPs, Time series forecasting Models, Machine Learning in Tourism

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Background and motivation

Time series forecasting models are essential tools employed across a wide range of fields, including business, finance, tourism, and scientific research. These models automatically generate forecasts for numerous univariate time series, providing invaluable insights into key data features such as trend, cycle, seasonality, and series length(Hyndman & Khandakar, 2008; Petropoulos et al., 2014). These models are also valuable in predicting the scientific data, volatility in financial markets, and tourist quantities, showcasing their versatility across different sectors (Masood et al., 2019; Ramin et al., 2020; Vasilellis & Meade, 1996; Zhang et al., 2016).

In the context of hospitality, time series forecasting models can aid in predicting demand side (tourist arrivals), (Bäurle et al., 2020) and can assist in forecasting the supply side essential for understanding economic trends and planning investments in the hospitality industry (Bandara et al., 2020).

Time series forecasting has been a subject of interest in academia and practice, with the debate between traditional methods and machine learning approaches being a focal point. Traditional methods like ARIMA, Exponential Smoothing, and Error Trend Seasonality forecast (ETS) have long been established as powerful tools for time series prediction (Chintapalli et al., 2020). Although traditional statistical time series models have been widely employed, recent studies have provided compelling evidence that machine learning methods frequently outperform these conventional approaches (Alfeld et al., 2016). The rapid rise of machine learning techniques, particularly deep learning algorithms and neural networks, has revolutionized the field of time series forecasting. These advanced methods capture intricate patterns and nonlinear relationships embedded within complex data, surpassing the limitations of traditional models (Makridakis et al., 2018). The SARIMA model captures linear patterns and seasonality in time series data, while RNN and LSTM models are designed to handle complex, nonlinear relationships and temporal dependencies. Testing these models allows for comparison of their effectiveness in predicting hotel KPIs, particularly under varying conditions like regional differences and industry disruptions.

Objectives

This study aims to identify the most effective forecasting method for predicting hotel KPIs by comparing traditional approaches, such as Auto SARIMA, with advanced machine learning techniques like RNN and LSTM.

Literature Review

Hotel KPIs and Destination Success

During the COVID-19 pandemic, the hotel industry faced challenges, leading to a shift in the relevance of certain KPIs. Many revenues related KPIs (Eg. REVPAR, ADR, Occupancy) designed pre-pandemic to assess hotel performance became unreliable (Magnini et al., 2020). However, the use of good KPIs remains crucial for maintaining competitiveness in top hotel markets (Ballestero et al., 2023). Further it emphasises the importance of performance measures for Destination Management Organizations (DMOs) to enhance decision-making (Morrison et al., 2024). Furthermore, the measurement of tourism success varies across academia, organizations, and governments due to its multi-dimensional nature and diverse stakeholders (Buhalis et al., 2006); Morrison et al., 2024).

Hotel key performance indicators (KPIs) such as Average Daily Rate (ADR), Revenue per Available Room (RevPAR), and Occupancy are crucial metrics for forecasting and assessing the performance of hotels (Schwartz et al., 2021). RevPAR, specifically, is a widely accepted measure of hotel performance that reflects the earning potential of a hotel in offering accommodation (Ognjanović et al., 2023). During the COVID-19 pandemic, the importance of these KPIs has been highlighted, with a focus on revenue management and forecasting to navigate through challenging times (Singh & Corsun, 2023).

Traditional methods (SARIMA)

Traditional methods like Seasonal Autoregressive Integrated Moving Average (SARIMA) play a crucial role in time series forecasting across various domains. SARIMA is particularly effective in capturing seasonal patterns and trends in historical data, making it a valuable tool for forecasting tasks (Kuru & Calis, 2020). The SARIMA method has been successfully applied in diverse fields, in forecasting scenarios related to agriculture, healthcare, and climate variables, showcasing its versatility and applicability (Silalahi, 2020; Wu et al., 2022). While SARIMA models are robust and widely used, they do have limitations. Such as their inability to capture nonlinear information present in some time series data and SARIMA assumes a linear relationship between successive values of the time series, especially in complex systems (Li et al., 2021).

Machine learning methods (RNN, LSTM)

Recent studies have shown that LSTM, a type of RNN, has been widely used for time series forecasting across various domains, including finance, environmental factors, and energy use (Haq et al., 2021; Sezer et al., 2020). It is evident that machine learning models, particularly LSTM models, outperform traditional methods like ARIMA models in forecasting hotel KPIs, especially during challenging times such as the COVID-19 pandemic (Binesh et al., 2024; Elsaraiti & Merabet, 2021). The authors reported that when the SARIMA was combined with LSTM layers, the model could capture linear and nonlinear data features and resulted in better accuracy in the forecasting trends (He et al., 2021; Wu et al., 2022).

Rationale for Dubai, Qatar, and London City Trends

City trends significantly impact the hospitality industry, influencing various aspects such as tourism, state support, innovation management, and marketing strategies. However, this critical research on city hospitality has been limited (Gesso, 2021).

Dubai has established itself as a significant global destination for hospitality and tourism, with the Dubai tourism strategy aiming to attract millions of visitors annually (AlMutawa et al., 2023). Dubai's rapid growth and investments in construction have bolstered its status as a premier real estate destination, appealing to both investors and tourists (Ajmal et al., 2021). On the other hand, Qatar has been leveraging its strengths in various areas to enhance its global appeal. Qatar's strategic investments in sports, such as hosting international sporting events like the World Cup 2022, play a crucial role in branding the nation as modern, friendly, and legitimate on the global tourism and hospitality stage (Søyland & Moriconi, 2022). At the same time London’s prominence in the global market is evident through its continued dominance in cross-border investments, although emerging global cities are also gaining traction (Fadeyi et al., 2022). London's significance in the tourism industry is highlighted by its competitive tourism products and increased global competition for tourist arrivals (Woyo & Slabbert, 2021). Doha and Dubai represent rapidly developing markets, while London, as a major global city, offers insights into a more mature and established market. Comparing these varied destinations helps assess the adaptability and accuracy of forecasting models across different market sizes and economic conditions.

In conclusion, city trends are pivotal in shaping policies and strategies in the hospitality sector. By analysing and forecasting these trends with modern time series, stakeholders can make well-informed decisions to improve service quality and tackle emerging challenges in urban settings. Furthermore, the study of revenue management and RevPAR is essential for sustainable recovery strategies in the hotel industry, especially in the context of crises like the COVID-19 pandemic (Rahman et al., 2021)

Methodology

Data processing

Monthly data for key indicators in the hotel industry, such as Room Occupancy (Room OCC), Average Room Rate (ARD), and Revenue Per Available Room (RevPAR), spanning from January 2013 to November 2023, were collected from the STR database. The COVID-19 period in 2020 and 2022 was excluded from the dataset due to its disruptive nature on time series patterns. Excluding the COVID-19 period improves model performance by focusing on data that better reflects typical operating conditions, enhancing predictive accuracy.

Subsequently, the dataset was divided into 70% for training data and 30% for testing data. This division ensures that models are trained on a significant portion of the data while reserving a separate portion for evaluating model performance and generalization to unseen data.

Data Analysis

Time series models

To develop the forecasting model, both traditional methods such as SARIMA (Seasonal Autoregressive Integrated Moving Average), and advanced machine learning models like RNN (Recurrent Neural Network) and LSTM (Long Short-Term Memory) were employed.

SARIMA

SARIMA (Seasonal Autoregressive Integrated Moving Average) is a powerful time series forecasting technique designed to capture and predict patterns in data with seasonality (Song et al., 2021). It extends the classical ARIMA model by incorporating parameters for seasonal variations (Surendran et al., 2022), making it suitable for datasets with periodic fluctuations over time. SARIMA comprises autoregressive (AR), differencing (I), and moving average (MA) terms, alongside seasonal counterparts denoted by capital letters P, D, and Q, which govern the model's behaviour. By adjusting these parameters, SARIMA effectively models short-term dynamics and seasonal variations in the time series. The 'S' term in SARIMA represents the seasonal period, indicating the frequency at which the seasonal pattern repeats (e.g., 12 for monthly data with yearly seasonality). This model designation encompasses regular and seasonal autoregressive and moving average terms, accounting for correlations with both low and seasonal lags.

The SARIMA model specification is {ARIMA (1,1,1) $(1,1,1)_{12}$}

$$(1-\phi_1 B)(1-\Phi_1 B^{12})(1-B)(1-B^{12})y_t = (1+\theta_1 B)(1+\beta_1 B^{12})e_t$$

Where, $(1-\phi_1 B)$ = non-seasonal AR(1), $(1-\Phi_1 B^{12})$ = seasonal AR(1), $(1 - B)$ = non-seasonal difference, $(1 - B^{12})$ = seasonal difference, y_t = forecasted value, $(1+\theta_1 B)$ = non-seasonal MA(1), $(1+\beta_1 B^{12})$ = seasonal MA(1), e_t = error term.

Model selection was conducted using an automated approach to identify the optimal SARIMA configuration. The **auto_arima** function from the **pmdarima** library in Python was employed for this purpose. The **auto_arima** function utilizes a stepwise algorithm to iteratively search through the space of possible SARIMA configurations and selects the model with the lowest Akaike Information Criterion (AIC) value.

RNN (Recurrent Neural Network):

Recurrent Neural Networks (RNNs) are a crucial class of neural networks designed for sequential data processing, essential for tasks like sequence modeling and time series forecasting. Unlike traditional feedforward neural networks, RNNs have an internal memory mechanism, enabling them to retain information from previous time steps, thus capturing temporal dependencies within the data. This flexibility allows RNNs to capture intricate patterns and dynamics in sequential data sequences, making them invaluable for tasks where past context influences future predictions. The architecture of an RNN consists of input, hidden, and output layers. The input layer receives data at each time step, while the hidden layer contains recurrent connections allowing information persistence across time steps. However, traditional RNNs face the vanishing gradient problem, limiting their ability to capture long-term dependencies. Despite this challenge, RNNs remain powerful tools for analysing and forecasting sequential data.

LSTM (Long Short-Term Memory):

Long Short-Term Memory (LSTM) networks represent a specialized variant of Recurrent Neural Networks (RNNs) designed to address the vanishing gradient problem and capture long-term dependencies more effectively. Unlike traditional RNNs, which struggle to retain information over long sequences due to the vanishing gradient issue, LSTM networks incorporate gated mechanisms to control the flow of information within the network. These mechanisms, composed of input, forget, and output gates, enable LSTMs to selectively retain or forget information from previous time steps, thus facilitating the learning of long-range dependencies in sequential data. LSTM networks have demonstrated superior performance in various tasks such as natural language processing, time series prediction, and speech recognition, making them a cornerstone in the field of sequence modelling and forecasting.

Model selection and validation

Model selection was conducted utilizing metrics such as Mean Absolute Percentage Error (MAPE) and Root Mean Squared Error (RMSE). These metrics are essential in evaluating predictive model performance. By comparing MAPE and RMSE values across different models, the most suitable model was identified. This process ensures the selection of a model that provides accurate predictions while considering both the magnitude and direction of prediction errors.

Model selection relied on metrics like Mean Absolute Percentage Error (MAPE) and Root Mean Squared Error (RMSE) to evaluate predictive performance accurately. Comparing MAPE and RMSE values across different models ensured the identification of the most suitable model, considering both the magnitude and direction of prediction errors. Serial autocorrelation in the SARIMA model was assessed using the Durbin Watson (DW) Statistic, where DW around 2 indicates no autocorrelation, less than 2 indicates positive autocorrelation, and more than 2 indicates negative autocorrelation. The Lagrange multiplier (LM) test determined serial autocorrelation in the best-fitting model, with a non-significant result suggesting the absence of autocorrelation. The Jarque-Bera (JB) test detected the normality of residuals, while the ARCH test assessed residual heteroskedasticity. The model selection also considered the lowest Akaike information criterion (AIC), RMSE and MAPE values to identify the best-fitting models. The formulas for calculating JB statistic, MAPE, and AIC are as follows.

$$\text{JB test statistic} = n\left[\frac{S^2}{6} + \frac{(K-3)^2}{24}\right]$$

where S = skewness and K = kurtosis.

$$\text{MAPE} = \frac{1}{n}\sum_{t=1}^{n}\left|\frac{O_t - y_t}{O_t}\right|$$

where n = number of time points, O_t = observed value, y_t = forecasted value

$$\text{AIC} = -(\text{log-likelihood}) + 2K$$

where **K** is the number of model parameters.

$$\text{DW} = \frac{\sum_{t=2}^{T}(e_t - e_{t-1})^2}{\sum_{t=1}^{T} e_t^2}$$

where e_t is the residual figure, and T is the number of observations in the experiment.

Results and Discussion

Figure 1 indicates a pronounced impact of the COVID-19 pandemic on room occupancy rates in Dubai and London compared to Qatar throughout 2020-2021. This disparity highlights the varying degrees of disruption experienced by hospitality sectors in different regions due to the pandemic's effects.

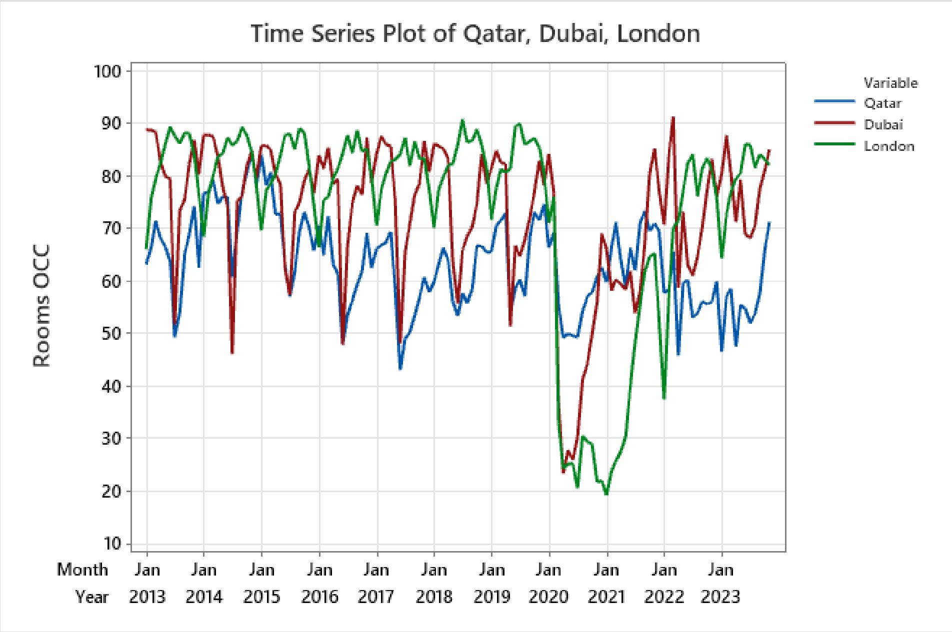


Figure 1: Time series plot of Room occupancy for Qatar, Dubai, and London

The Average Daily Rate (ADR) consistently tends to be higher in London, while Qatar exhibits notably elevated rates in November and December 2022 (Figure 2). This trend underscores the distinct pricing dynamics between the three regions, suggesting potential seasonal and market-specific factors influencing room rates.

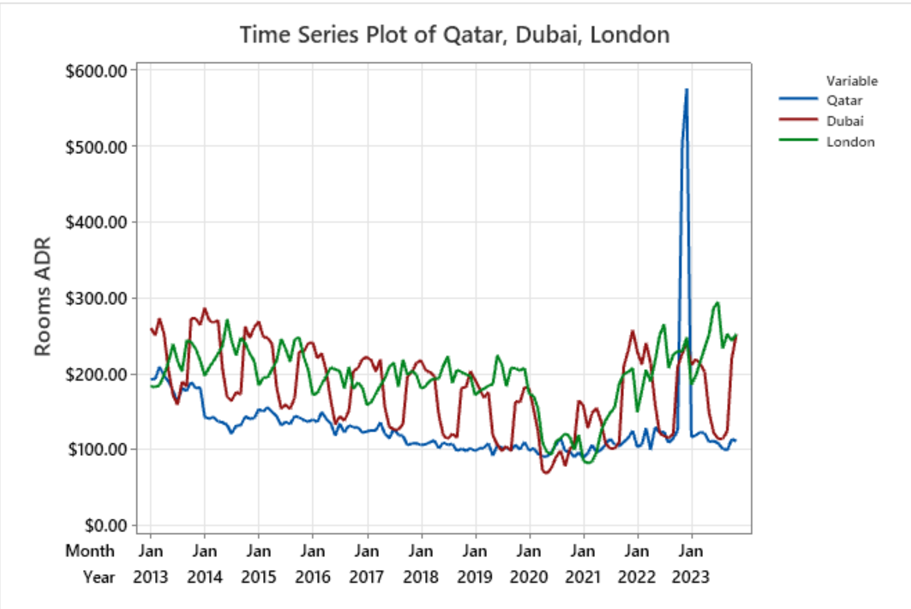


Figure 2: Time series plot of ADR for Qatar, Dubai, and London

The Revenue per Available Room (RevPAR) mirrors the pattern observed in the Average Daily Rate (ADR), with London consistently demonstrating higher figures. Similarly, Qatar exhibits a notable surge in RevPAR during November and December 2022, aligning with the observed trends in ADR.

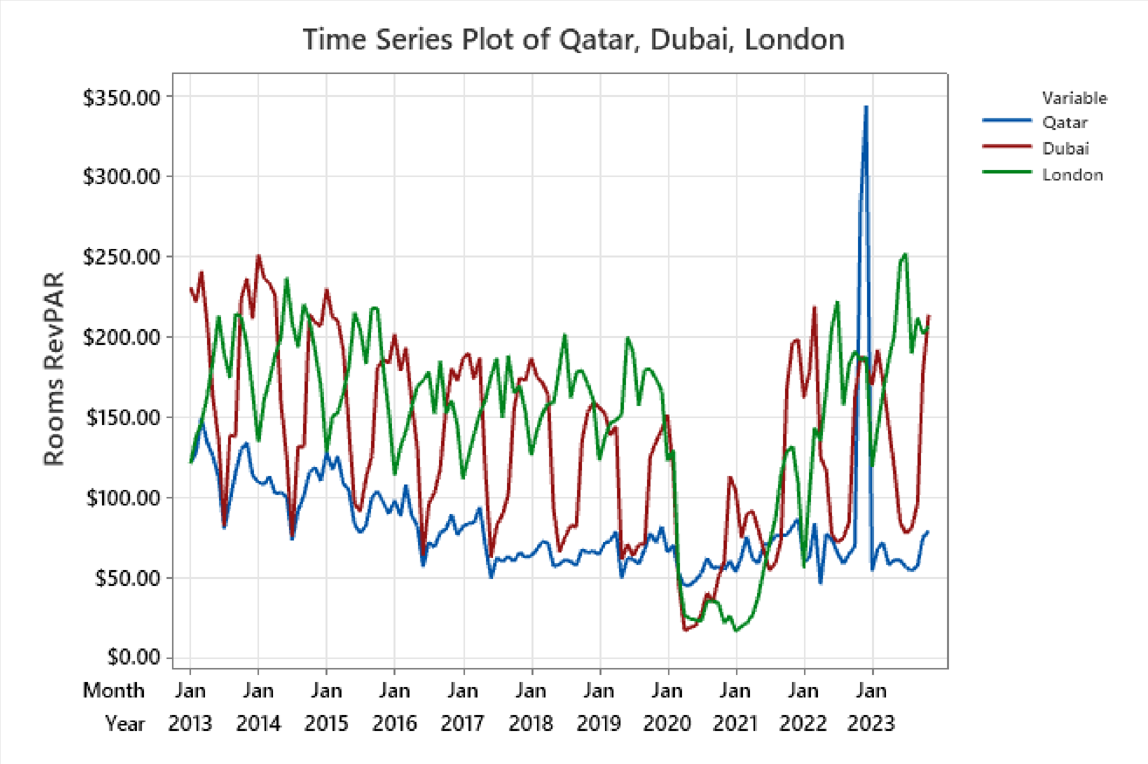


Figure 3: Time series plot of RevPAR for Qatar, Dubai, and London

The subsequent tables and figures provide a comparative analysis of the three time series models across three chosen countries for each indicator, utilizing Root Mean Square Error (RMSE) and Mean Absolute Percentage Error (MAPE) as evaluation metrics.

Table 1 - Evaluation Metrics based on RMSE and MAPE for Room Occupancy in the UK, Qatar, and Dubai

Rooms Occupancy				
country		SARIMA	RNN	LSTM
UK	RMSE	4.44	**4.32**	4.42
	PAPE	4.42	**4.38**	4.52
Qatar	RMSE	24.56	**6.34**	7.37
	PAPE	15.94	**8.27**	9.58
Dubai	RMSE	8.54	**7.78**	8.28
	PAPE	8.32	**8.42**	9.47

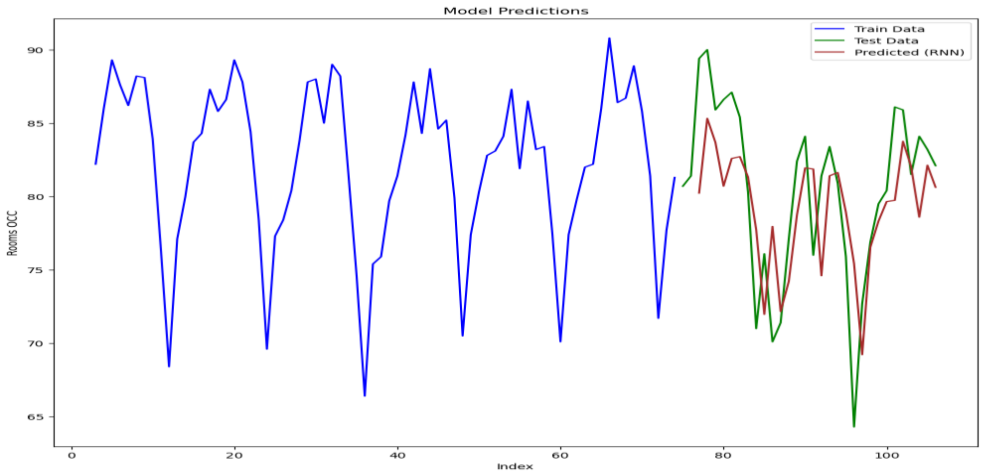


Figure 01a: Best model prediction of Rooms OCC of the UK based on RNN

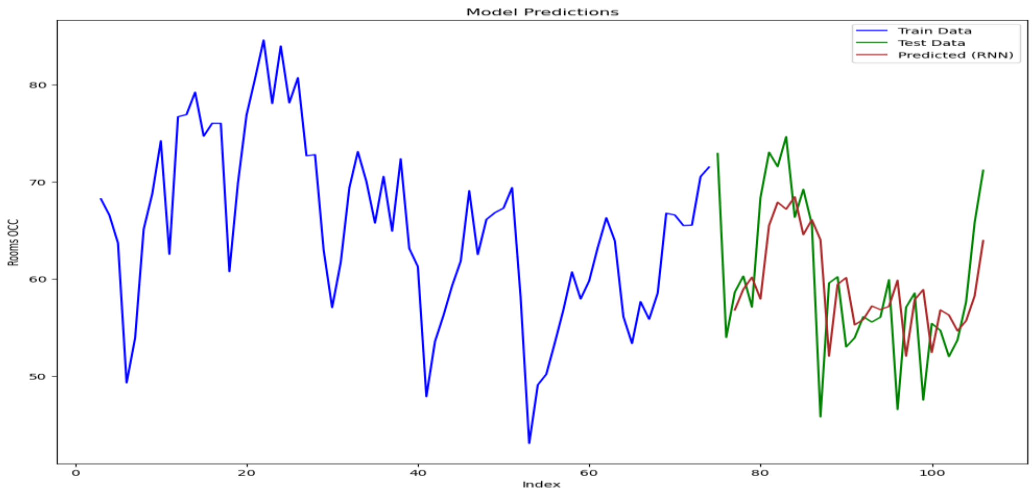


Figure 01b: Best model prediction of Rooms OCC of Qatar based on RNN

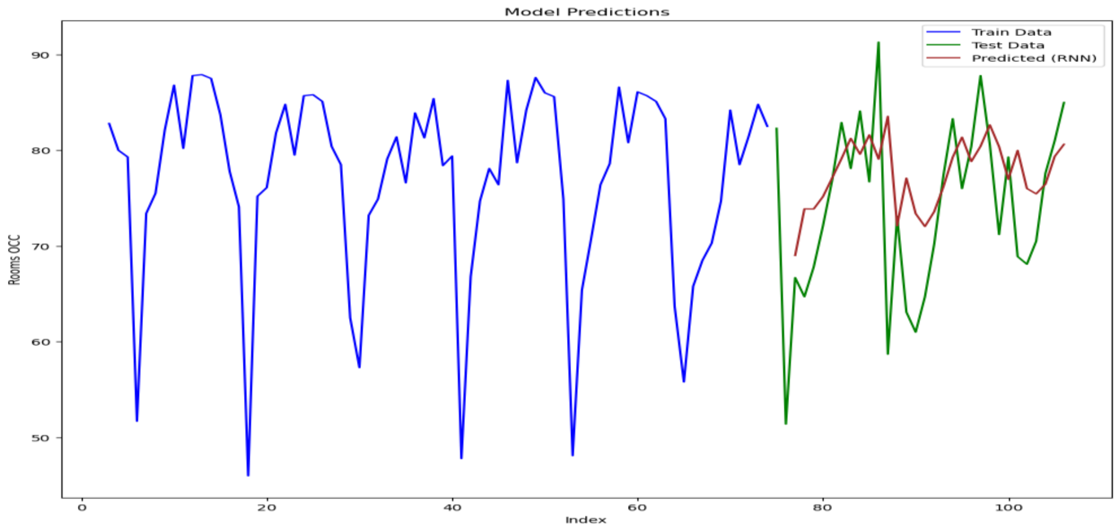


Figure 01c: Best model prediction of Rooms OCC of Dubai based on RNN

Table 2 - Evaluation Metrics based on RMSE and MAPE for Rooms Average Daily Rate (ADR) in the UK, Qatar, and Dubai

Rooms Average Daily Rate (ADR)				
country		SARIMA	RNN	LSTM
UK	RMSE	43.18	**22.9**	18.87
	MAPE	14.21	**6.8**	13.70
Qatar	RMSE	10.35	**8.91**	17.02
	MAPE	10.12	**5.90**	12.13
Dubai	RMSE	30.95	**14.60**	25.65
	MAPE	19.09	**9.20**	11.08

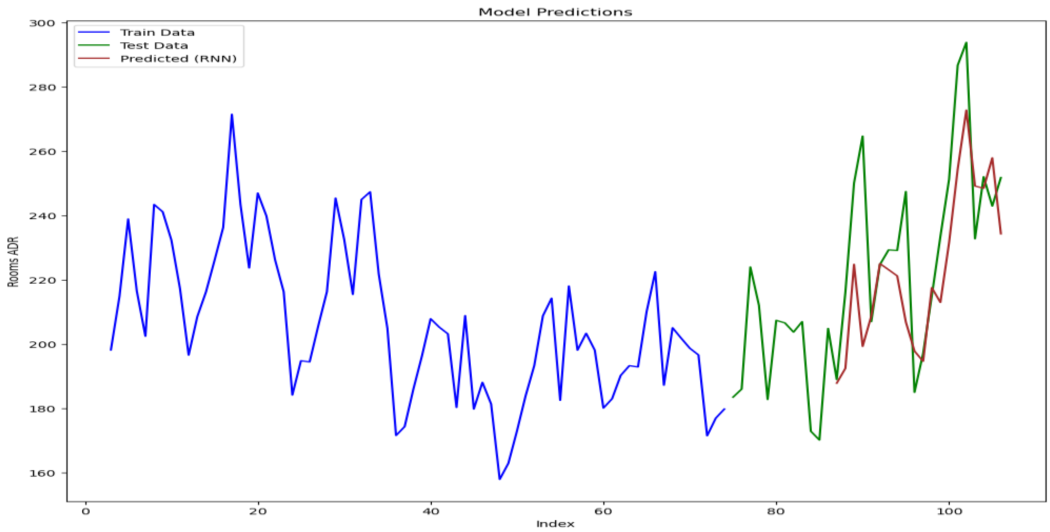


Figure 02a: Best model prediction of Rooms ADR of the UK based on RNN

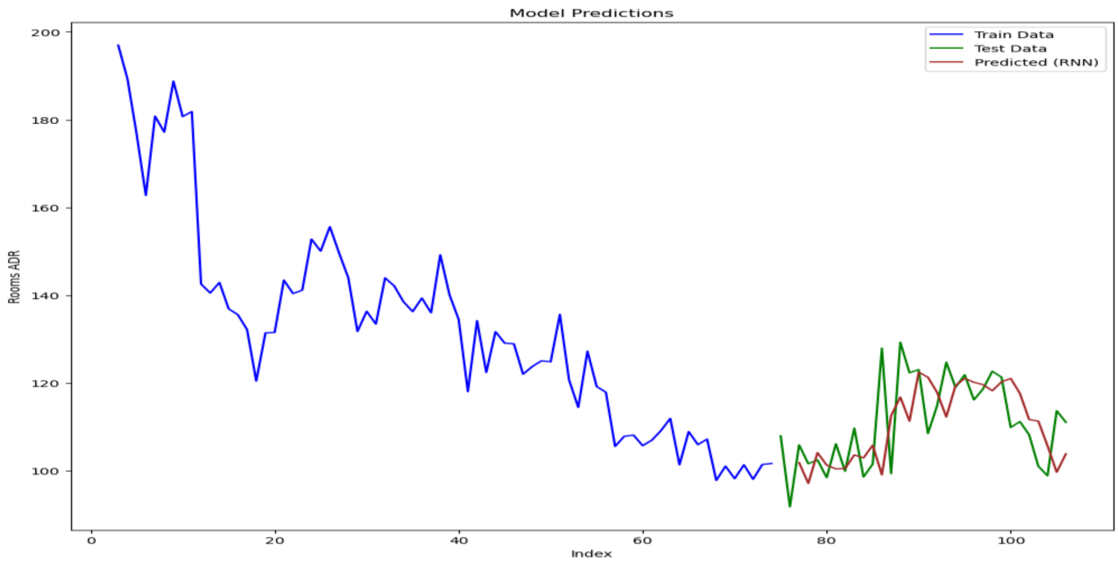


Figure 02b: Best model prediction of Rooms ADR of Qatar based on RNN

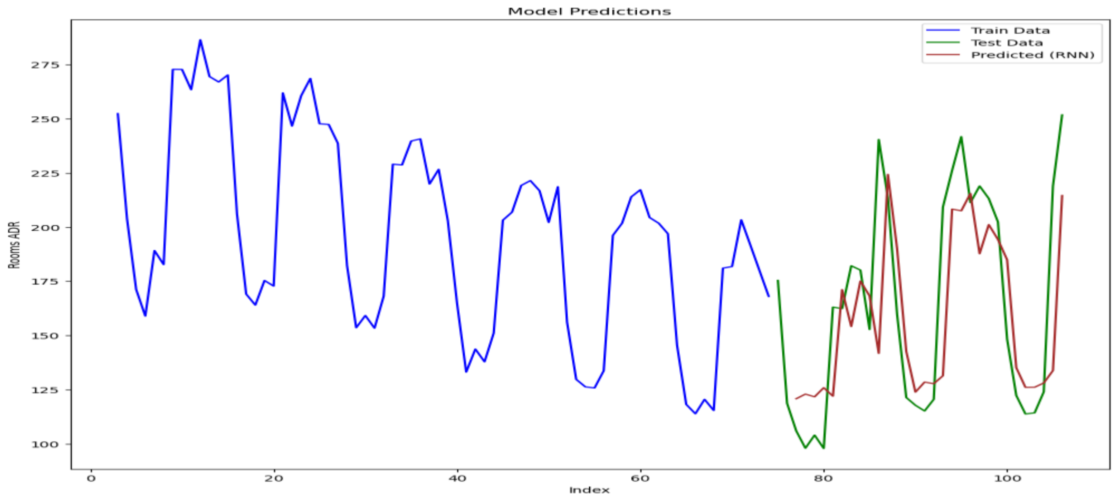


Figure 02c: Best model prediction of Rooms ADR of Dubai based on RNN

Table 3 - Evaluation Metrics based on RMSE and MAPE for Rooms RevPAR in the UK, Qatar, and Dubai

Rooms RevPAR				
country		SARIMA	RNN	LSTM
UK	RMSE	26.33	**19.15**	23.5
	MAPE	10.07	**9.73**	9.2
Qatar	RMSE	8.98	**11.95**	9.40
	MAPE	10.91	**10.33**	12.39
Dubai	RMSE	43.26	**25.86**	26.22
	MAPE	,26.10	**11.03**	17.15

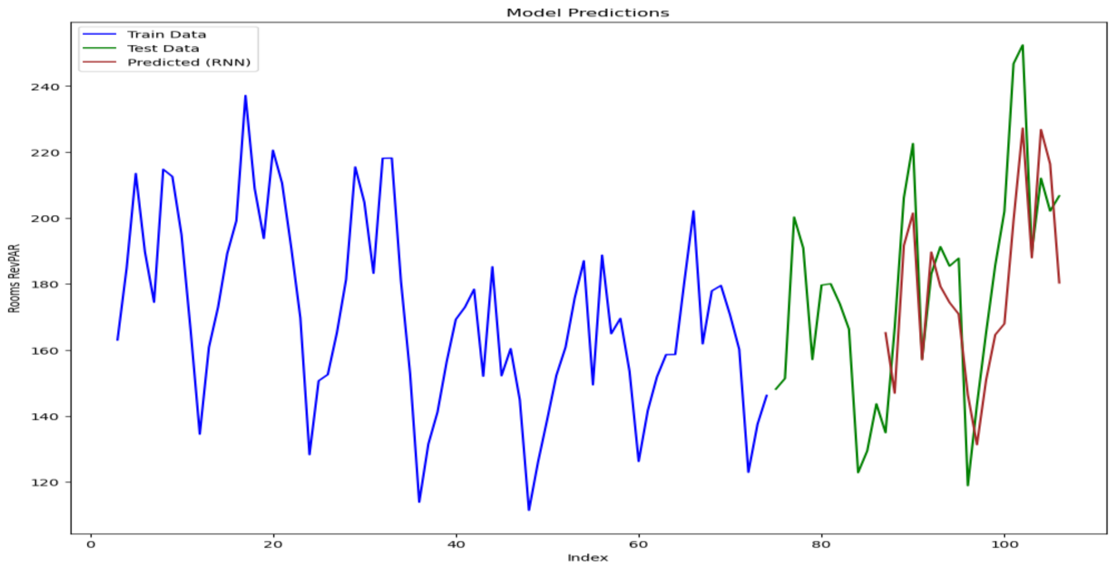


Figure 03a: Best model prediction of Rooms RevPAR of the UK based on RNN

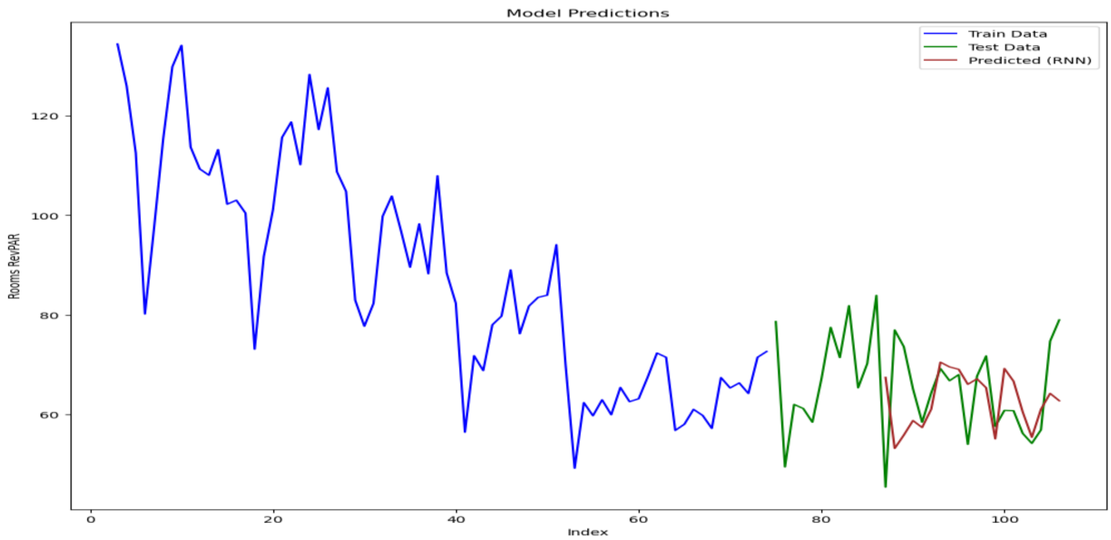


Figure 03b: Best model prediction of Rooms RevPAR of Qatar based on RNN

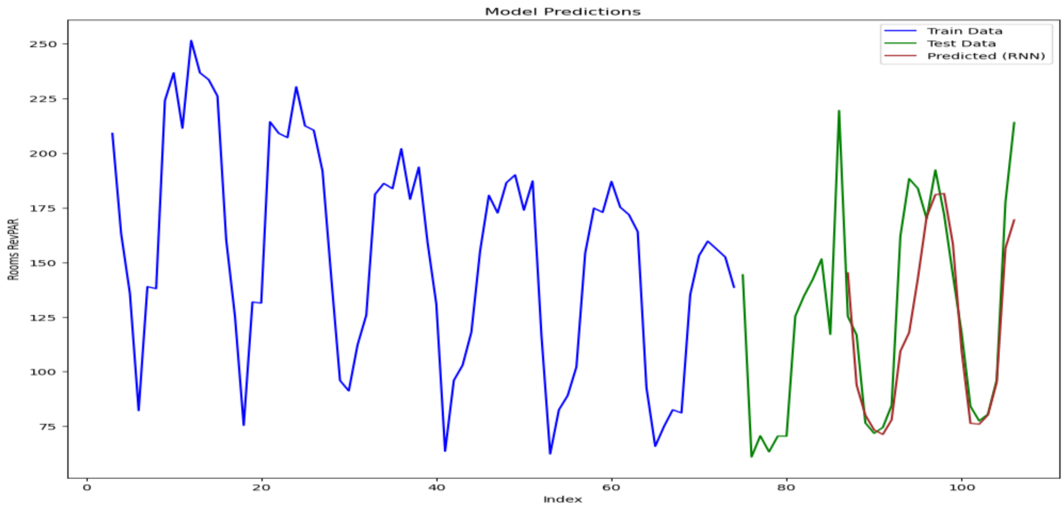


Figure 03c: Best model prediction of Rooms RevPAR of Dubai based on RNN

After comparing SARIMA, a traditional method, with two advanced machine learning techniques, RNN and LSTM, the most effective approach was determined to be RNN based on its superior performance in accuracy measures such as REMS and MAPE. Predictive capability based on Mean Absolute Percentage Error (MAPE) can be categorized into several levels of accuracy. MAPE (Mean Absolute Percentage Error) is a widely recognized precision evaluation indicator in forecasting models across various domains.

Table 04 shows the typical classification scheme based on Makridakis & Hibon, (2000).

Table 4: Predictability of the Modell based on the MAPE

Predictability	MAPE
Excellent Predictive Capability	0 – 5 %
Good Predictive Capability	5 – 10 %
Satisfactory Predictive Capability	10 – 20 %
Fair Predictive Capability	20 – 50 %
Poor Predictive Capability	> 50%

Our predictive models fall into categories of Excellent or Good predictive capability based on Mean Absolute Percentage Error (MAPE) values, indicating high accuracy and reliability for decision-making. The RNN method stood out as the most effective approach, surpassing traditional methods like SARIMA and advanced techniques like LSTM, despite the relatively limited dataset size. This suggests

RNN's potential to extract insights and make accurate predictions even from smaller datasets. Factors contributing to RNN's success include its ability to capture temporal dependencies and adapt to varying data patterns, along with its iterative learning process and memory retention capabilities. However, the study's limitations, such as the short time series used, warrant further exploration into RNN's performance with larger datasets and the identification of specific dataset features that contribute to its success, offering avenues for refining forecasting methodologies.

Conclusion

Firstly, the results highlight the significant impact of the COVID-19 pandemic on hotel industry indicators across the analysed regions of Doha, Dubai, and London. By excluding the disruptive pandemic period from the data analysis, the forecasting models were able to better capture the underlying patterns and trends, leading to improved accuracy in predicting future performance. Secondly, the comparative analysis of traditional time series forecasting methods, such as SARIMA, and advanced machine learning techniques, including RNN and LSTM, revealed the superior performance of the Recurrent Neural Network (RNN) model. RNN consistently outperformed the other approaches in terms of RMSE and MAPE, showcasing its remarkable ability to handle the complex, nonlinear relationships, and temporal dependencies inherent in the hotel industry data.

The superior performance of the RNN model, even with a relatively limited dataset, highlights the potential of advanced machine learning techniques to outperform traditional statistical methods in complex forecasting scenarios. This suggests that, under certain conditions, the predictive power of RNN can offset the need for extensive data availability, offering valuable implications for industries with constrained data resources. This is of particular relevance to both newly developing destinations (with minimal historic data) and during times of disruption to the industry during times of short-term shock.

References

Ajmal, M. M., Khan, M., Gunasekaran, A., & Helo, P. (2021). Managing Project Scope Creep in Construction Industry. *Engineering Construction & Architectural Management*. https://doi.org/10.1108/ecam-07-2020-0568

Alfeld, S., Zhu, X., & Barford, P. (2016). Data Poisoning Attacks Against Autoregressive Models. *Proceedings of the Aaai Conference on Artificial Intelligence*. https://doi.org/10.1609/aaai.v30i1.10237

AlMutawa, S. E., Ahmad, K., Behery, M., & Tabche, I. (2023). A Moderated-Mediated Model for Examining the Impact of Fear of Pandemic on Employees’ Turnover Intention in Dubai’s Hospitality and Tourism Industry. *Journal of Asia Business Studies*. https://doi.org/10.1108/jabs-06-2022-0213

Ballestero, P. T., Serrano, L. G., Flecha-Barrio, M. D., & Orea-Giner, A. (2023). A Longitudinal Analysis of Revenue Management Strategies and Measures Implemented in the Hospitality Industry During the COVID-19 Crisis. *International Marketing Review*. https://doi.org/10.1108/imr-12-2021-0387

Bandara, K., Bergmeir, C., & Smyl, S. (2020). Forecasting Across Time Series Databases Using Recurrent Neural Networks on Groups of Similar Series: A Clustering Approach. *Expert Systems With Applications*. https://doi.org/10.1016/j.eswa.2019.112896

Bäurle, G., Steiner, E. D., & Züllig, G. (2020). Forecasting the Production Side of GDP. *Journal of Forecasting*. https://doi.org/10.1002/for.2725

Binesh, F., Belarmino, A. M., Van Der Rest, J.-P., Singh, A. K., & Raab, C. (2024). Forecasting hotel room prices when entering turbulent times: A game-theoretic artificial neural network model.

International Journal of Contemporary Hospitality Management, *36*(4), 1044–1065. https://doi.org/10.1108/IJCHM-10-2022-1233
Buhalis, D., Costa, C., & Ford, F. (2006). *Tourism Business Frontiers* (0 ed.). Routledge. https://doi.org/10.4324/9780080455914
Chintapalli, V. R., Kondepu, K., Sgambelluri, A., Franklin, A. A., Tamma, B. R., Castoldi, P., & Valcarenghi, L. (2020). *Orchestrating Edge- And Cloud-Based Predictive Analytics Services*. https://doi.org/10.1109/eucnc48522.2020.9200902
Elsaraiti, M., & Merabet, A. (2021). A Comparative Analysis of the ARIMA and LSTM Predictive Models and Their Effectiveness for Predicting Wind Speed. *Energies*. https://doi.org/10.3390/en14206782
Fadeyi, O., McGreal, S., McCord, M., Berry, J., & Haran, M. (2022). Influence of the Global Environment on Capital Flows in the London Office Market. *Journal of European Real Estate Research*. https://doi.org/10.1108/jerer-05-2021-0029
Gesso, C. D. (2021). A Picture Is Worth a Thousand Words: A Photo-Thematic Analysis of City Hospitality in Municipal Popular Reporting. *Journal of Hospitality and Tourism Technology*. https://doi.org/10.1108/jhtt-08-2020-0206
Haq, F., Seraphim, J., & Medhekar, A. (2021). Branding Heritage Tourism in Dubai: A Qualitative Study. *Advances in Hospitality and Tourism Research (Ahtr)*. https://doi.org/10.30519/ahtr.782679
He, K., Ji, L., Wu, C. W. D., & Tso, K. F. G. (2021). Using SARIMA–CNN–LSTM approach to forecast daily tourism demand. *Journal of Hospitality and Tourism Management*, *49*, 25–33. https://doi.org/10.1016/j.jhtm.2021.08.022
Hyndman, R. J., & Khandakar, Y. (2008). Automatic Time Series Forecasting: TheforecastPackage ForR. *Journal of Statistical Software*. https://doi.org/10.18637/jss.v027.i03
Kuru, M., & Calis, G. (2020). Application of Time Series Models for Heating Degree Day Forecasting. *Organization Technology and Management in Construction an International Journal*. https://doi.org/10.2478/otmcj-2020-0009
Li, J., Li, Y., Ye, M., Yao, S., Yu, C., Wang, L., Wu, W., & Wang, Y. (2021). Forecasting the Tuberculosis Incidence Using a Novel Ensemble Empirical Mode Decomposition-Based Data-Driven Hybrid Model in Tibet, China. *Infection and Drug Resistance*. https://doi.org/10.2147/idr.s299704
Magnini, V. P., Crotts, J. C., & Calvert, E. (2020). The Increased Importance of Competitor Benchmarking as a Strategic Management Tool During COVID-19 Recovery. *International Hospitality Review*. https://doi.org/10.1108/ihr-08-2020-0044
Makridakis, S., & Hibon, M. (2000). The M3-Competition: Results, conclusions and implications. *International Journal of Forecasting*, *16*(4), 451–476. https://doi.org/10.1016/S0169-2070(00)00057-1
Makridakis, S., Spiliotis, E., & Assimakopoulos, V. (2018). Statistical and Machine Learning Forecasting Methods: Concerns and Ways Forward. *Plos One*. https://doi.org/10.1371/journal.pone.0194889
Masood, M. S., Raza, I., & Abid, S. (2019). Forecasting Wheat Production Using Time Series Models in Pakistan. *Asian Journal of Agriculture and Rural Development*. https://doi.org/10.18488/journal.1005/2018.8.2/1005.2.172.177
Morrison, A. M., Cheah, J.-H. (Jacky), & Kumar, R. (2024). A destination performance measurement framework: Exploring the relationships among performance criteria and revisit intentions. *Current Issues in Tourism*, 1–19. https://doi.org/10.1080/13683500.2024.2309149
Ognjanović, J., Dženopoljac, V., & Cavagnetto, S. (2023). Intellectual Capital Before and During COVID-19 in the Hotel Industry: The Moderating Role of Tangible Assets. *Journal of Hospitality and Tourism Insights*. https://doi.org/10.1108/jhti-10-2022-0488
Petropoulos, F., Makridakis, S., Assimakopoulos, V., & Νικολόπουλος, K. (2014). 'Horses for Courses' in Demand Forecasting. *European Journal of Operational Research*. https://doi.org/10.1016/j.ejor.2014.02.036

Rahman, T., Moktadir, Md. A., & Paul, S. K. (2021). Key Performance Indicators for a Sustainable Recovery Strategy in Health-Care Supply Chains: COVID-19 Pandemic Perspective. *Journal of Asia Business Studies*. https://doi.org/10.1108/jabs-05-2021-0200

Ramin, A., Mustaffa, M., & Ahmad, S. (2020). Prediction of Marine Traffic Density Using Different Time Series Model From AIS data of Port Klang and Straits of Malacca. *Transactions on Maritime Science*, *9*(2). https://doi.org/10.7225/toms.v09.n02.006

Schwartz, Z., Webb, T., & Ma, J. (2021). Hotel Analytics: The Case for Reverse Competitive Sets. *Cornell Hospitality Quarterly*. https://doi.org/10.1177/19389655211036656

Sezer, Ö. B., Gudelek, M. U., & Özbayoğlu, A. M. (2020). Financial Time Series Forecasting With Deep Learning: A Systematic Literature Review: 2005–2019. *Applied Soft Computing*. https://doi.org/10.1016/j.asoc.2020.106181

Silalahi, D. K. (2020). Forecasting of Poverty Data Using Seasonal ARIMA Modeling in West Java Province. *JTAM | Jurnal Teori Dan Aplikasi Matematika*, *4*(1), 76. https://doi.org/10.31764/jtam.v4i1.1888

Singh, A., & Corsun, D. L. (2023). Price Elasticity of Demand and Its Impact on Hotel Revenue Performance During the COVID-19 Pandemic. *Cornell Hospitality Quarterly*. https://doi.org/10.1177/19389655231184475

Song, Z., Jia, X., Bao, J., Yang, Y., Zhu, H., & Shi, X. (2021). Spatio-Temporal Analysis of Influenza-Like Illness and Prediction of Incidence in High-Risk Regions in the United States from 2011 to 2020. *International Journal of Environmental Research and Public Health*, *18*(13), 7120. https://doi.org/10.3390/ijerph18137120

Søyland, H. S., & Moriconi, M. (2022). Qatar's multi-actors sports strategy: Diplomacy, critics and legitimisation. *International Area Studies Review*, *25*(4), 354–374. https://doi.org/10.1177/22338659221120065

Surendran, S. N., Nagulan, R., Sivabalakrishnan, K., Arthiyan, S., Tharsan, A., Jayadas, T. T. P., Raveendran, S., Kumanan, T., & Ramasamy, R. (2022). Reduced dengue incidence during the COVID-19 movement restrictions in Sri Lanka from March 2020 to April 2021. *BMC Public Health*, *22*(1), 388. https://doi.org/10.1186/s12889-022-12726-8

Vasilellis, G. A., & Meade, N. (1996). Forecasting Volatility for Portfolio Selection. *Journal of Business Finance &Amp Accounting*. https://doi.org/10.1111/j.1468-5957.1996.tb00407.x

Woyo, E., & Slabbert, E. (2021). Tourism Destination Competitiveness: A View From Suppliers Operating in a Country With Political Challenges. *South African Journal of Economic and Management Sciences*. https://doi.org/10.4102/sajems.v24i1.3717

Wu, W. W., Li, Q., Tian, D. C., Zhao, H., Xia, Y., Xiong, Y., Su, K., Tang, W. G., Chen, X., Wang, J., & Qi, L. (2022). Forecasting the monthly incidence of scarlet fever in Chongqing, China using the SARIMA model. *Epidemiology and Infection*, *150*, e90. https://doi.org/10.1017/S0950268822000693

Zhang, K., Wang, H., Wang, H., & Li, Z. (2016). *Application of F5 (0.000001) in Forecasting Tourist Quantity of Sanya*. https://doi.org/10.2991/icmmct-16.2016.379

7.3 An Empirical Study of the Outcomes of Luxury Hotel Personalization - Utilizing Structural Equation Modeling and Machine Learning (SEM-ML) for Explanation and Prediction

Dennis Baloglu | ORCiD: 0000-0002-1066-7090,
Seyhmus Baloglu | ORCiD: 0000-0003-4479-3009

University of Nevada, Las Vegas, United States of America

Abstract

The personalization of products and services has received considerable attention due to the proliferation of technology and marketing information systems and the growth of interest in one-to-one marketing. This study explores the luxury hotel personalization outcomes of lifestyle congruence, loyalty, and willingness to pay more (WTPM). By employing both structural equation modeling (SEM) and machine learning (ML), explanatory and predictive models are created. SHAP, an explainable AI method, is used alongside various machine learning methods to turn their "black box" nature into a "glass box" by illuminating the feature importance of each variable. The relationship between personalization and WTPM was found to be stronger for males and Gen Xers. The serial mediating role of lifestyle congruence and loyalty was also significant in the relationship between personalization and WTPM. The study results indicate a congruence between the explanatory and predictive models regarding the hierarchical significance of the variables - personalization, loyalty, and lifestyle congruence - in determining the willingness to pay more. Both models consistently rank the importance of these variables in the same order, thereby affirming their robustness in explaining and predicting willingness to pay more.

Key Words:

Personalization, Willingness to Pay More, Loyalty, Lifestyle Congruity, Machine Learning, Explainable AI

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

Introduction

Marketers are increasingly adopting personalized marketing strategies in a dynamic and competitive market to enhance customer service and gain a competitive edge. The personalization of products and services has received considerable attention due to the growth of interest in one-to-one marketing and has been studied in various fields and disciplines, such as consumer behavior and marketing, management, computer science, and information systems, to name a few (Ball et al., 2006; Kwon & Kim, 2012). Personalization is company-initiated and offered by firms based on collected customer data to decide the most suitable marketing mix for an individual customer (Desai, 2016; Kwon & Kim, 2012; Indeed Editorial Team, 2023).

Chandra et al. (2022) conducted a bibliometric study through a comprehensive review of 383 publications. One of the major knowledge gaps identified was exploring personalized marketing in offline environments, as most studies have been conducted in the online context. They also recommended that future research investigates personalized marketing practices across various cultural contexts, generational groups, and product categories to identify potential areas of convergence for personalized marketing strategies.

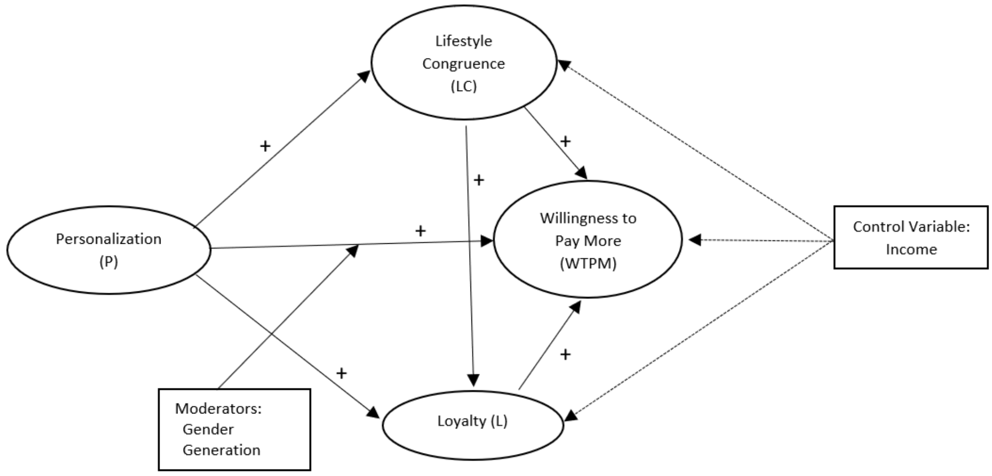
Crafting experiences based on individual preferences has become an essential element of luxury travel. While practitioners and scholars acknowledge the potential effectiveness of personalization as a management tool, the hotel industry has yet to explore this area. Hotel companies now have a greater ability to personalize their offerings. In luxury hotels, this could include personalized greetings, room amenities, concierge services, dining options, pricing, and even recreational activities (Thornell, 2022). Also, the proliferation of hotel brands and intense competition calls for a greater understanding of the outcomes of personalization and how it drives loyalty and willingness to pay more (WTPM hereafter).

As suggested by Dawn (2014) and Chandra et al. (2022), there is a significant gap in our understanding of the role of personalization in achieving customer loyalty and strengthening service relationships. The expected positive outcomes of personalization are assumed rather than empirically studied and validated. This paper argues that personalization influences willingness to pay more through several routes (brand lifestyle congruity and loyalty). The study develops a model and empirically investigates the nature of relationships among four constructs, perceived personalization, brand-lifestyle congruence, loyalty, and WTPM, to delineate the path from personalization to WTPM in a model. This study contributes to general and hospitality marketing literature in the following ways: First, while using income as a control variable, this research reveals the pivotal role of perceived personalization in developing and improving a willingness to pay more directly and via mediating variables of lifestyle congruence and behavioral loyalty. Second, it proposes and empirically tests a model involving psychological paths from personalization to WTPM for luxury hotels and provides initial empirical evidence for the impact of perceived personalization on lifestyle congruence, loyalty, and WTPM. This makes it possible to examine the mediation, the interrelationships among the outcomes, and the direct and indirect effects of personalization on those focal outcomes to understand personalization's efficacy better. Third, the model incorporates gender and generational cohorts (Gen Y and Gen X) as moderating variables to assess their impact on the relationship between personalization and WTPM. Finally, the study utilizes both explanation and prediction tools to test the model: structural equation modeling (CB-SEM) and multiple machine learning algorithms.

Literature Review

The concept of personalization is fundamental to marketing; however, it is also multidisciplinary and has been studied across fields and disciplines across management, computer science, decision science, information systems (IS), and psychology (Chandra et al., 2022). Drawing on relationship marketing theory, a model of personalization outcomes was developed including hypothesized relationships and moderating and control variables based on a thorough review of literature in consumer behavior, marketing, psychology, computer science, and hospitality (Mehmood, Verleye, De Keyser, & Larivière, 2022; Lei, Chan, Tang & Ye, 2022; Sarkar et al., 2021; Pérez-Troncoso, Epstein & Castañeda-García, 2021; Li, 2016; Morosan & DeFranco, 2016; Alnawas & Altarifi, 2016; Dawn, 2014; Kuo and Cranage, 2012; Li, Li, & Kambele, 2012; Kwon & Kim, 2012; Srinivasan et al., 2002; Kuo & Cranage, 2012; Pérez-Troncoso, Epstein, & Castañeda-García, 2021).

Figure 1. Conceptual Model



A conceptual framework of personalization offered by Vesanen (2007) proposed that the benefits of personalization for a company would include a higher price paid by customers for products/services, customer loyalty, customer satisfaction, and differentiation from competitors. Personalization has great potential to develop intimate customer relationships and is associated with attitude and behavior (Mehmood, Verleye, De Keyser, & Larivière, 2022). Li (2016) empirically demonstrated that perceived personalization, instead of actual personalization, is the underlying psychological mechanism of message effectiveness. Perceived personalization was found to have a significant and positive effect on attitudes, purchase intention, or behavioral intention (Lei, Chan, Tang & Ye, 2022; Li, 2016). Smink et al. (2020) studied the impact of perceived personalization on product and brand responses and found it leads to more positive attitudinal and behavioral outcomes. Brand-lifestyle or identity congruence refers to the extent to which the brand matches the consumer's lifestyle or the degree of overlap between a consumer's self-identity and the retailer's brand identity (Nam, Ekinci & Whyatt, 2011; Roggeveen et al., 2021). Personalized customer experience was believed to generate strong affective relationships between the customer and company and increase loyalty and purchasing behavior (Monk & Blom, 2007; Liang et al., 2012; Baloglu & Bai, 2023).

Consumers' WTPM is defined as the maximum price a buyer is willing to pay for a given quantity of a good (Kuo & Cranage, 2012). Sarkar et al. (2021) examined how self-brand connection leads to consumer willingness to pay a premium (WPP) through the mediation of brand attitudes. The findings showed a strong positive indirect effect of self-brand connection on WPP. However, the study has not investigated the direct effect of the self-brand connection on WPP. The conceptual framework developed by Roggeveen et al. (2021) suggested that brand congruence leads to positive outcomes such as increased customer engagement, brand loyalty, and higher willingness to pay.

The fundamental goal of personalization is to increase customer retention and profitability. Kwon and Kim (2012) investigated the effects of personalization on customer satisfaction and loyalty and found that the optimal level of personalization increases customer loyalty and retention. Morosan and DeFranco (2016) found that the perceived personalization of hotel apps positively influences behavioral intentions toward using them. Srinivasan et al. (2002) examined the antecedents and consequences of customer loyalty in an e-commerce setting and found that personalization is a significant antecedent of e-loyalty and revealed that e-loyalty significantly and indirectly influences WTPM. However, they did not investigate the direct impact of personalization on WTPM.

Pérez-Troncoso et al. (2021) found that personalization had varying impacts on WTPM for different segments. A similar call has been made by Chandra et al. (2022). Kuo and Cranage (2012) found a significant gender effect that males are more likely to pay more for personalized products under the extensive choice variety. According to a Bain & Company study, Gen X consumers make up a significant portion of global luxury spending for travel and entertainment. Millennials and Gen Xers value personalization, but Gen Xers have significant buying power and disposable income, and they spend more on luxury brands and trips globally than any other age group. (D'Arpizio, et al.,2023; Degn, 2024). Therefore, gender and generational cohorts were proposed to moderate the relationship between personalization and WTPM.

Methodology

A survey questionnaire composed of scales used by other studies and demographic questions was developed and sent to a Qualtrics Panel. Personalization was measured using six items adapted from Ball et al. (2006) and Nath and Mukherjee (2012), lifestyle congruence using three items (Nam et al., 2011), loyalty using five items (Hwang et al., 2019), and WTPM using four items (Netemeyer et al., 2004). All items were measured on a 7-point Likert scale. The study's target demographic is Americans aged 25 to 54 who have recently stayed at a luxury hotel in the United States. This age range was chosen because it represents around 75% of U.S. tourists (Peter, 2019), and Millennials will soon overtake Baby Boomers as the major generational market category for hotels (Bowen & McCain, 2015).

The sample size for 4 constructs, 17 observed variables, medium effect size, 0.80 minimum power level, and 0.05 probability level resulted in 91-137 respondents. Considering the moderation and 10 respondents per observed variable, data were collected from 220 respondents. The sample size also met the minimum requirements of 5 respondents per parameter to be estimated (NPAR=42) (Soper, 2024; Hair et al., 2010; Kline, 2011).

Procedural guidelines and practices (Podsakoff et al., 2003; Podsakoff et al., 2012; Min et al., 2016) to reduce common method bias were used before data collection. To assess the common method bias statistically, Harman's single construct test, confirmatory factor analyses of competing models - hypothesized four-factor model and one-factor model - were used (Korsgaard & Roberson, 1995; Podsakoff et al., 2012; Serrano et al., 2018). The hypothesized model significantly fit the data better than the model including all items loading on one latent construct (Normed $\chi2$ ($\chi2$/df)=5.37 (628.8, 117 df); CFI=.78; TLI=.74; RMSEA=0.15). Moreover, the chi-square statistics between the two models were statistically significant ($\Delta\chi2$ = 389.6, df=6, $p < .00001$), which provided some support that common method variance is not a serious issue in this study.

The bias-corrected bootstrapping method available through AMOS 27 based on 5000 bootstrap samples was used for mediation analyses. The study also performed 500 randomized permutation tests to show whether an equivalent of a better-fitting model could be found. The probability was 0.0002 (1/500) to get a model as good as the proposed.

A novel SEM-machine learning approach was used in this study and closely follows the methodology of Zobair et al. (2021), where the authors utilized structural equation modeling (SEM), machine learning (ML), and LIME (an Explainable AI method similar to SHAP). Structural equation modeling tests mediation, moderation, and indirect effects of latent constructs and is intended to provide explanations. Machine learning is used to showcase the model's predictive power and model non-linear relationships as ML incorporates black-box algorithms (Sharma et al., 2021) that do not have the interpretability of SEM. SHapley Additive exPlanations (SHAP) enables more interpretability for machine learning methods by showing both local and global feature importance (Liu et al., 2023). Leo Breiman (2001), one of the pioneers of the Random Forest algorithm, discussed two cultures of statistical modeling, the "data modeling" and "algorithmic modeling" cultures, where the data modeling culture essentially focuses on knowledge creation through theory-guided data analysis (e.g., inferential statistics), while the algorithmic modeling culture focuses on solving specific problems through pure prediction (e.g., ML). Later, a third culture, termed the "hybrid modeling culture," was introduced by Daoud and Dubhashi (2023), who advocated combining predictive and inferential statistics.

Furthermore, machine learning can be used on survey data (Buskirk et al., 2018; Kern et al., 2019) and is not only reserved for "Big Data." Additionally, it has been argued that methods prominent in psychology (i.e., social sciences) should focus on ML instead of traditional methods to promote psychology as more of a predictive science (Yarkoni & Westfall, 2017).

Various scholars in the social sciences have realized the importance of both explanation and prediction through hybrid methods such as SEM-ANN, which combines the explanatory power of SEM with the predictive power of artificial neural networks (ANN), an ML method. Papers using SEM-ANN have been recently published in hospitality journals (e.g., Xia & Zhang, 2022; Chen et al., 2023) and general business journals (e.g., Lee et al., 2020), showcasing the relevance of this type of dichotomous methodology. However, one flaw of the SEM-ANN method is that it only incorporates one type of ML algorithm, which is the ANN. This is problematic due to the "No-Free-Lunch-Theorem" introduced by Wolpert and Macready (1997), which essentially posits that there is no guarantee that one ML method will outperform the others due to each dataset and method having its own inherent biases. This is why Martinez-Torres and Toral (2019) utilized multiple ML classifiers regarding deceptive hotel reviews in their study. Accordingly, an SEM-ML method will be used as this research aims to establish an empirical model with both explanatory and predictive power. The performance of classical ML regression methods, such as support vector machines, random forests, boosted trees, and neural networks, will be compared.

Results

Most respondents are Caucasian (84%), have Bachelor's Degrees (35%), have a household income between $100K and $150K (30%), are married (71%), and are company-employed (77%).

The measurement model involving 4 latent constructs and 17 variables produced a moderate model fit based on the initial Confirmatory Factor Analysis (CFA) (Normed $\chi2$ ($\chi2$/df)=2.61 (294.9, 129 df); CFI=.90; TLI=.88; RMSEA=.095). After closely examining modification indices and standardized factor weights, two modifications were made to improve the model fit and enhance the reliability and validity of the measurement model. First, an error correlation was added between two items of loyalty "I say positive things about this hotel to other people" and "I would recommend this hotel to someone who seeks my advice." As both items were related to word-of-mouth behavior, it was deemed justifiable on conceptual grounds. Second, an error correlation was added to the items "If I changed hotels, I wouldn't obtain products and services as personalized as I have now" and "The hotel offers products and services that I could not find in another hotel." Those two items were related to comparative or switching costs for personalized services. After the modifications, the model showed significantly improved fit measures (Normed $\chi2$ ($\chi2$/df)=2.15 (239.1, 111 df); CFI=.94; TLI=.93; RMSEA=.075).

Table 1. Measurement model: Factor loadings, mean and standard deviation

Model Variables	Factor loading	Mean	Std. Dev.
Personalization (CR=0.86; AVE=0.51)		5.02	1.99
If I changed hotels, I wouldn't obtain products and services as personalized as I have now.	0.64		
The hotel offers products and services that I could not find in another hotel.	0.59		
Being a regular guest, the hotel offers me special treatment.	0.72		
The hotel sends me greeting cards or gifts on special occasions.	0.75		
The hotel sometimes offers services to me that they do not offer to other guests.	0.67		
The hotel provides customized products/services to meet my needs.	0.82		
Lifestyle Congruence (CR=0.92; AVE=0.80)		5.40	1.22
This hotel reflects my personal lifestyle.	0.89		
This hotel is totally in line with my lifestyle.	0.92		
Staying in this hotel supports my lifestyle.	0.86		
Loyalty (CR=0.88; AVE=0.59)		4.644	1.62
I say positive things about this hotel to other people.	0.75		
I would recommend this hotel to someone who seeks my advice.	0.69		
I encourage my friends to visit this hotel.	0.78		
I consider this hotel to be my first choice in lodging accommodation.	0.84		
I intend to visit this hotel more often in the future.	0.79		
Willingness to Pay More (WTPM) (CR=0.85; AVE=0.68)		5.88	1.39
I am willing to pay a higher price for this hotel than for other hotels.	0.88		
I am willing to pay a lot more for this hotel than other hotels.	0.87		
I am willing to pay __% more for this hotel over other hotels*.	0.67		

Note: The items were measured on a 7-point Likert scale, 1 being "Strongly Disagree" and 7 being "Strongly Agree" except for the WTPM item denoted by "*" where the scale used 7 points ranging from 0% to 30% or more, 5% intervals.

The measures of convergent and discriminant validity were satisfactory based on composite reliability coefficients and validity properties, and heterotrait-monotrait (HTMT) ratio of correlations (Fornell & Larcker, 1981; Hair et al., 2010; Henseler, Ringle & Sarstedt, 2015).

Table 2: Reliability and validity results

Model	CR	P	LC	L	WTPM
Personalization	.857	.709			
Lifestyle Congruency	.922	.687	.893		
Loyalty	.880	.708	.768	.770	
Willingness to Pay	.851	.693	.656	.672	.811
The Heterotrait-Monotrait (HTMT) Ratios		P	LC	L	WTPM
Personalization					
Lifestyle Congruency		.698			
Loyalty		.680	.749		
Willingness to Pay		.711	.646	.621	

Note: CR =composite reliability. The diagonal values are the square root of the average variance extracted (AVE) value. The values below the diagonal are correlations (all $p < 0.001$), which all are lower than their associated AVE value(s).

The results fully supported the hypotheses proposed in the study. The SEM model, while controlling income for all variables in the model, presented good fit indices (normed $\chi 2 = 2.07$; CFI = 0.94; TLI=0.93; RMSEA = 0.072; SRMR = 0.055). Standardized regression weights showed that personalization had positive impacts on lifestyle congruency (.64, $p < .001$), loyalty (.34, $p<.001$), and WTPM (.35, $p<.001$). Lifestyle congruency was positively affecting loyalty (.53, $p<.001$) and WTPM (.19, $p<.05$). Finally, loyalty was also positively related to WTPM (.24, $p<0.05$).

The findings demonstrate that personalization is the most influential variable on both loyalty intentions and WTPM. Bias-corrected bootstrapping methods based on 5000 bootstrap samples indicated that, after considering the indirect effects, personalization influenced loyalty intentions more strongly than lifestyle congruence, creating a domino effect in the model as well as total effects on WTPM through lifestyle congruence and loyalty intentions.

The study assessed the mediating roles of lifestyle congruence and loyalty in the relationship between personalization and WTPM, including serial mediation (Table 3). The serial mediation was significant at a 0.05 probability level. Lifestyle congruence was a partial mediator between personalization and loyalty but not between personalization and WTPM. Loyalty was a partial mediator between lifestyle congruence and WTPM, as well as personalization and WTPM.

Table 3: Mediation Analysis

Relationship	Direct Effect	Indirect Effect	Bias-Corrected Confidence Interval		P-value	Conclusion
			Lower Bound	Upper Bound		
P→LC→L	.320 (0.001)	.267	.175	.396	0.001	LC is a partial mediator
LC→L→WTPM	.214 (0.034)	.141	.006	.276	0.044	L is a partial mediator
P→LC→WTPM	.507 (0.001	.178	-.018	.384	0.065	LC is not a mediator
P→L→WTMP	.507 (0.001)	.118	.016	.272	0.033	L is a partial mediator
P→LC→L→WTMP	.507 (0.001)	.120	.007	.277	0.042	Serial mediation

Note: P=Personality; LC=Lifestyle Congruence; L=Loyalty; Willingness to Pay More=WTPM. The coefficients are unstandardized.

The moderating effect of gender on the relationship between personalization and WTPM was significant at a 0.01 probability level. The relationship was significantly stronger for males (.94) than females (.05). The moderating effect of generation was also significant ($p<0.01$). The path coefficient from personalization and WTPM was stronger for Generation X (.90) than for Millennials (.15).

The study evaluated the performance of various machine learning models using a leave-one-out cross-validation method. This technique is particularly rigorous as it involves using a single observation from the original sample as the validation data and the remaining observations as the training data. This process is repeated so that each observation in the sample is used once as validation data. The machine learning models used in this study are Random Forest, Neural Network, AdaBoost, kNN (k-Nearest Neighbors), XGBoost (Extreme Gradient Boosting), and SVM (Support Vector Machine).

The performance of the models was measured using five different metrics: Mean Squared Error (MSE), Root Mean Squared Error (RMSE), Mean Absolute Error (MAE), Mean Absolute Percentage Error (MAPE), and the coefficient of determination (R^2). The results show that SVM was the most robust model as it has the lowest MSE (1.238), RMSE (1.113), MAE (0.892), and MAPE (0.283), along with the highest R^2 (0.391) (Table 4). This study's order from best to worst performing machine learning methods are SVM, neural network, kNN, Random Forest, XGBoost, and AdaBoost.

Table 4. Machine Learning Performance by Method

Method	MSE	RMSE	MAE	MAPE	R^2
Random Forest	1.459	1.208	0.962	0.291	0.282
Neural Network	1.337	1.156	0.931	0.287	0.342
AdaBoost	1.737	1.318	1.029	0.307	0.145
kNN	1.369	1.170	0.935	0.297	0.327
XGBoost	1.656	1.287	1.020	0.306	0.185
SVM	1.238	1.113	0.892	0.283	0.391

SHAP values were utilized to understand the impact of various features on the predictive model's output (Table 5). Feature importance was measured based on the R^2 score, with a permutation of 5 to account for random error. Regarding feature importance, personalization showed the highest impact on the R^2 score, suggesting it is the most significant predictor in the model. Loyalty also demonstrated substantial influence, followed by lifestyle congruence. Income and gender, while still important, had a relatively lower impact than the other features.

The results show congruency between explanation (SEM) and prediction (ML) regarding the direct effects between the independent variables personalization, lifestyle congruence, and loyalty with the dependent variable willingness to pay more. The beta coefficients of the SEM model and the SHAP feature importance means are ranked the same (personalization ranked the highest, loyalty ranked in the middle, and lifestyle congruence ranked the lowest).

Table 5. Global Feature Importance of SVM Using SHAP

Feature	*Mean*
Personalization	*0.35*
Loyalty	*0.18*
Lifestyle Congruence	*0.13*
Gender	*0.11*
Generation	*0.09*
Income	*0.07*

Discussion and Conclusion

The hotel industry continually seeks ways to enhance the guest experience and loyalty. Personalization is one way to accomplish this, and it will help hotels cultivate more meaningful relationships with guests, boost their loyalty, and increase revenue. Hoteliers are interested in the impact of personalization on customer-brand relationships, the bottom line, and how it influences focal marketing variables. Our present research investigates the interrelationships between personalization, lifestyle congruence, behavioral loyalty, and willingness to pay more in a luxury hotel context. The study provides insights for hotel managers' empirical support and implications for the efficacy of personalization for customer loyalty and willingness to spend more for hotel offerings. Hotels providing personalized offerings are more likely to be rewarded with higher behavioral loyalty and increased customer spending. Hotel managers can use personalization as an actionable and controllable element to increase loyalty and profitability.

The results elucidate that personalization influences willingness to pay more directly and indirectly through lifestyle congruence and behavioral loyalty intention. Personalization had a significant impact on all outcome variables included in the study. The study contributes to the existing body of knowledge by revealing potential outcomes of perceived personalization and psychological path to WTPM and revealing that the effect of personalization on WTPM is mediated by lifestyle congruence and behavioral loyalty (serial mediation and/or partial mediation). In addition, it reveals some key moderators, such as gender and generational cohorts, affecting the personalization and WTPM relationships for luxury hotels.

The findings offer several practical implications for luxury hotel practitioners aiming to enhance customer loyalty, align with guests' lifestyles, and increase their willingness to pay more (WTPM). Personalization may not be for everybody, and certain demographic groups would value it more than others. Our study found a stronger relationship between personalization WTPM for males and the Generation X cohort. So, hotels that consider personalization must begin with the guest type. Hotels could target critical demographics and develop marketing campaigns and personalized offerings that specifically appeal to these demographics. By focusing on personalized services in line with guests' lifestyles and loyalty enhancement, hotels could ensure that the hotel's brand and services reflect the target clientele's personal lifestyles, as they directly impacted WTPM. Hotels should leverage guest data and utilize customer relationship management (CRM) systems to collect and analyze guest preferences, enabling more accurate personalization and establishing metrics to evaluate the effectiveness of personalization strategies on loyalty and WTPM.

Luxury hotel managers would integrate personalization into their core business strategies, leveraging technology and data analytics to significantly enhance guests' willingness to pay more for improved profitability. Artificial intelligence (AI) and machine learning (ML) are becoming increasingly vital in marketing strategies, enabling more effective targeting and personalization efforts. These technologies can uncover hidden patterns and customer segments, or even at the individual level, in personalization data and accurately predict future behaviors. Moreover, AI-powered chatbots and virtual assistants are being utilized to interact with guests, offering personalized recommendations and support based on individual preferences and past interactions, including customized room amenities, tailored concierge services, and individualized dining options and recreational activities.

Future research can examine hotel personalization practices across cultures, micro-segments, and other hotel classes. Specifically, different levels of personalization can be studied using an experimental design to compare the different levels of personalization on focal outcomes.

References

Alnawas, I., & Altarifi, S. (2016). Exploring the role of brand identification and brand love in generating higher levels of brand loyalty. Journal of Vacation Marketing, 22(2), 111–128. *https://doi.org/10.1177/1356766715604663*

Ball, D., Coelho, P. S., & Vilares, M. J. (2006). Service personalization and loyalty. Journal of Services Marketing, 20(6), 391-403. *https://doi.org/10.1108/08876040610691284*

Baloglu, D., & Bai, B. (2023). Developing relational bonds with luxury hotel guests through personalization: A subgroup analysis of generational cohorts. International Journal of Hospitality & Tourism Administration, 24(3), 358-386. *https://doi.org/10.1080/15256480.2021.1988880*

Bowen, J. T., & McCain, S. C. (2015). Transitioning loyalty programs – A commentary on "the relationship between customer loyalty and customer satisfaction." International Journal of Contemporary Hospitality Management, 27(3), 415–430. https://doi.org/10.1108/IJCHM-072014-0368

Breiman, L. (2001). Statistical modeling: The two cultures (with comments and a rejoinder by the author). Statistical Science, 16(3), 199–231. https://doi.org/10.1214/ss/1009213726

Buskirk, T. D., Kirchner, A., Eck, A., & Signorino, C. S. (2018). An introduction to machine learning methods for survey researchers. Survey Practice, 11(1), 1–10. https://doi.org/10.29115/SP-2018-0004

Chandra, S., Verma, S., Lim, W., Kumar, S., & Donthu, N. (2022). Personalization in personalized marketing: Trends and ways forward. Psychology & Marketing., 39(8), 1529-1562. https://doi.org/10.1002/mar.21670

Chen, Y., Hu, Y., Zhou, S., & Yang, S. (2023). Investigating the determinants of performance of artificial intelligence adoption in hospitality industry during COVID-19. International Journal of Contemporary Hospitality Management, 35(8), 2868–2889. https://doi.org/10.1108/IJCHM-04-2022-0433

Daoud, A., & Dubhashi, D. (2023). Statistical modeling: The three cultures. Harvard Data Science Review, 5(1). https://doi.org/10.1162/99608f92.89f6fe66

D'Arpizio, C., Levato, F., Prete, F. & Montgolfier, J. (2023), Renaissance in uncertainty: Luxury builds on its rebound, January 17, 2023, https://www.bain.com/insights/renaissance-in-uncertainty-luxury-builds-on-its-rebound/.

Dawn, S. (2014). Personalised marketing: Concepts and framework. Productivity (New Delhi), 54(4), 370.

Degn, E. I. (2024). Globally, Gen X spending more on luxury trips than any other age group: McKinsey, Luxury Daily, June 4, 2024, https://www.luxurydaily.com/globally-gen-x-spending-more-on-luxury-trips-than-any-other-age-group-mckinsey/

Desai, D. (2016). A study of personalization effect on users' satisfaction with e-commerce websites. Sankalpa, 6(2), 51-62.

Fornell, C., & Larcker, D. F. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. Journal of Marketing Research, 18, 382-388. https://doi.org/10.1177/002224378101800313

Hair, J.F., Black, W.C., Babin, B.J. and Anderson, R.E. (2010) Multivariate Data Analysis. 7th Edition, Pearson, New York.

Henseler, J., Ringle, C. M., and Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling, Journal of the Academy of Marketing Science, 43(1): 115-135. https://doi.org/10.1007/s11747-014-0403-8

Hwang, E., Baloglu, S., & Tanford, S. (2019). Building loyalty through reward programs: The influence of perceptions of fairness and brand attachment. International Journal of Hospitality Management, 76, 19-28. https://doi.org/10.1016/j.ijhm.2018.03.009

Indeed Editorial Team (2023). Customization vs. personalization: What's the difference?, February 3, from https://www.indeed.com/career-advice/career-development/customization-vs-personalization.

Kern, C., Klausch, T., & Kreuter, F. (2019). Tree-based machine learning methods for survey research. Survey Research Methods, 13(1), 73-93.

Kline, R. B. (2011). Principles and practice of structural equation modeling. 3rd Ed. The Guilford Press, New York.

Korsgaard, M. A., & Roberson, L. (1995). Procedural justice in performance evaluation: The role of instrumental and non-instrumental voice in performance appraisal discussions. Journal of Management, 21(4), 657-669. https://doi.org/10.1177/014920639502100404

Kwon, K., & Kim, C. (2012). How to design personalization in a context of customer retention: Who personalizes what and to what extent?. Electronic Commerce Research and Applications, 11(2), 101-116. https://doi.org/10.1016/j.elerap.2011.05.002

Kuo, P. & Cranage, D. A. (2012). Willingness to pay for customization: The impact of choice variety and specification assistance. International Journal of Hospitality & Tourism Administration, 13(4), 313–327. https://doi.org/10.1080/15256480.2012.722508
Lee, V.-H., Hew, J.-J., Leong, L.-Y., Tan, G. W.-H., & Ooi, K.-B. (2020). Wearable payment: A deep learning-based dual-stage SEM-ANN analysis. Expert Systems with Applications, 157, 113477. https://doi.org/10.1016/j.eswa.2020.113477
Lei, S., Chan, I., Tang, J., & Ye, S. (2022). Will tourists take mobile travel advice? Examining the personalization-privacy paradox. Journal of Hospitality and Tourism Management, 50, 288-297. https://doi.org/10.1016/j.jhtm.2022.02.007
Li, C. (2016). When does web-based personalization really work? The distinction between actual personalization and perceived personalization. Computers in Human Behavior, 54, 25-33. https://doi.org/10.1016/j.chb.2015.07.049
Li, G., Li, G., & Kambele, Z. (2012). Luxury fashion brand consumers in China: Perceived value, fashion lifestyle, and willingness to pay. Journal of Business Research, 65(10), 1516-1522. https://doi.org/10.1016/j.jbusres.2011.10.019
Liang, T., Chen, H., Du, T., Turban, E., & Li, Y. (2012). The effect of personalization on the perceived usefulness of online customer services: A dual-core theory. Journal of Electronic Commerce Research, 13(4), 275-288.
Liu, Z., Jiang, P., Wang, J., Du, Z., Niu, X., & Zhang, L. (2023). Hospitality order cancellation prediction from a profit-driven perspective. International Journal of Contemporary Hospitality Management, 35(6), 2084–2112. https://doi.org/10.1108/IJCHM-06-2022-0737
Martinez-Torres, M. R., & Toral, S. L. (2019). A machine learning approach for the identification of the deceptive reviews in the hospitality sector using unique attributes and sentiment orientation. Tourism Management, 75, 393–403. https://doi.org/10.1016/j.tourman.2019.06.003
Mehmood, K. Verleye, K., De Keyser, A., & Larivière, B. (2022). Piloting personalization research through data-rich environments: a literature review and future research agenda. Journal of Service Management, 34(3), 520-552. https://doi.org/10.1108/JOSM-10-2021-0405
Min, H., Park, J., & Kim, H. J. (2016). Common method bias in hospitality research: A critical review of literature and an empirical study. International Journal of Hospitality Management, 56, 126–135. https://doi.org/10.1016/j.ijhm.2016.04.010
Monk, A., & Blom, J. (2007). A theory of personalisation of appearance: Quantitative evaluation of qualitatively derived data. Behaviour & Information Technology, 26(3), 237-246. https://doi.org/10.1080/01449290500348168
Morosan, C., & DeFranco, A. (2016). Modeling guests' intentions to use mobile apps in hotels. International Journal of Contemporary Hospitality Management, 28(9), 1968-1991. https://doi.org/10.1108/IJCHM-07-2015-0349
Nam, J., Ekinci, Y., & Whyatt, G. (2011). Brand equity, brand loyalty and consumer satisfaction. Annals of Tourism Research, 38(3), 1009–1030. https://doi.org/10.1016/j.annals.2011.01.015
Nath, P., & Mukherjee, A. (2012). Complementary effects of relational bonds in information asymmetry contexts. Journal of Services Marketing, 26(3), 168–180. https://doi.org/10.1108/08876041211223979
Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., ... & Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. Journal of Business Research, 57(2), 209-224. https://doi.org/10.1016/S0148-2963(01)00303-4
Pérez-Troncoso, Epstein, D. M., & Castañeda-García, J. A. (2021). Consumers' preferences and willingness to pay for personalised nutrition. Applied Health Economics and Health Policy, 19(5), 757–767. https://doi.org/10.1007/s40258-021-00647-3
Peter, M. (2019). Travel & Tourism Report 2019. Statista.
Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. Annual Review of Psychology, 63, 539-569. https://doi.org/10.1146/annurev-psych-120710-100452

Podsakoff, P. M., MacKenzie, S. B., Lee, J.-Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. Journal of Applied Psychology, 88, 879-903. https://doi.org/10.1037/0021-9010.88.5.879

Roggeveen, A., Grewal, D., Karsberg, J., Noble, S. M., Nordfält, J., Patrick, V. M., Schweiger, E., Soysal, G., Dillard, A., Cooper, N., & Olson, R. (2021). Forging meaningful consumer-brand relationships through creative merchandise offerings and innovative merchandising strategies. Journal of Retailing, 97(1), 81–98. https://doi.org/10.1016/j.jretai.2020.11.006

Sarkar, J. G., Sreejesh, S., Sarkar, A., & Dwivedi, Y. K. (2021). Impact of self-brand connection on willingness to pay premium: Relevant mediators and moderators. Psychology & Marketing, 38(11), 1942-1959. https://doi.org/10.1002/mar.21554

Serrano Archimi, C., Reynaud, E., Yasin, H. M., & Bhatti, Z. A. (2018). How perceived corporate social responsibility affects employee cynicism: The mediating role of organizational trust. Journal of Business Ethics, 151(4), 907–921. https://doi.org/10.1007/s10551-018-3882-6

Sharma, R., Kumar, A., & Chuah, C. (2021). Turning the blackbox into a glassbox: An explainable machine learning approach for understanding hospitality customer. International Journal of Information Management Data Insights, 1(2), 100050. https://doi.org/10.1016/j.jjimei.2021.100050

Smink, A., Van Reijmersdal, E., Van Noort, G., & Neijens, P. (2020). Shopping in augmented reality: The effects of spatial presence, personalization and intrusiveness on app and brand responses. Journal of Business Research, 118, 474-485. https://doi.org/10.1016/j.jbusres.2020.07.018

Soper, D.S. (2024). A-priori sample size calculator for structural equation models [Software]. Available from https://www.danielsoper.com/statcalc.

Srinivasan, S., Anderson, R., & Ponnavolu, K. (2002). Customer loyalty in e-commerce: An exploration of its antecedents and consequences. Journal of Retailing, 78(1), 41-50. https://doi.org/10.1016/S0022-4359(01)00065-3

Thornell, C. (2022). Upscale hotels bet on personalization that goes deeper. Skift, April 26th, 2022, https://skift.com/2022/04/26/upscale-hotels-bet-on-personalization-that-goes-deeper/

Vesanen, J. (2007). What is personalization? A conceptual framework. European Journal of Marketing, 41(5/6), 409-418. https://doi.org/10.1108/03090560710737534

Wolpert, D. H., & Macready, W. G. (1997). No free lunch theorems for optimization. IEEE Transactions on Evolutionary Computation, 1(1), 67–82. https://doi.org/10.1109/4235.585893

Xia, M., & Zhang, Y. (2022). Linear and non-linear relationships: A hybrid SEM-neural network approach to verify the links of online experience with luxury hotel branding. Journal of Hospitality and Tourism Insights, 5(5), 1062–1079. https://doi.org/10.1108/JHTI-02-2021-0039

Yarkoni, T., & Westfall, J. (2017). Choosing prediction over explanation in psychology: Lessons from machine learning. Perspectives on Psychological Science, 12(6), 1100–1122. https://doi.org/10.1177/1745691617693393

Zobair, K. M., Sanzogni, L., Houghton, L., & Islam, Md. Z. (2021). Forecasting care seekers satisfaction with telemedicine using machine learning and structural equation modeling. PLOS ONE, 16(9), e0257300. https://doi.org/10.1371/journal.pone.0257300

7.4 Harmony in Hospitality: Do Leaders Need a Degree in Psychology to Master Multiculturalism?

Solomiya Gladka[1],
Annick Darioly[2] | ORCiD: 0000-0002-9313-4897

1: Les Roches Global Hospitality Education, Switzerland
2: Les Roches Global Hospitality Education Crans-Montana, Switzerland

Abstract

As companies increasingly globalise, fostering diversity by attracting talented individuals from diverse nationalities, challenges arise in the form of heightened misunderstandings, miscommunications, and conflicts due to cultural differences. Such disparities impact individual performance and overall teamwork outcomes. To navigate these challenges, companies must strategically plan for intercultural adaptation, avoiding cultural pitfalls. Outstanding leadership becomes paramount in creating a harmonious environment and encouraging a common organizational culture. The case study draws insights from the Global Leadership and Organizational Behaviour Effectiveness (GLOBE) project and explores how the hospitality sector can seamlessly integrate talents within a multicultural workplace, particularly in luxury property settings. Findings reveal essential leadership qualities for effective communication in international teams and advocate for techniques that promote trust, equal information distribution and clear goals. Emphasising the value of deep-level team diversity, the paper underscores the necessity of flexible leadership styles to navigate complexities and ensure successful collaboration in the hospitality sector.

Key Words:

Multiculturalism, Outstanding leadership, Cultural awareness, GLOBE, RW3 Global Leadership Model

Track: General Track

Focus of the Paper: Industry/Educational

Type of Submission: Full Paper

Introduction

In today's global business landscape, companies are expanding internationally and embracing diversity by integrating talents from various nationalities. However, this globalization has led to an increase in misunderstandings and conflicts due to cultural differences, impacting communication and organizational dynamics.

Managing a diverse team with both local and foreign members presents a significant challenge, requiring careful planning and strong leadership skills. Companies must strategically navigate individual and organizational adaptation in an intercultural marketplace to avoid cultural pitfalls. Fostering an environment where everyone can coexist harmoniously and contribute to a new shared organizational culture is crucial (Meyer, 2015). This challenge extends beyond individual perceptions and can reinforce stereotypes and intergroup biases based on nationality. Significant differences in nationality often impact individual performance, affecting overall team outcomes. These differences have been linked to various outcomes, including reduced promotion opportunities, diminished psychological attachment, lower levels of organizational citizenship behavior, decreased trust among colleagues, lower performance levels, and even lower salaries (Subaşi, 2017).

In addressing these challenges and suggesting effective leadership behaviors, an in-depth study has been conducted on a luxury property situated on a remote island. The property counts approximately 600 employees from 31 different nationalities, with 58% having been born and raised on the island and 70 % of the property's team is comprised of Muslims. The analysis extends to examining the behaviors of two leaders within this context. Operating in isolation without direct connections to the outside world, the luxury property demands specific attention to its distinct setting. Within this environment, daily professional collaboration and social interactions among employees contribute to the formation of a unique society. This dynamic gives rise to a distinct international workplace that cultivates its own set of rules, traditions, relationships, and a distinctive culture.

The primary objectives of this case study are:

- to extrapolate practical insights for hospitality leaders, illustrating management strategies for effectively integrating employees within a multicultural team.
- to provide valuable practices that can be applied by leaders in the hospitality sector to navigate the complexities of multicultural teamwork successfully to create a healthy and balanced environment, fostering a strong organizational culture and spirit.

Stage 1 - Theoretical Background - GLOBE

Understanding the influence of culture in organizations goes beyond common sense and general stereotypes based on nationality categories. It can serve as a parameter for effective preparation and development of leadership competences (Fernandes et al., 2020). The Global Leadership and Organizational Behavior Effectiveness project (GLOBE) compares attributes of effective leadership and societal expectations across cultures to identify commonalities and differences. It seeks to understand how these cultural variations impact leadership effectiveness and organizational outcomes. It outlined 10 social clusters that vary in their perception of effective leadership qualities, utilizing cultural dimensions based on unique cultural norms, beliefs, and identities that are transmitted across generations (House et al., 2014). Social cluster defined as a geographic region inhabited by people with similar or related cultures. Inside of the cluster there is cultural predominance that demonstrates acceptance to the set of competencies/behaviors and as a result can model leader profile (Fernandes et al., 2020). For instance, Middle East cluster comprised countries such as Qatar, Morocco, Turkey, Egypt and Kuwait, and Nordic East cluster includes Denmark, Finland and Sweden (Dorfman & Hanges, 2004).

GLOBE dimensions and their associated primary leadership dimensions

Another important question that GLOBE explores is whether certain qualities and actions of leaders are widely seen as helpful for effective leadership everywhere, and how these qualities and actions are connected to cultural traits. In international organizations, leaders should comprehend how they can influence their teams based on cultural backgrounds. It is crucial to analyse the values and how employees perceive managers who can effectively lead them, earn their respect and also understand how to manage relationships within the team, motivate individuals, and anticipate behavior from people of different cultural clusters (*2004, 2007 Studies - GLOBE Project*, 2022).

GLOBE study resulted in the formation of 21 primary dimensions that collapsed into 6 global leadership dimensions (Table 1) that are universally relevant across cultures.

Table 1. Global and primary leadership dimensions

Global dimensions	Primary leadership dimensions
Charismatic/Value-Based Leadership	• Visionary • Inspirational • Self-sacrificial • Integrity • Decisive • Performance oriented
Team-Oriented Leadership	• Collaborative team orientation • Team integrator • Diplomatic • Malevolent (reverse scored) • Administratively competent
Participative Leadership	• Nonparticipative (reverse scored) • Autocratic (reverse scored)
Humane-Oriented Leadership	• Modesty • Humane orientation
Autonomous Leadership	• Autonomous
Self-Protective Leadership	• Self-centred • Status conscious • Internally competitive • Face saver • Bureaucratic

Note: From *GLOBE Project, 2022 (*http://www.globeproject.com).

These leadership dimensions were then rated by 17,000 managers in 62 societies to measure how behaviors/characteristics contribute to a person being an outstanding leader (House et al., 2014), on a 7-point Likert-type scale that ranged from a low of “This behavior or characteristic greatly inhibits a person from being an outstanding leader” to a high of “This behavior or characteristic contributes greatly to a person being an outstanding leader”.

Stage 1 - Analysis of the property using GLOBE 2020

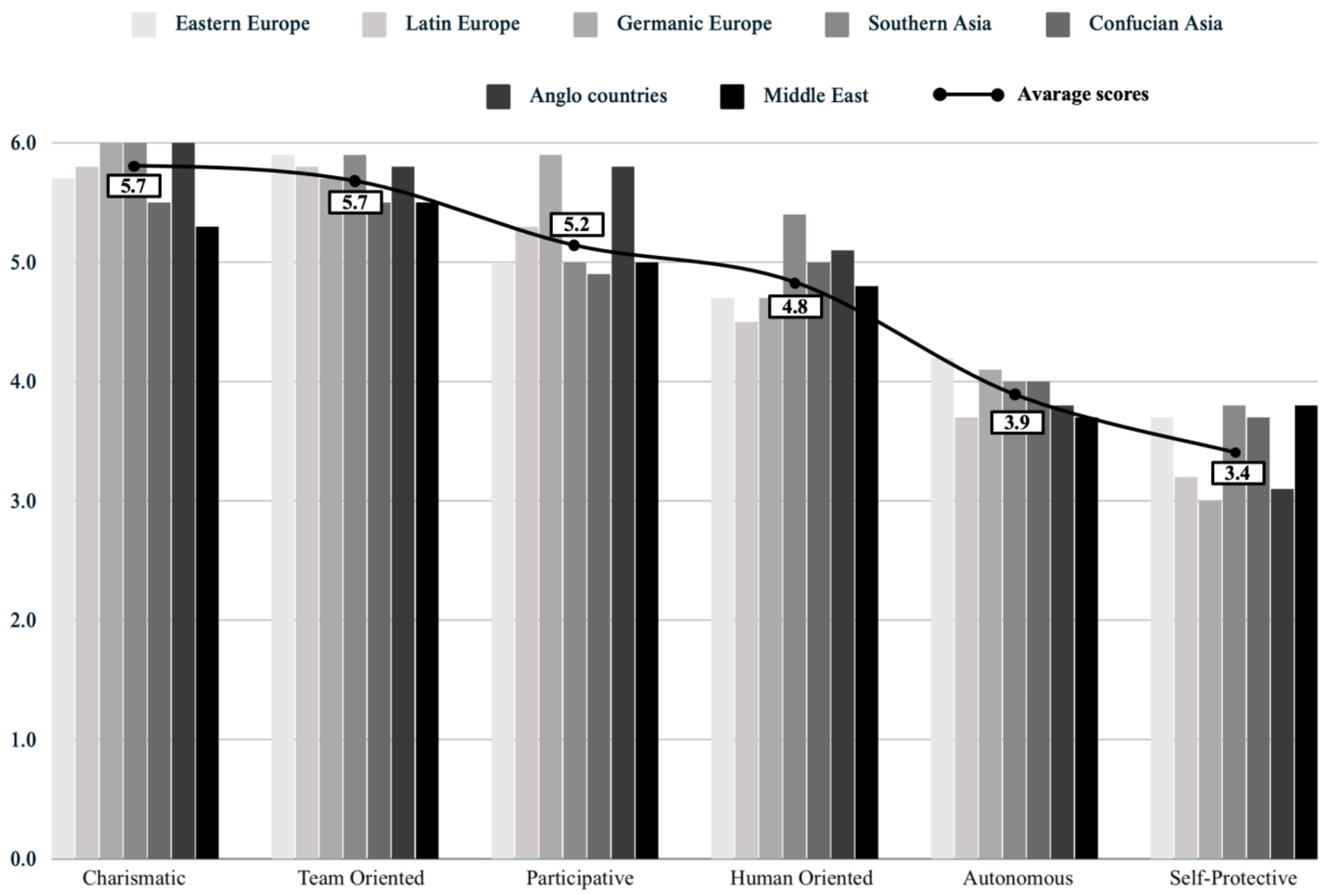
Outstanding leader from the studied clusters

The first step was to provide a clear visualization of an outstanding leader defined by leadership dimensions in the studied luxury brand property using GLOBE 2020 results (*2004, 2007 Studies - GLOBE Project*, 2022) and average each leadership dimensions present in the property (Figure 1). The social clusters that were found in the studied property are presented in Table 2; other GLOBE 2020 social clusters were taken out of consideration.

Table 2. Studied social clusters

Social cluster	Eastern Europe	Latin Europe	Germanic Europe	Southern Asia	Confucian Asia	Anglo countries	Middle East
Countries	Kazakhstan, Poland, Russia	France, Portugal, Spain	Germany, Netherlands	India, Indonesia, Malaysia, Philippines, Thailand	China, Japan	UK	Egypt, Morocco, Turkey

Figure 1. Leadership visualization per studied social clusters



Note. Elaborated by the author from *GLOBE Project* data collection, 2022 (http://www.globeproject.com).

In Eastern Europe, individuals are accustomed to power differentiation and exhibit conformist and aggressive behavior. They prioritize team orientation and loyalty, favoring an autonomous leadership style where guidance is followed without active participation in decision-making. A successful leader in this context requires charisma, encompassing visionary, inspirational, self-sacrificing, integral, decisive, and performance-oriented qualities. Notably, this cluster demonstrates high scores in Team-orientation (5.9) and Autonomy (4.2). Effective team building with a diplomatic and collaborative approach is crucial, alongside maintaining independence to uphold a strong leadership position (*Results - Eastern Europe GLOBE Project*, 2022).

In Latin Europe, similar to Eastern Europe, there is a focus on power differentiation and high performance. However, this cluster seeks to increase in-group and institutional collectivism, indicating a preference for collective resource distribution and actions to enhance individual cohesiveness and loyalty. A charismatic leader with a realistic vision, who involves team members in decision-making, is valued here (Charisma score: 5.8) (*Results - Latin America GLOBE Project*, 2022).

The Germanic cluster values performance rewards and has a high uncertainty avoidance score. Despite low scores in Human Orientation and In-group Collectivism, this society emphasizes participative leadership and the ability to inspire and motivate (Participative Leadership score: 5.9; Charisma score: 6) (*Results - Germanic Europe GLOBE Project*, 2022).

Southern Asian and Confucian Asian clusters accept power differentials and emphasize social order and stability. Leaders in these contexts are somewhat team-oriented but less participative, often making independent decisions without extensive team engagement (*Results - Confucian Asia GLOBE Project*, 2022; *Results - Southern Asia GLOBE Project*, 2022).

The GLOBE Anglo cluster, traditionally performance-oriented, seeks a more humane society with gender equality. Leaders in this cluster are expected to value freedom, delegate responsibilities, and have a realistic vision (Charisma score: 6). Self-centeredness inhibits outstanding leadership (*Results - Anglo GLOBE Project*, 2022).

In the Middle East cluster, there is a low dimension of future and performance orientation. The outstanding leadership profile in the Middle East is unique among the 7 studied clusters, focusing on status enhancement and face-saving, with a deep understanding of the Arab world and Islam religion. They de-emphasize charismatic and group-oriented leadership, with a notable score in Self-Protective leadership (3.8) (Results - Middle East GLOBE Project, 2022).

When analysing the overall averages of each leadership dimensions, hospitality leaders who manage studied social clusters should exhibit a combination of these attributes to be as close as possible to an outstanding leader:

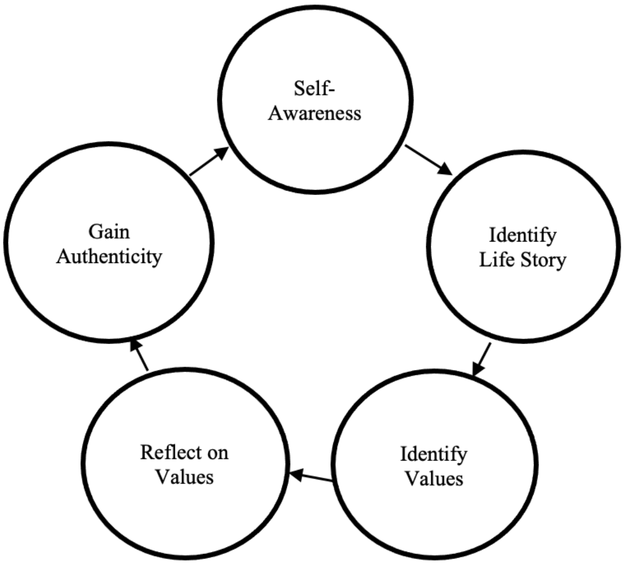
- Being charismatic, that reflects to the ability to inspire and motivate, rated as desirable behavior across clusters.
- Fostering team-oriented approach with common goals and realistic vision for exceptional performance.
- Being participative, by delegating effectively and distributing power and information equally among all organization levels.

Having clear understanding of Muslim culture, as the majority of employees adhere to this religion.

Stage 2 – Theoretical background - RW3 Global Leadership Model

In order for leaders to be as close as possible to an outstanding leader, the use of RW3 Global Leadership Model, comprising Self-Awareness/Authenticity, Global Mindset, and Building Trust/Enabling Collaboration, is crucial (Schell & Solomon, 2019). Leaders must prioritize self-awareness, understanding how their behavior is perceived and adapting to diverse team traits and effective behaviors. The Self-Awareness Authenticity Cycle (Figure 2) facilitates personal growth, enabling leaders to be motivational, inspirational, and charismatic—qualities essential for effective leadership (Schell, 2019).

Figure 2. Self-Awareness Authenticity Cycle



Note: From *The Importance of Global Leadership Skills*, by Schell and Solomon, 2019, RW3 Culture Wizard, p.4.

Self-awareness and Life story

Beginning with Self-Awareness and the identification of one' Life Story, leaders must cultivate a profound understanding of their perception regarding various cultural aspects for comprehending current actions and behaviors. It is essential for individuals to scrutinize their experiences and evaluate personal biases that may compromise their leadership position within a specific team.

To enhance comprehension, the second stage of the research involved conducting two interviews with property leaders. They were selected through purposive sampling to ensure representation across roles with distinct level of power and to capture differences in cultural background and personal experience. Initial contact with potential participants was made in-person, explaining the purpose of the study and voluntary nature of participation. Interviews were conducted in English in a private setting to encourage open dialog, based on prepared and probing questions. With participants' consent, the interviews were recorded for further analysis while ensuring anonymity and confidentiality. Interview durations ranged from 30-60 minutes. The gathered data was transcribed and analysed thematically to uncover patterns and perspectives relevant to the research's chosen theories and practices. A summary of the interviewees' profiles can be found in Table 3.

Table 3. Interviewees' profiles

	Interviewee 1	Interviewee 2
Origin	India (Cluster: South Asia)	Portugal (Cluster: Latin Europe)
Gender	Male	Male
Religion	Islam	Christianity
Position	Food & Beverage Director	Resort Manager
Experienced cultural issues	• Racism • Unequal treatment • Differences in salary • Demotivation	• Cultural barriers • Different ways to approach same situation
Importance of team diversity	• Underestimation of cultural background on team members' leadership expectations • Personality is more important than cultural background	• Different personalities, different cultures and different people bring different approaches and open learning opportunities • Looking always into the personality and attitude, not nationality
Leadership strategies	• Managing personalities, not nationalities • Understand strengths and weaknesses of each team member and appreciate strengths to transform critics of weaknesses into learning process • Team involvement in decision-making process • Being close to people and treat everyone equally • Recruit people with right attitude, not skills	• Be careful and adaptable in the approach towards people because these are different personalities • Leading by example • No favouritism • Healthy discussion • Conflicts are unavoidable, leader should not react right away, but try to find a reason behind to reach middle ground inside the team
Outstanding leader	• Flexible • Team-oriented • Let people speak and be ready to listen and understand; leader should be someone people open to talk to	• Flexible • Performance oriented with attention to details • Participative • Do better - keep the team motivated • Bureaucratic

To align the outstanding leader dimensions from GLOBE 2020 (2004, 2007 Studies - GLOBE Project, 2022) with the perspective of the current leaders in the property, the authors requested the interviewees to assign a score to each dimension using a consistent scale ranging from 1 to 7 to evaluate what in their opinion contributes or inhibit to outstanding leadership. Results are outlined in Table 4.

Table 4. Interviewees' evaluation of GLOBE dimensions

	Charismatic	Team orientated	Participative	Human oriented	Autonomous	Self-protective
Interviewee 1	6	6	7	7	2	1
Interviewee 2	7	7	4	7	3	1

Both interviewees view themselves as charismatic leaders, emphasizing the importance of leading by example: "It is your body language, your attitude, the way you talk, the way you walk, the way you look, the way you present yourself, that's how people find you charismatic as a leader and they've tried to follow you." They possess the ability to motivate and inspire while understanding individual needs and challenges, in line with findings from GLOBE clusters within the resort context. Cultural background is deemed less important compared to personality traits, with a focus on understanding team members' strengths and weaknesses to drive improved performance.

Regarding participative leadership, Interviewee 1 emphasizes the importance of involving the team for comprehensive problem-solving, while Interviewee 2 advocates for a balanced approach, considering the autonomy of the team. This discrepancy may stem from their differing positions within the organization, with Interviewee 2 overseeing a larger scope of responsibility.

Both leaders agree that the self-protective dimension hinders effective leadership, but Interviewee 1's perspective is shaped by experience in the Middle East, where status enhancement and face-saving are emphasized. Interviewee 2 believes that while self-protective leadership inhibits effectiveness, a bureaucratic approach is necessary for standardization regardless of nationality.

Identify and reflect

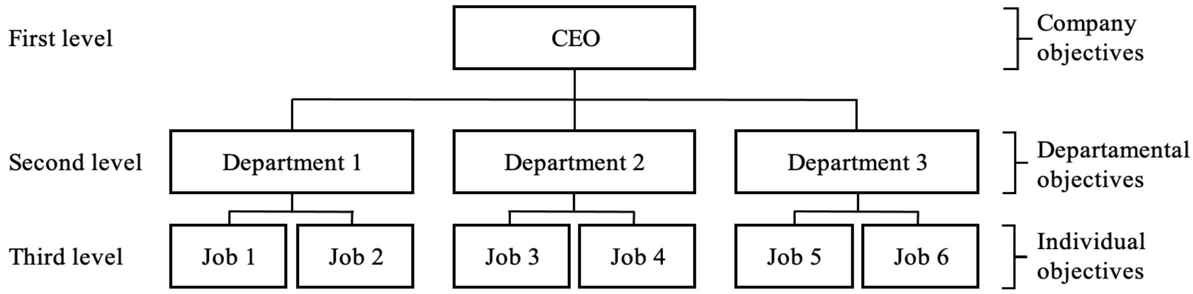
The next steps in the Self-Awareness Authenticity Cycle involve identifying team values and leadership expectations, comparing them with those outlined in the GLOBE study, and selecting appropriate leadership styles to develop global leadership skills while understanding one's international experience, biases, and perceptions.

Leaders must cultivate flexibility and employ customized approaches to foster adaptive leadership without compromising business values and objectives (Schell & Solomon, 2019). Flexibility in communication styles and processes enables leaders to be more effective in cross-cultural contexts. It is crucial for leaders to understand their own preferences while allowing others the freedom to communicate in diverse ways without judgment. Assuming positive intentions facilitates healthy conversations, helping to discern team members' intent and the impact of behavior on workflow. Cultural differences may lead to confusion and misinterpretation in communication and behavior. In such instances, leaders should utilize the D.I.E. process (Describe, Interpret, Evaluate) to ensure the accuracy of assumptions (Stringer & Cassiday, 2009).

Trust is a foundation upon effective workflow inside the team. Support trusting environment enable people to take risk and intellectually contribute to performance, that means performance is an indicator of successful leadership, that needs to be measured and appreciated by leaders (Schell & Solomon, 2019).

To reach high performance, leaders can implement Management by Objective (MBO) program, which emphasizes on setting tangible, verifiable and measurable goals. Common clear goal can maintain motivation of diverse team, creating coherence and full team dedication, streamlining decision making process and eliminating actions that are inconsistent with global interest. Organizational objectives should be translated into specific objectives for each level. Lower-unit managers can partly set their own goals that are interconnected with other level objectives and correspond to main goal. Team members from specific department know more needs and problems of their operations that means each team/member can adapt its/their approach to overall company objective. In this way, according to structure and hierarchy, cascading of objectives can be implemented (Figure 3), showing trust to team/members' decisions and actions from leadership perspective.

Figure 3. Cascading of objectives according to the organizational chart



Note. Elaborated by the author.

Authenticity

The core of outstanding leadership is authenticity, a quality that has become increasingly rare in today's world due to overconfidence and feelings of infallibility. Authentic leaders, in their day-to-day interactions, foster a sense of connection and relatability. They consistently demonstrate respect for individuals with differing beliefs, express genuine interest in diverse opinions and ideas, and actively seek common ground. Open and honest communication nurtures engagement within the team, as members feel valued and meaningful relationships are forged (Miller Perkins, 2023). The Self-Awareness Authenticity Cycle reinforces the idea of continual development towards authenticity. It is an ongoing process and lifelong commitment that yields invaluable leadership results, emphasizing self-awareness, and team growth, trust, and a focus on mutual understanding.

Recommendations

Recommendations for organisational improvement and development stem from both leadership perspective and style within a multicultural environment. While demographics often lead to surface-level diversity perceptions, deeper understanding reveals shared values and personalities, emphasising the importance of personality over nationality. Each team member requires an individualised leadership approach, highlighting the need for flexibility in leadership styles.

According to GLOBE 2020 (2004, 2007 Studies - GLOBE Project, 2022), an outstanding leader in the studied property must be charismatic, team-oriented, and participative, with a clear understanding of religious norms. Moreover, religious stands as one of the pillars of organizational culture and serves as a determinant of cultural norms, values, and rules governing individual and community conduct (Barabara, 2020).

Setting goals and cascading them into smaller objectives promotes adaptability to both management guidance and employee needs, fostering performance-focused operations with equitable power and information distribution.

Managers should lead with curiosity, continuously learning about the work environment through questioning and information gathering, while analysing themselves to eliminate biases. Integrating foreigners and locals in a multicultural workplace necessitates integrating cultural perspectives and individual personality traits.

Improvements can increase employee motivation and satisfaction, as individuals feel their contributions impact company success. Given the interconnected nature of work and life in the hospitality sector, fostering an environment of trust, curiosity, and comfort requires equal attention to employees as to guests.

Conclusion

This case study is suitable for undergraduate and graduate level courses with emphasis on leadership, talent management. Learning outcomes, questions and instructor's notes could be developed.

References

Barabara, M. (2020). Organizational Culture under Religious Influence. In *A Closer Look at Organizational Culture in Action*. IntechOpen. https://doi.org/10.5772/intechopen.90898

Dorfman, P. W., & Hanges, P. J. (2004). *Leadership and Cultural Variation: The Identification of Culturally Endorsed Leadership Profile*.

Fernandes, O. G., Bortolaso, I. V., Orth, S., & Donzello, C. (2020). *Culture and Leadership in Different Social Clusters: Study in an Organization of the Body Industry for Public Transport*. 9.

House, R. J., Dorfman, P. W., Javidan, M., & Hanges, P. J. (2014). *Strategic Leadership across Cultures: The GLOBE Study of CEO Leadership Behavior and Effectiveness in 24 Countries*. SAGE Publications, Ltd. https://doi.org/10.4135/9781506374581

Miller Perkins, K. (2023). *Authenticity: The Key to Great Leadership and How to Embrace It*. https://www.forbes.com/sites/danalexander/article/the-definitive-networth-of-donaldtrump/?sh=4412d7032a8e

Results—Anglo GLOBE Project. (2022). http://www.globeproject.com

Results—Confucian Asia GLOBE Project. (2022). http://www.globeproject.com

Results—Eastern Europe GLOBE Project. (2022). http://www.globeproject.com

Results—Germanic Europe GLOBE Project. (2022). http://www.globeproject.com

Results—Latin America GLOBE Project. (2022). http://www.globeproject.com

Results—Middle East GLOBE Project. (2022). http://www.globeproject.com

Results—Southern Asia GLOBE Project. (2022). http://www.globeproject.com

Schell, M. (2019, May 21). *Self-Awareness: The Secret for Global Leadership Success*. https://www.rw-3.com/blog/self-awareness-the-secret-for-global-leadership-success

Schell, M., & Solomon, C. (2019). *The Importance of Global Leadership Skills*. RW3 CultureWizard.

Stringer, D., & Cassiday, P. (2009). *52 Activities for Improving Cross-Cultural Communication*.

2004, 2007 Studies—GLOBE Project. (2022). http://www.globeproject.com

7.5 “Wish you weren’t here” - the overtourism phenomenon

Sasa Zupan Korze

CCM Ltd, Slovenia Switzerland

Abstract

The paper is focused on the multilayered phenomenon of overtourism, which is in certain attractive tourist destinations increasingly considered as excessive or harmful. Huge challenges in the daily life of local communities as well as the negative impact on the unique and precious environment and, consequentially, steadily growing anti-tourism sentiments are pushing political decision makers on local and regional levels to act with the aim of reducing tourism influx to some destinations. The research points at key drivers that causes overtourism (traditionally strong seasonality of tourist demand, the growth of world middle-income class with more time and money to be spent for travel, the emergence of low-carriers, new types of accommodations, the possibility of self-organized low-budget holidays, a huge impact of the social media/platforms). To the internationally known examples of overtourism (Venice, Dubrovnik, Amsterdam, Machu Pichu, Oahu, Galapagos, Nepal and Altamira) and countermeasures (such as entry tax to the cities/destinations and states, ban of cruise ships, high daily tourist tax, reduction of hotels and short-term rentals of private accommodations, ‘respect the city’ campaigns, discouraging certain types of tourists’ behavior, obligatory booking and specific time slot for visiting certain attractions), we added two examples of potentially overtourism sites in Slovenia.

Key Words:

Overtourism, negative impacts, countermeasures

Track: General Track

Focus of the Paper: Industry/Educational

Type of Submission: Full Paper

Introduction

The term overtourism is closely linked to the development and growth of tourism in the last decades. The positive contribution of the growing tourism industry to the world’s economy has brought unpleasant effects in overcrowded destinations - damage to the unique environment, to specific heritage sites, to the daily routines of the locals, to the balanced economic and social development of local communities, etc. Some acclaim the Late Prince Philip on his tour in Slovenia 2008 was right branding tourism as ‘national prostitution’, and tourists as people who ‘ruin cities’ (Michael Hall & Lew, 2009, p. 1).

A more than a decade later, media are reporting on overtourism, antitourism and touristophobia in many diverse destinations - Barcelona, Venice, Dubrovnik, Amsterdam (Mihalic, 2020). After a temporary recess during the pandemic period these destinations are facing even worse situation than before despite implementing crowd management policies to protect the natural attractions and civil rights of local people (Birtles, 2023). A renewed debate in public and in tourist academic forums about the adequacy of those policies early 2024 was triggered by widespread protests against tourism, mostly in Spain. Again, publications reported on "wish you weren't here" (Sophie 2019) destinations and protesters in Barcelona, who sprayed tourists with water and shouting 'tourists go home' (Pitrelli, 2024).

The term 'overtourism' come into use in 2016 as an alternative to the term 'Tourismfobia' (Koens et al, 2018). After years, the term still lacks a standardized academic characterization. Koens et al. (2018) describe it as negative impact of tourism on host communities and on natural environment, while UNWTO's definition (2018) emphasizes its excessive influence on the perceived quality of life of citizens and/or the quality of visitors' experience. Mihalic (2020, n.p.) conceptualizes it from the standpoint of sustainability. According to Goodwin (2018), the places that are overcrowded by tourist are changing their character, losing its authenticity, causing irritation and annoyance to residents. Therefore, overtourism is related to conflicts among tourists and local residents in the hosting communities (Rangus et al., 2018).

Contrary to the above, certain academics claim that there is no such thing as overtourism, particularly not in the sense as it is often discussed. For Buhalis (Butcher, 2024, n.p.) overtourism can only be a label applied to many different capacity-related issues that attend the democratization of tourism, and 'a good coin' for numerous books, papers, conferences, non-governmental organizations and global bodies. He also stated that "there is no overtourism - there is only badly managed tourism" (Buhalis, 2020, n.p.).

There is an on-going discussion over distinctions between overtourism, mass tourism and overcrowding (Veríssimo, 2020). For example, overtourism is predominantly discussed from the view point of the hosts, while mass tourism is related with places where thousands of tourists are in the same place at the same time to enjoy holidays in the cheapest way.

According to European Parliament (2018), overtourism is not limited only to urban places (e.g. Venice, Dubrovnik, Amsterdam, Dublin, Reykjavik, Stockholm). It is also present in many heritage sites and attractions (e.g. Bagan, Machu Picchu, Tallin Old Town, Prague Old Town, Vatical City, Rovaniemi etc.), coastal areas and islands (Isle of Sky, Maya Bay, Santorini, Mallorca, Galapagos, etc.), as well as in some rural areas (e.g. Bled, Grand Canyon, Plitvice, Yellowstone, etc.).

The purpose of the study is to give answers to three research questions (RQ):

RQ1: What are the drivers of overtourism?

RQ2: How some most 'endangered' destinations/cities from overtourism try to 'fight' against it?

RQ3: Can we talk about overtourism in Slovenia?

The paper presents initial step in further empirical research on overtourism.

Research design and methods

The study is based on qualitative data and applies mixed research methods.

Most of the data were collected in desk-top research and are based on secondary sources (on selected scientific articles, published from 2016 to 2024 and on relevant non-academic publications published in 2023 and 2024). The secondary data for answering the RQ2 are supported with data collected from on-site observations of the author, who visited destinations/sites, mentioned in the second subsector of the Findings. Two on-site interviews have been performed to get the answer to the RQ3. Content analysis was used to process the qualitative data (text condensation, interpretation, citation), and descriptive method to present the findings. Findings of the research are presented in three subsectors and follow the answers to RQs.

Findings

Drivers of overtourism

Strong seasonality in tourism demand is the most important driver of overtourism (Butler& Dodds, 2022), together with demographic and economic growth which results in more middle- and upper-income individuals with time and money to be spent in tourism. Against increasing demand, transportation enterprises have enlarged their capacities. The emergence and growth of low cost-carriers (particularly in USA and in Europe) revolutionized air travel for mass market. Moreover, the technology has allowed instant online reservations for travel, accommodation and other services. Technological platforms like AirBnB are promoting affordable prices for private accommodations in central locations in most visited destinations (ibid).

These developments together with the possibility of self-organized low-budget holidays, have opened the travel opportunities to lower-income groups of customers who could not afford them in the past. City break holidays have become more attractive for Westerners where domestic travel was traditionally rather expensive. On the other hand, coastal cities with nearby attractions have become overcrowded due to the low prices of large cruise ships that can bring ten to twenty thousand visitors per single day to a certain location (e.g. Dubrovnik, Venice, Santorini, etc.).

Research show that the entertainment industry has through social media significantly contributed to overtourism by shooting movies on certain attractive locations and thus becoming a source of ideas about 'hot-spots' and 'must be' places. When tourists reach the spot, a 'must do' activity of the new-age travelers is to make selfies and post them to notify their followers: 'I was there'.

Examples of overtourism destinations/sites and their 'fight' to decrease the number of tourists

In the following cases of overtourism we show the policies imposed by authorities on a destination's level. There is, however, only limited reports on the results and success of these policies. We have chosen three cities (Venice, Dubrovnik, Amsterdam), three natural sites (Oahu, Galapagos, Sagarmatha Natural Park) and two historical sites (Machu Picchu, Altamira).

Some cities have started charging *entry fees* for daily visitors. Having an influx of over 30 Mio visitors annually, **Venice** have recently implemented daily entry fee of 5 € per visitor. With this measure, the city continues to heed the UNESCO warning of "irreversible damage" to historic center. In 2019, local government *banned cruise ships from the center* (Wilson, 2024).

Dubrovnik (Croatia) has gained popularity after appearing in TV show Game of Thrones. Birtles (2020) reports on over 500 cruise ships bringing over 800.000 passengers to Dubrovnik in 2016, who usually stay only for few hours. The noise and crowds forced residents out. There were 5,000 residents living in the Oldtown in 1991, but only 1,100 in 2017. In 2019, municipality implemented a strategy *to cap number of cruise ships* to two per day with a limit of 5,000 tourists and to schedule better cruise ships' arrival and departure time (Saraogi, 2019). A '*respect the city' campaign* banned visitors to walk around in swimwear, eat and drink around cultural monuments, as well as climb to the city walls.

Amsterdam (Netherlands) was visited by 20 Mio people in 2019. In 2024, ocean-going cruise ships were banned from docking in the city (Wilson, 2024). Local government plans to cut in half the number of docking river cruise ships in next five year (there were more than 2,000 of them). The City imposed stricter *regulations for the construction of new hotels* (a new hotel can only be built/opened if an existing one closes down - Trout, 2024) and *reduction of short-term rentals of private accommodation* units. The local authority has taken measures to *discourage certain types of tourists' behavior*, mostly related to drugs and overdrinking, has *banned new tourist shops* in city center, *beer bikes* and is *encouraging visitors with apps to visit less busy areas* of the city (Birtles, 2020).

Oahu (Hawaii) tries to reduce the tourism influx of 10 Mio travelers a year by implementing '*green' tourist fee* of 25 USD to tourists when checking into hotels or short-term rentals. Local government would use this money to take care of unique natural environment, repair coral reefs and maintain state parks and trails (Wilson, 2024). To protect flora and fauna, some natural attractions (e.g. Hanauma Bay, n.d.) are closed for public certain days of the week. Visits must be pre-booked for the date and hour of entrance.

The beauty and unique ecosystem of the **Galapagos** islands was initially meant to be shared in small, environmentally friendly doses. However, more than a quarter of million tourists visited archipelago in 2022. Endangered species are at risk of extinction because of improper practice. Over 200 new hotels were built in the years and external competition heavily reduced opportunities for the local people to fully profit from the tourism. It soon became obvious that these economic and ecological imbalances cannot be solved only by an *entry fee of 100 USD* for the visit (Reale, 2022).

In **Nepal**, the entrance fee to Sagarmatha national park (Everest base camp hike) is only 16 USD. Due to high number of hikers, there are tons of human excrement piled up every year on the way to Everest base camp. Because of the cold climate, it will take decades to decompose (Sophie, 2019). In opposite to Nepal, the neighboring Bhutan **(**opened to tourism from 1974) is an example of the country that so far managed to keep tourist number low due to high *daily tourist visa of 200 USD*, which encourages 'high-value, low impact tourism'.

The iconic destination in Peru, **Machu Picchu**, was not built to handle enormous increase of visitors, jumping from 400.000 tourists a year to close to 1.5 million in two decades. The UNESCO threat of putting the site on its "List of World Heritage in Danger", resulting in limitation of daily tickets to 5,600 (Birtles, 2020). Visitors must arrive within a *specific time slot* with four-hour time limit for each visit and can enter the site *only with official tourist guide*. Group sizes have been limited to16 people and visitors can only walk on defined routes (Wilson, 2024).

An example of how to match the tourism growth with protection of historical sites is the *replica of prehistoric* cave **Altamira,** Spain. As an icon of humanity and art through paintings and engravings dating back 15,000 years, Altamira also became a major tourist destination. In the 1970s, it attracted more than 150,000 visitors per year. Due to deterioration, it was closed in 1977, but reopened few years after. Allowance of only 11,300 visitors per year resulted a waiting list up to three years long. Thus, original cave has been closed again and its replica 'Neo-cave' has been built for visiting purposes. It attracts now on average quarter of million of visitors per year (Dans & Gonzales, 2018).

The chosen cases attract a lot of media attention, however, there are many usually neglected small places that also experience the mixed blessing of being touristically attractive.

Overtourism in a small Central European Country: Ljubljana and Bled

By the number of visitors in 2023, Slovenia (2 Mio inhabitants on 20.000 km2) was ranked 38th in the world's tourism. More than six million visitors spent 16 million nights (GOV.SI, 2024). This was a new record, with which Slovenia's tourism not only exceeded the numbers from 2019, but also did better comparing with the world and Europe (Tourism in numbers, 2024). The most popular destinations were mountains regions and the capital, Ljubljana. "Green boutiqueness, smaller footprint and greater value for all" is the vision of Slovenia tourism development (Strategy, 2022). But the reality is different.

With 20 % of annual increase in the number of visitors, Ljubljana saw the highest increase (GOV.SI, 2024). The city is struggling to balance between being a good place for people and the place for making money. At the expense of tourists, the city centre is barely passable at the height of the season, the structure of the population in the city has changed (Rebuza, 2023). "In the past, the cars were superfluous, now residents are" (ibid). The interviewee, a resident of the city centre, complained:

"I was very happy when I have moved to the City Centre 25 years ago, but not anymore. The public space has become so commercialised that sometimes it is difficult to move around. Tourists drink late in the night, yell and laugh, without respect to the locals, who want to sleep. They pollute our

neighbourhood with thrash. Many apartments in the building, where I live, are short-rented to tourists, which make the life of permanent residents miserable".

Bled, one of the most beautiful Alpine resorts in Europe, with the lake and island in the middle and with a castle perched on a cliff, is described as an "image of paradise", "a tourist gem of global dimensions", which was nominated one of the seven new wonders of the world (I feel Slovenia, n.d.). Yet, over 80% of residents are not happy with the tourism development of the site and with negative effects of tourism, e.g. increase of real estate prices, traffic, management of public space, etc. (STA, 2024). In the high season, the number of visitors and their behaviour discomfort the residents. "There are so many tourists that we can only walk like in a funeral procession" (Svet 24, 2023). The resident of Bled stated:

"*The road infrastructure is 30 years behind, causing enormous traffic jams when entering the town. The swimming spaces are overloaded and too many boats and surfs are on the lake. Despite this, every local still rents his/her last private room or garage to tourists. Increasing number of daily visitors calls for similar measures as in Venice: entrance fee. Bled deserves the prevalence of quality tourism above quantity of tourists."*

The opinion of representatives of public tourism sector and scholars about overtourism in Slovenia is slightly different to the opinion of the residents of the two presented destinations. Yet, both groups of 'tourism designers' of the above-mentioned sites acknowledge that future tourism development needs to include the wellbeing of the residents more that it has been in the past.

Conclusion

The study gives some insights into how complex and multilayered phenomenon overtourism is. It certainly demands a multidimensional effort of tourism stakeholders with respect to the capacity limits, destination specificity and diversification of tourism services. It should include better congestion management, improving and adapting specific infrastructure, suggest measures towards reduction of seasonality, provide for careful planning and pricing, and sometimes include banning certain activities.

The negative impact of overtourism on local people with their historical and natural heritage clearly shows disrespect to the limitations of resources and sustainability in general. To safeguard its economic benefits, tourism development has to reorient itself from quantitative to qualitative growth, towards broader objectives of socially, culturally and ecologically sustainable qualitative growth (Benner, 2019). Only in this way, tourists can still expect a friendly smile on the lips of their hosts and feel hospitality of the chosen destination.

References

Benner, M. (2019). From overtourism to sustainability: a research agenda for qualitative development in Adriatic. *German Journal of Economic Geography,* Vol. 2, No. 64. p 74-87.

Birtles, K. (2024). 9 destinations struggling overtourism. The Real World. https://www.trafalgar.com/real-word/iconic-struggling-overtourism-destinations/ (5. 5. 2024).

Buhalis, D. (2020). "There is no Overtourism – only badly managed tourism". https://buhalis.blogspot.com/2020/02/there-is-no-overtourism-only-badly.html.

Butcher, J. (2024). "Overtourism? There's no such thing". Interview with prof. Dimitrios Buhalis. The "Good Tourism" Blog. https://www.goodtourismblog.com/2024/02/professor-dimitrios-buhalis/

Butler, R. W. & Dodds, R. (2022). Overcoming tourism: A review of failure. *Tourism Review*. Vol. 77, No. 1. p. 35-53.

Dans, E. P. & Gonzales, P. A. (2018). The Altamira controversy: Assessing economic impact of a world heritage site for planning and tourism management. *Journal of Cultural Heritage,* Vol. 30. Pp. 180-189.

European Parliament (2018). Research for TRAN Committee – Overtourism: impact and Possible policy responses.

http://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU(2018)629184
Goodwin, H. (2017). The Challenge of Overtourism. Responsible Tourism Partnership Working Paper 4. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://haroldgoodwin.info/wp-content/uploads/2020/08/rtpwp4overtourism012017.pdf
GOV.SI (2014). Slovenia's tourism figures hit all – time high in 2023. Government Communication Office, 26. 1. 2024. https://www.gov.si/en/news/2024-01-26-slovenias-tourism-figures-hit-all-time-high-in-2023/
Hanauma Bay, n.d. Hanauma Bay State Park. https://hanaumabaystatepark.com/
I feel Slovenia (n.d.). Bled. Destination Awards. https://www.slovenia.info/en/places-to-go/regions/alpine-slovenia/bled
Koens, K.; Postma, A. & Papp, B. (2018). Is overtourism overused? Understanding the impact of tourism in a city context. *Sustainability*, 10, 4384.
Mihalic, T. (2020). Conceptualising overtourism: A sustainability approach. *Annals of Tourism Research*, 48, n. p.
Pitrelli. M (2024). Barcelona protesters throw items and spray travellers with water while shouting 'tourists go home'. CNB Travel. July 9, 2024. https://www.cnbc.com/2024/07/09/barcelona-residents-squirt-travelers-with-water-to-protest-overtourism.html
Rangus, M.; Božinovski, B. & Brumen, B. (2018). *Overtourism and the green policy of the Slovenian Tourism. Chapter 13*. In: Gorenak, M. & Trdina, A. Eds. Maribor: University Maribor Press.
Reale, N. (2022). The Galapagos Islands: Economy over Ecosystems. *Harward International Review*. 14 Oct. https://hir.harvard.edu/the-galapagos-islands-economy-over-ecosystems/.
Rebuza, M (2023). Wha Ljubljana is not like Paris? N1, 13 Aug 2023. https://n1info.si/poglobljeno/zakaj-ni-ljubljana-kot-pariz-zakaj-nabrezje-ljubljanice-ni-kot-nabrezje-sene/?fbclid=IwAR2efmM9B28wcL-hoxeHbPuhTZTekuEsh8GFh3utoIgIL_wS2axi7fwHapw
Michael Hall, C., & Lew. A.A. (2009). *Understanding and Managing Tourism Impact: An integrated approach*. London, New York: Routledge.
Sophie (2019). Overtourism: 10+ destinations sawing "wish you weren't here". https://www.thewanderfulme.com/overtourism-destinations/?utm_medium=social&utm_source=pinterest&utm_campaign=tailwind_smartloop&utm_content=smartloop&utm_term=30583828
STA (2024). In Bled, people not satisfied with tourism: positive effects do not outweigh the negative ones. N1, 12 May 2024. https://n1info.si/novice/slovenija/na-bledu-nezadovoljni-zaradi-turistov-pozitivni-ucinki-ne-odtehtajo-negativnih/
Strategy (2022). Strategy of Slovene Tourism 2022-2028. Portal GOV.SI. https://www.gov.si.MGRT
Svet 24 (2023). Drunk tourists occupied Bled. 2 Aug 2023. https://svet24.si/clanek/novice/slovenija/64ca1860b180d/na-bledu-horde-pijanih-turistov-grenijo-zivljenje-domacinom
Tourism in numbers (2024). In 2023, Slovenia recovered faster that European and world average. https://www.slovenia.info/en/business/research-and-analysis/tourism-in-numbers
Trout, M. (2024). Amsterdam adopts new measured to limit the impact of mass tourism. *Tourism Review News*, Apr 22, https://www.tourism-review.com/amsterdam-to-limit-mass-tourism-through-new-measures-news14320.
UNWTO (2018). *Overtourism? Understanding and Managing Urban Tourism Growth beyond Perception*. UNWTO: Madrid.
Willson, N. (2024). 24 destinations cracking down on overtourism, from Venice to Bhutan. *Independent*. 29th April. https://www.independent.co.uk/travel/sustainable-travel/destinations-cracking-down-overtourism-venice-b2536386.html.
Veríssimo, M.; Moraes, M.; Breda, Z; Guizi, A. & Costa, C. (2020). Overtourism and touristophobia: A systematic literature review. *Tourism*, Vol. 68, No. 2, pp. 156-169.

Abstracts

8.1 Interpretable Forecasting of Booking Cancellations with Stacked Generalization

Ismael Gómez-Talal[1] | ORCiD: 0000-0003-4673-8193
Mana Azizsoltani[2] | ORCiD: 0009-0001-5193-2823

1: Universidad Rey Juan Carlos, Madrid, Spain,
2: University of Nevada, Las Vegas, United States of America

Abstract

Hotel booking cancellations can be problematic for revenue managers, leading to losses in revenue and suboptimal allocation of hotel inventory. Machine learning has yielded significant improvements in cancellation models, yet the research remains underdeveloped. This paper introduces a novel approach to forecasting cancellations using a meta-model based on stacked generalization, which aggregates and optimally combines predictions from various machine learning algorithms. This innovative model yields exceptional prediction accuracy of up to 96%, while still addressing the black-box problem of machine learning through SHapley Additive exPlanations (SHAP). Stakeholders in the hospitality industry can use this interpretable meta-model to inform overbooking, inventory management, and revenue management decisions.

Key Words:

Machine Learning, Cancellation Forecasting, Revenue Management, Hotel Booking, Artificial Intelligence

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.2 Conceptualising Eudaemonic XR Food Experiences to foster consumer wellbeing

Dai-In Danny Han[1], M. Claudia tom Dieck[2], Alexandra Taylor[2]

1: Zuyd University of Applied Sciences, The Netherlands;
2: Manchester Metropolitan University, UK

Abstract

This conceptual paper delves into the underexplored realm of the intersection between gastronomy, extended reality (XR) technology, and consumer well-being, with a particular focus on eudaemonic dimensions. While existing research primarily concentrates on hedonic aspects of consumer well-being, our paper highlights the significance of eudaemonia. By integrating XR technologies into gastronomic contexts, a novel approach to designing food experiences is proposed that not only evoke pleasure but also foster a profound sense of meaning and fulfilment. Through a review of literature and theoretical frameworks, this paper elucidates the potential of XR in creating immersive, sustainable, and health-conscious gastronomic encounters. It identifies a critical research gap in the exploration of eudaemonic dimensions within XR-powered food experiences, thereby laying the groundwork for future investigations in this field. This conceptual paper aims to inspire further inquiry into the design and implementation of meaningful gastronomic encounters that enrich consumers' lives beyond mere hedonistic gratification.

Key Words:

Food Experience, Immersive Technology, Wellbeing, Gastronomy

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.3 Service robots with extended AI knowledge: Factors impacting the intention to use

Reza Etemad-Sajadi[1], Valentina Clergue[2], Cindy Heo[3]

1: EHL Hospitality Business School, Switzerland
2: EHL Hospitality Business School, HES-SO University of Applied Sciences and Arts Western Switzerland

Abstract

Technology is continuously improving and becoming smarter and cheaper, which is transforming the service sector. Specifically intriguing is the development of robots instilled with AI knowledge. Despite the potential benefits of service companies using robots, there are also important ethical considerations to be taken into account to ensure that consumers accept these smart devices. This study examines how participants' assessment of ethical issues affects the risks perceived and their intention to use a service robot. Several other variables such as ease of use, level of usefulness, emotional appeal, and social presence are also integrated into our model.

Key Words:
Service robots with AI, Ethical issues, Intention to Use

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.4 From resistance to acceptance: the mediating role of performance and effort expectancy in service robot adoption by hospitality workers.

Jeou-Shyan Horng[1], Yao-Chin Wang[2], Chih-Hsing Liu[3], Sheng-Fang Chou[4], Tai-Yi Yu[4], Yung-Chuan Huang[4], Da-Chian Hu[3]

1Shih Chien University
2University of Florida
3National Kaohsiung University of Science and Technology
4Ming Chuan University

Abstract

This study investigates the integration of service robots in the hospitality industry, focusing on how employees' self-identity regarding robotic technology impacts their adoption behavior. A survey was conducted among 588 employees from three- to five-star hotels in Taiwan, where service robots have been implemented. The research aims to understand the mechanisms through which employees' self-perceptions influence their willingness to adopt these innovations. The results reveal that performance expectancy and effort expectancy mediate the relationship between employees' self-identity regarding robotic technology and their adoption willingness. Importantly, the study uncovers the mediating role of service improvisation in the relationship between adoption willingness and both service recovery performance. Moreover, top management support strengthens the link between effort expectancy and adoption willingness, while personal innovativeness moderates the positive relationship between adoption willingness and service improvisation.

Key Words:

Service robots, Self-Identity, Service improvisation, emotional exhaustion, service recovery performance , hospitality industry.

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.5 Cracking the conversion rate: Machine learning insights for maximum performance

Cindy Yoonjoung Heo[1] | ORCiD: 0000-0002-0038-306X, Piero Luchi[2], Luis Nobre Pereira[3], Luciano Viverit[2], Daniele Contessi[2]

1: EHL Hospitality Business School, Switzerland
2: Travelbrain, Italy;
3: Universidade do Algarve, Portugal

Abstract

Hotels face a significant volume of daily booking requests, both directly and through online travel agencies. However, only a small fraction of these requests translates into reservations, leading to low conversion rates. This factor introduces additional uncertainty into the hotel demand function and poses a challenge to revenue maximization efforts. Consequently, improving conversion rates is a key priority for hotel managers. This study seeks to introduce an innovative framework for optimizing conversion rates. It involves segmenting stay dates and employing a logistic regression model to predict the probability of conversion within each segment. By doing so, this research contributes a novel data mining methodology that can be integrated into machine learning algorithms to enhance conversion rate optimization.

Key Words:
Conversion rate, Machine learning, Revenue management, Segmenting stay dates

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.6 Building Bridges in Traditional Tourism: Harnessing the Power of Metaverse and AI for Economic Innovation and Technological Integration.

Nansy Kouroupi[1,2] | ORCiD: 0000-0001-8065-8520
Theodore Metaxas[1], | ORCiD: 0000-0002-6781-1401
Dimitrios Diamantis[2] | ORCiD: 0000-0001-9395-1777

1: University of Thessaly, Greece;
2: Les Roches Global Hospitality Education, Switzerland

Abstract

Hotels face a significant volume of daily booking requests, both directly and through online travel agencies. However, only a small fraction of these requests translates into reservations, leading to low conversion rates. This factor introduces additional uncertainty into the hotel demand function and poses a challenge to revenue maximization efforts. Consequently, improving conversion rates is a key priority for hotel managers. This study seeks to introduce an innovative framework for optimizing conversion rates. It involves segmenting stay dates and employing a logistic regression model to predict the probability of conversion within each segment. By doing so, this research contributes a novel data mining methodology that can be integrated into machine learning algorithms to enhance conversion rate optimization.

Key Words:

Conversion rate, Machine learning, Revenue management, Segmenting stay dates

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.7 A Study of Employee Attitudes Towards AI, its Effect on Sustainable Development Goals and Non-Financial Performance in Independent Hotels

Maria Jesus Jerez Jerez and Sanaz Vatankhah

University of Bedfordshire, United Kingdom

Abstract

This study explores the effect of hotel employees' readiness for and acceptance of Artificial Intelligence (AI), on hotels' adoption of AI, and its subsequent impact on achieving Sustainable Development Goals (SDGs), as well as impact on non-financial performance (NFP), within the U.S. independent hotel sector. A novel survey instrument was devised, validated and administered to employees in independent hotels across the United States. Structural Equation Modelling (SEM) was employed to test four hypotheses derived from a conceptual framework integrating key constructs. The results presented support all hypotheses proposed such that both employee readiness and acceptance of AI significantly affect AI and SDG adoption, as well as NFP. The study thus finds evidence of a pathway from employee engagement with AI to greater SDG adoption, and in turn, improved NFP, highlighting employee attitudes toward AI as a critical enabler of effective AI and SDG adoption and ultimately enhanced NFP.

Key Words:

Artificial intelligence; employee readiness; employee acceptance; AI adoption; SDG adoption; non-financial performance

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.8 Understanding "Unsustainability" Dynamics in the Tourism Industry through Bibliometric Analysis

Tugba Sen Kupeli[1], Ipek Kalemci Tuzun[1], Mehmet Ergul[2], Colin Johnson[2]

1: Baskent University, Turkiye;
2: San Francisco State University, USA

Abstract

The concept of sustainability in the tourism industry continues to gain widespread popularity. Existing literature addresses environmental conservation, socio-cultural preservation, economic viability, and actionable strategies. However, identifying limited resources and actionable strategies from the perspective of unsustainable tourism, including reducing demand within the tourism industry, remains deficient in the literature.

The objective of this research is to examine critical perspectives on sustainability in the tourism industry by combining bibliometric analysis and review of research on unsustainable tourism over a 15-year period. In light of this research purpose, current study addressed these research questions: What are the predominant research, themes and trends regarding unsustainable tourism identified through bibliometric analysis over the past 15 years? What are the implications of unsustainable tourism practices on destinations and the overall sustainability of the tourism industry? How do different regions or destinations in the global tourism landscape contribute to unsustainable practices, and what measures have been proposed or implemented to address these issues?

To identify relevant citations on unsustainability, bibliometric parameters were analyzed using R studio software. From 2006 to 2023, a reflection of 42 publications appeared in the WOS (Web of Science) collection for the topic "unsustainability" and "tourism". A comprehensive analysis including titles, abstracts, authors, sources, cited references, keywords, and institutes of relevant literature was carried out. In order to identify relevant citations and concerns on unsustainability in the tourism industry, several bibliometric parameters were analyzed using R software. Data were comprised of research that was published between 2006 and 2023. Future studies will therefore be able to see different perspectives about unsustainability in the literature, critical issues about sustainability and distribution, in addition to changes in its underlying intellectual structure and thematic emphasis in unsustainable resources.

Results of the analysis indicated that unsustainable tourism gained the most attention in 2020-22 with the major issues including the over-exploitation of natural landscapes, the commodification of culture, and the marginalization of communities. The analysis reveals a nuanced network structure characterized by seven distinct clusters including, management, patterns, tourism, sustainability, politics, policy, and conservation. There is a need for scholarly research to examine unsustainability in more detail and effective strategies can then be developed to protect unsustainable resources.

Key Words:

Unsustainability, Tourism, Sustainability, Bibliometric, Natural resource, Cultural heritage, Climate change.

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.9 Business Model Innovation and Sustainability of French Hospitality SMEs: The Mediating Role of Effectuation

Nathalie Sarrouy-Watkins[1] | ORCiD: 0009-0006-0175-2580, Ababacar Mbengue[2] | ORCiD: 0000-0002-2017-728X

1: Ecole Ferrandi Paris, France;
2: Université de Reims, France

Abstract

This article explores the impact of Business Model Innovation (BMI) on the sustainability of French hospitality SMEs, specifically focusing on the mediating role of effectuation in the context of the COVID-19 crisis. SMEs, particularly in the hospitality sector, faced severe disruptions during the pandemic. The study examines whether SMEs that engaged in BMI also mobilised effectual logic, contributing to economic, social, and environmental sustainability. While previous research has separately linked BMI, effectuation, and sustainability, this study aims to integrate these elements, considering the complex relationships in a crisis situation. The findings suggest that effectuation acts as a mediator, positively connecting BMI with sustainability. The study contributes theoretically, methodologically, and managerially, emphasising the importance of effectuation in achieving sustainability amid crisis-driven BMI. Limitations include the cross-sectional nature and potential memory biases. Future research may explore this causal sequence beyond crises and in different contexts.

Key Words:
Business Model Innovation, SME, Hospitality, Sustainability, Effectuation

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.10 Green Tourism: Behavioral Segments of Sustainable Tourists and Their Attractivity as Target Segments

Matthias Fuchs[1], Valentina Clergue[2]

1: EHL Hospitality Business School, Switzerland;
2: EHL Hospitality Business School, HES-SO University of Applied Sciences and Arts Western Switzerland

Abstract

Considering the current environmental crisis, understanding and promoting environmentally sustainable consumer behaviors is of great importance. Even though academic scholars have discussed different sustainable behaviors. Thus, this research aims to comprehensively analyze latent definitions of sustainable hospitality experiences that tourists in Switzerland demand. We use semi-structured interviews and a representative survey with tourists who have stayed in Switzerland. First, our findings provide valuable information for Swiss hospitality actors, allowing them to adapt their offers and marketing strategies to fit customers' sustainability requirements. Second, our method may serve as a blueprint to replicate this analysis for other geographies and categories. Given the numerous signals showing consumers' increasing demand and willingness to pay for sustainable tourism, understanding what kind of sustainable hospitality offers consumers wish to buy and how these should be communicated pre- and post-purchase depending on the targeted segment is a prerequisite for businesses to maximize their potential benefits.

Key Words

Green Consumer, Sustainable Hotel Offers, Guest Satisfaction.

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

* EuroCHRIE 2024 Best Paper Award Second Runner-up

8.11 A partnership between industry and university to promote "Social Sustainability": The Case of the South Beach Food & Wine Festival (SOBEWFF) in Florida, USA

Jinlin Zhao

Florida International University, United States of America

Abstract

The partnership between a private company and a public university is crucial for achieving the United Nations' Sustainable Development Goals (SDGs) by 2030. This case study examines the South Beach Wine & Food Festival (SOBEWFF), organized by Southern Glades Wine & Spirits in collaboration with the Chaplin School at Florida International University (FIU) over the past 23 years. The festival, now the largest food and wine event in the United States, exemplifies a successful model of industry-university partnership promoting social sustainability.

The literature review highlights the significance of university-industry partnerships in enhancing educational outcomes and fostering sustainable practices. Previous studies have emphasized the role of such collaborations in promoting social sustainability and meeting SDGs 4, 5, 8, 12, and 17. However, limited research has focused on the impact of food and wine festivals on social sustainability, making this case study unique.

Employing a qualitative case study methodology, this research utilized triangulation through interviews, observations, and document analysis to explore the evolution and impact of the SOBE Festival. It investigates critical factors contributing to the festival's success and its alignment with SDGs, particularly in education, gender equality, economic growth, responsible consumption, and partnerships.

Results indicate that the partnership has evolved through seven stages, significantly contributing to local economic development and educational enrichment. The festival serves as a platform for FIU's hospitality students to gain practical experience, with over 1200 volunteers annually. It supports SDG 5 by promoting women's leadership in the culinary industry and SDG 8 by fostering micro-enterprises and sustainable tourism.

Moreover, SOBEWFF actively engages in waste reduction efforts (SDG 12) and promotes multi-stakeholder cooperation (SDG 17), exemplifying its commitment to social sustainability. Initiatives like the "Food Rescue" program demonstrate the festival's efforts to address food waste and support local communities.

In conclusion, the SOBE Festival underscores the transformative potential of industry-university partnerships in promoting cultural and social events that contribute to sustainable tourism development. It serves as a replicable model for other communities seeking to enhance social well-being and achieve sustainable development through collaborative initiatives. This research provides *valuable insights into leveraging partnerships for educational enhancement, economic growth, and social equity, aligning with global sustainability goals.*

Key Words
Industry-University Partnership, Social Sustainability, Food And Wine Festivals, Sdgs, Educational Enhancement

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.12 Applying Activation Theory to fear-appeal video design to understand the influence of arousal on ascribed responsibility and pro-environmental intentions of vacationers to coral reef destinations

Courtney Suess, Omar Youssef

Texas A & M University, United States of America

Abstract

This study applied Activation Theory to explore levels of planned tourists' emotional arousal stimulated by watching fear-appeal videos on coral reef degradation and environmental restoration. Three video conditions manipulating fear-appeal messaging content with higher or lower proportions of content focused on either threats to coral reefs from climate change and human impacts or reassurance about coral reef restoration through environmental organizations and human volunteer efforts were presented to a panel of U.S. respondents who indicated they were likely to take a vacation to a coral reef destination in the next 5-years (n= 611). States of arousal increased ascribed responsibility which, in turn, significantly increased willingness to engage in both passive and active pro-environmental activities when on a vacation in a coral reef destination. Among conditions tested, the fear-appeal video with highest proportions of reassurance and lowest proportions of threat messaging demonstrated significantly more potent effects (overall model R2=.67).

Key Words:
Activation Theory, Coral Reef Restoration, Fear-Appeal, Pro-Environmental Behavior, Arousal, Ascribed Responsibility

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

*Winner of the EuroCHRIE 2024 Best Paper award

8.13 Moving the Goal Posts: What Can Hospitality Management Learn from Indigenous Worldviews?

Henri Kuokkanen, Ksenia Kirillova

Institut Lyfe, France

Abstract

With planetary boundaries transgressed and global biodiversity in crisis, humanity must find new solutions to old problems. Traditional ecological knowledge from Indigenous Peoples offers a more ecologically sustainable alternative to the dominant Anthropocentric perspective. Instead of perceiving nature as merely a resource to be freely exploited by humans, the notions of kinship and reciprocity propose a more respectful relationship with our planet. Hospitality management should pay heed to these ideas in two ways. First, non-human counterparts in nature should be considered in decision-making as stakeholders whose interests are worthy of respectful consideration and are interdependent with our own. Second, a progressive hospitality company should aim at not only transforming itself and its relationship to the natural world, but also offer exposure to Indigenous worldviews as part of their guests' experiences to open the door for them to join in this transformation.

Key Words:

Environmental sustainability, ecology, Indigenous Peoples, hospitality management, ethics, Anthropocene

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.14 The Art of Discomfort: Why our actions are not in accordance with our sustainable beliefs

Willy Legrand, Rosemarie Delgado-Krebs

IU International University of Applied Sciences, Germany

Abstract

This conceptual paper explores the 'Art of Discomfort' in the context of sustainable living, investigating the prevalent intention-action gap often observed in the journey towards a more sustainable lifestyle. Drawing on cognitive theories, a sequential model is proposed to understand why individuals often resist translating sustainable intentions into tangible actions. This model maps the journey from acknowledging the disparity between current and desired lifestyles to embracing the discomfort associated with substantial change, factoring in influences like the bystander effect and personal lifestyles. The importance of personal responsibility in overcoming cognitive obstacles towards adopting sustainable behaviours is discussed. This paper argues that embracing discomfort is an integral catalyst for bridging the intention-action gap and fostering sustainable living.

Key Words:

Sustainability, Discomfort, Change, Ecological Behavior, Cognitive Dissonance

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.15 **Rethinking Mega-Tourism Development in the Face of Climate Change in the GCC**

Manuela Gutberlet | ORCiD: 0000-0002-8804-0423

Breda University of Applied Sciences, The Netherlands

Abstract

This conceptual paper explores the 'Art of Discomfort' in the context of sustainable living, investigating the prevalent intention-action gap often observed in the journey towards a more sustainable lifestyle. Drawing on cognitive theories, a sequential model is proposed to understand why individuals often resist translating sustainable intentions into tangible actions. This model maps the journey from acknowledging the disparity between current and desired lifestyles to embracing the discomfort associated with substantial change, factoring in influences like the bystander effect and personal lifestyles. The importance of personal responsibility in overcoming cognitive obstacles towards adopting sustainable behaviours is discussed. This paper argues that embracing discomfort is an integral catalyst for bridging the intention-action gap and fostering sustainable living.

Key Words:

Sustainability, Discomfort, Change, Ecological Behavior, Cognitive Dissonance

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.16 **Effects of Perceived Benefit, Perceived Risk and Trust on Cloud Kitchen Customers' Behavior Intention**

Yevvon Yi-Chi Chang[1], Eyvonne Ee Wen You[2], Hsin-Ning Kuo[2], Tzu-Ting Chen[3], Yeh-Hua Fan[2]

1: Program of International Business Administration, Tunghai University, Taiwan;
2: Department of Hospitality Management, Tunghai University, Taiwan;
3: Department of Business Administration, National Yunlin University of Science and Technology, Taiwan

Abstract

In the post-pandemic era, the restaurant industry faces challenges due to shifts in consumer behavior and increased demand for takeout/delivery services. To adapt to this evolving landscape, businesses are turning to "cloud kitchens." This study employs prospect theory to examine how Taiwanese consumers' awareness of cloud kitchens influences perceived benefits, risks, and trust, subsequently affecting their willingness to engage in consumption. 290 online questionnaires were distributed, with 250 considered valid (86.2% response rate). SPSS 24 and Amos 24 software were used for analysis. The findings show that consumer awareness positively correlates with perceived benefits and trust, influencing consumption willingness. This suggests that perceived benefits and trust act as mediators between awareness and consumption willingness. However, perceived risk does not exhibit mediating effects. These insights have valuable implications for marketing strategies in the restaurant industry.

Key Words:

Cloud Kitchen, Prospect Theory, Customer Knowledge, Perceived Benefit, Perceived Risk, Trust

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.17 **Customer and Manager Perspectives of High-tech and High-touch for Personalisation in Hotels**

H.Kader Şanlıöz-Özgen[1], Alisha Ali[2]

1: Özyeğin University, Turkiye;
2: Sheffield Hallam University, UK

Abstract

Technology provides opportunities to offer higher personalisation to customers in hotels. However, the question of how the essence of hotel services is integrated into technology to create a high-tech vs high-touch experience remains unanswered. The study focuses on the interplay between hospitality (high-touch) and technology (high-tech) for personalisation in hotels. The research was designed as an embedded multiple case study, and this paper reports the findings of a pilot study, which included interviews with five hotel managers and four customers. The major finding is that high-touch is the indispensable extension of high-tech to offer effective personalisation for sustainable outcomes such as customer delight, loyalty, and financial returns. Moreover, personalisation is offered differently at the brand-, class-, and property level based on the use of high-tech and high-touch in the algorithmic and authentic personalisation axes.

Key Words:

High-tech high-touch, hotel businesses, customer experience, personalisation, sensemaking, sensegiving

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.18 **Using Socio-Cognitive Mindfulness to Enhance the Hotel Guest Experience**

Valentina Clergue[1], Yasemin Oruc[2]

1: EHL Hospitality Business School, HES-SO University of Applied Sciences and Arts Western Switzerland;
2: Hotelschool The Hague

Abstract

This research paper explores the integration of socio-cognitive mindfulness into hotel well-being offerings, responding to the increasing demand for unique and memorable experiences in the tourism industry. As consumer expectations evolve, enhancing guest well-being has become an important factor in boosting guest satisfaction and economic returns. The results of an online experiment showed that indeed participants in the mindfulness condition scored significantly higher on constructs of interest such as the attitude toward the hotel, and the rating of the hotel among others. Overall, we show that incorporating socio-cognitive mindfulness into the well-being offer of a hotel can substantially improve the guest experience and perceived well-being after the stay.

Key Words:

Enhancing Guest Experience, Enhancing Guest Well-Being, Socio-Cognitive Mindfulness

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.19 Interdisciplinary Collaborative Learning: Case of Hotel Management and Interior Architecture-Environmental Design Undergraduate Programs

Zeynep Ceylanlı, H.Kader Şanlıöz-Özgen

Özyeğin University, Turkiye

Abstract

Hospitality and tourism offer fruitful field for interdisciplinary projects. The most critical component enhancing service and usability of tourism investments, including hotels, is the perspective focused on spatial design and interior architecture (IA). Hotel management (HM) and IA are applied higher education programs which involve young individuals studying in two distinct directions: the former focusing on operations and the latter on creativity-design. An interdisciplinary collaborative educational environment will enable HM and IA students to collaborate on a project by sharing knowledge and experiences to become professionals with competencies in both areas. This paper presents the findings of the pilot study of an interdisciplinary collaborative research project aimed at developing an educational model for higher education institutions by uniting students from two applied programs with different orientations. Findings from a focus group interview with eight undergraduate students offer an extensive understanding of the strengths and challenges of such a learning method.

Key Words:

Collaborative learning, Interdisciplinary learning, Hotel management, Interior architecture and environmental design, Higher education, Undergraduate programs

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.20 An Advanced Restaurant Classification Framework from a Taxonomical Perspective

H.G. Parsa[1], Barry Shuster[2], Milos Bujisic[3], David Corsun[4], Jean Peirre van der Rest[5]

1: University of Denver;
2: North Carolina Central University;
3: New York University;
4: University of Denver;
5: Leiden University

Abstract

A theoretically supported restaurant classification system based on the hedonic and utilitarian consumption concept was presented earlier. It received some empirical support from a panel of hospitality educators and food journalists. However, it classified the U.S. restaurant industry into only four major categories, which is inadequate to describe over 1.1 million restaurants in the USA. The current study addresses that limitation and extends the classification model by identifying eight distinct restaurant types characterized by service quality, food quality, ambiance, and business model. This advanced model is based on the theory of utilitarian and hedonic consumption and the fact that many restaurant concepts blend both hedonic and utilitarian guest experiences proportionately. The advanced model overcomes some of the limitations of the earlier version by accommodating greater nuances in guest experiences, presenting eight restaurant types: Ultra-Hedonic, High Hedonic; Moderately Hedonic; Utilitarian, Moderately Utilitarian; High Utilitarian; Ultra-Utilitarian.

Key Words:

Collaborative learning, Interdisciplinary learning, Hotel management, Interior architecture and environmental design, Higher education, Undergraduate programs

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.21 The Influence of Tour Guides Communication Competences and Service Quality on Inbound Tourists Experience, Satisfaction, and Revisit Intention

Dawood Al Jahwari | ORCiD: 0009-0009-7326-2179

German University of Technology in Oman, Oman

Abstract

This research investigates the influence of Omani tour guides communication competences and service quality on inbound tourists' experience, satisfaction, and revisit intention. As tourism has emerged as a crucial element of the Sultanate of Oman economic diversification strategy, it is worth investigating all factors relevant to this service sector stakeholders. Tour guides are cultural ambassadors who play a vital role in creating memorable tourists' experiences, enhancing tourists' satisfaction and image creation because of their close relationship with tourists. The research will provide a comprehensive understanding of the influence of Omani tour guides' communication competences and service quality on inbound tourists' experience, satisfaction, and revisit intention. The research will first conduct two focus groups with both international tourists and tour guides for measurement scale development purpose. Then, data will be collected from major inbound tourists who visited the Sultanate of Oman and used the tour guiding service.

Key Words:

Tour Guides, Communication Competences, Service Quality, Tourists Experience, Satisfaction, Oman

Track: The New Customers Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.22 The Impact of Crisis On Purchasing Habits in Muscat: A Case of COVID-19

Fatima Khalil Al Farsi

German University of Technology, Oman

Abstract

This research investigates the influence of Omani tour guides communication competences and service quality on inbound tourists' experience, satisfaction, and revisit intention. As tourism has emerged as a crucial element of the Sultanate of Oman economic diversification strategy, it is worth investigating all factors relevant to this service sector stakeholders. Tour guides are cultural ambassadors who play a vital role in creating memorable tourists' experiences, enhancing tourists' satisfaction and image creation because of their close relationship with tourists. The research will provide a comprehensive understanding of the influence of Omani tour guides' communication competences and service quality on inbound tourists' experience, satisfaction, and revisit intention. The research will first conduct two focus groups with both international tourists and tour guides for measurement scale development purpose. Then, data will be collected from major inbound tourists who visited the Sultanate of Oman and used the tour guiding service.

Key Words:

Tour Guides, Communication Competences, Service Quality, Tourists Experience, Satisfaction, Oman

Track: The New Customers Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.23 Empowering Smartworkers in the Hospitality Environment through Gamified Digital Twins

Lidia Aguiar-Castillo[1] | ORCiD: 0000-0002-9938-0386,
Yamel Henriksen[2] | ORCiD: 0009-0007-0366-3634,
Rafael Perez-Jimenz[1] | ORCiD: 0000-0002-8849-592X

1: Universidad de Las Palmas de Gran Canaria, Spain;
2: AHlEI

Abstract

Existing work on senior lifestyle mobilities in China has predominantly focused on therapeutic landscape imaginaries and second-home cities. This paper shifts the focus to the group-oriented lifestyle pursuits of Chinese urban seniors who temporarily reside in rural areas for extended vacations. By interviewing Chinese senior long-stay tourists in rural destinations, this study examines how their decisions to engage in long-stay tourism are driven by the quest for a communal leisure lifestyle characterized by group living routines and a sense of camaraderie. Our findings highlight the role of geo-arbitrage in facilitating and accommodating these group-oriented mobility patterns among senior tourists. Yet, their mobile later life experiences are also marked by precariousness and vulnerability due to individual and group-level health decline, as well as the disparities in senior care services between urban and rural regions in China.

Key Words:
Senior tourists, long-stay tourism, lifestyle mobilities, geo-arbitrage, rural destinations, China

Track: The Employees' Perspective Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.24 Gender Distribution of Job Titles in the Hospitality Industry: a Scattertext Analysis

Amy Kitchiner[1], Mădălina Elena Ursache[2], Evelien Vlijm[3], Clint Wolfs[4], Martijn Zoet[4]

1: Sea Containers London;
2: Sircle Collection;
3: EIGENTIJDSERF;
4: Zuyd University of Applied Science, The Netherlands

Abstract

From the purpose of segregating labor to conferring status, the proliferation of job titles across international markets has been a detrimental factor in creating confusion amongst practitioners. The inconsistent use of job titles within companies in the hospitality industry also impacts the ability to analyze trends regarding gender equality. Thus, the following study aims to evaluate the gender distribution of job titles across time in the hospitality industry, by using standardized versions of job titles. A data set of 22,063 job titles has been collected and analyzed. Results show that job titles like "vice president of operation", "senior vice president", "executive vice president" and "vice president", have been very volatile in terms of gender inequality during the period 2018-2022. Moreover, results indicate that while the job titles with the most gender inequality are relatively constant, the job titles with the least gender inequality are mostly different each year.

Key Words:
Job Titles, Diversity, Gender Equality

Track: The Employees' Perspective Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.25 **Post-COVID-19 Effects on Dutch Hotel Industry: the Role of Competence and Relatedness on Staff Retention**

Sofiia Norenko, Emmah Muchoki, Vanessa de Oliveira Menezes, René Rijnders

Wittenborg University of Applied Sciences, The Netherlands

Abstract

The paper explores potential changes in employee motivation for retention within the Dutch hotel industry after the COVID-19 pandemic applying the Self-Determination Theory to examine competence and relatedness. An online survey was designed and administered to 298 Dutch hotel staff members. The employees were categorised into two groups — managerial and non-managerial workers — taking into account their distinct job responsibilities. The findings indicate that both groups have assigned increased significance to intrinsic elements of competence and relatedness post-pandemic. Based on the quantitative and qualitative results, recommendations were provided for supervisors, HR managers, and other policymakers in the Dutch hospitality industry to enhance employee retention in the sector.

Key Words:

Hospitality, Dutch Hotel Staff, Post-COVID-19, Competence, Relatedness

Track: The Employees' Perspective Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.26 **Female migration, emotional labour and the hospitality industry in Qatar**

Gulbahar Abdallah

Al Rayyan International University College, Qatar;

Abstract

The study examines the intersections between migration, gender and emotional labour in the hospitality industry in Qatar and draws on an ethnographic study of a five-star hotel, including interviews with female migrant workers, and observations of service encounters between these workers and customers.

Findings illustrate the ways in which women's experiences of migration affect their ability to 'surface act' or 'deep act' in encounters with customers. Migrant women are often separated from their families and support networks, requiring additional layers of emotion management. Emotional labour becomes particularly binding for migrant women. This then places additional responsibilities onto hospitality organisations to support female migrant employees to cope with the challenges of emotional labour.

Although the concept of emotional labour has been widely applied to understanding work in the hospitality industry, the intersections between female migration and emotional labour have not previously been examined.

Key Words:

Emotional labour, Female migrant, Hochschild, Hospitality, Qatar

Track: The Employees' Perspective Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

*EuroCHRIE 2024 Best Paper Award First Runner-up

8.27 Restaurant Revenue Performance: Introducing Segment-Based and Industry-Specific CompSets Using Key Performance Indicators

H.G. Parsa[1], Scott Smith[2], Badraoui Badr[2], Tim Webb[3], Milos Bujisic[4]

1: University of Denver, United States of America;
2: University of South Carolina, USA;
3: University of Delaware, USA;
4: New York University

Abstract

The restaurant industry experiences a high level of business failures compared to other industries. Such a high failure rate significantly negatively affects the owners, employees, providers, lenders, and even the community. It is not only an individual distress issue but also a public policy issue. The hotel industry enjoys the benefit of CompSets developed by STR, but unfortunately, no such tools are available to the restaurant industry. To overcome this limitation and help the restaurant industry, the current study presents an innovative CompSet model specifically developed for the restaurant industry. It was developed in cooperation with restaurant professionals, consultants, and scholars. The presented restaurant CompSet model is distinctly different from the hotel CompSet model developed by STR. The initial results are very encouraging, and it is believed that this could be considered a useful metric in helping the restaurant industry determine competitiveness.

Key Words:

Restaurants; CompSets; Revenue Management; Analytics; Public policy

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.28 **Development and sustainability of senior tourism market in China: The policy perspective**

Jiaying Lyu, Xueyu Wang, Daisy Fan

Hangzhou City University, People's Republic of China

Abstract

This article conducts a multi-dimensional content analysis of policy documents issued by the Chinese central government, relevant ministries, and commissions from 1996 to 2023, aimed at analyzing the evolution and salient characteristics of China's senior tourism development policies. The key findings are as follows: (1) The first policy pertaining to senior tourism was promulgated in 1996, with policy quantity and intensity exhibiting sluggish growth until 2010 and an explosive increase after 2016; (2) From the perspective of policy instruments, demand-side tools were prominently favored, with relatively less emphasis on supply-side and environmental measures; (3) The ministries issuing the highest number of policies were the Ministry of Culture and Tourism, the Ministry of Transport, and the National Development and Reform Commission; (4) Three overarching policy themes emerged: "government supply and management" "senior tourism needs and issues" and "policy support and adaptation renovation".

Key Words:

Senior Tourism, Policy, China

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.29 **The Economic Effects of Covid-19 on the Hospitality Industry**

Isabella Blengini, Cindy Heo, Augusto Hasman

EHL Hospitality Business School, HES-SO, University of Applied Sciences and Arts Western Switzerland, Switzerland

Abstract

The COVID-19 pandemic was an unprecedented global event, experienced simultaneously worldwide. In response, each country enacted a range of policies, encompassing not only health measures to mitigate the impact of COVID-19 but also diverse social and economic policies. This paper examines the impact of various policy measures implemented by governments on the performance of the hospitality industry. Using a panel of 38 countries between 2020 and 2022, we analyze how long it took to policies to produce positive effects on the occupancy rate and which policies or policy-mix have proved more effective. The analysis studies the effects of policies, considering several additional factors like the phase of the business cycle and the degree of uncertainty in the markets.

Key Words:

Covid-19, Economic Performance, Government Interventions, Uncertainty.

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.30 **Facial Masculinity and Global Strategy: The Impact of CEO Traits and Corporate Governance on Hospitality Firms' Internationalization**

Khoa D.B. Tang[1] | ORCID: 0000-0002-3541-4233, Hyoung Ju Song[2]

1: The Pennsylvania State University, United States of America;
2: University of Central Florida, United States of America

Abstract

This study examines the impact of CEO facial masculinity, measured by the facial width-to-height ratio (fWHR), on the internationalization strategies of hospitality firms, while also considering the role of corporate governance structures. Our analysis reveals that higher fWHR, indicative of traits such as aggression and risk-taking, significantly correlates with a greater propensity to pursue international expansion. The study further identifies that CEO compensation and duality enhance the influence of facial masculinity on internationalization decisions. However, contrary to initial hypotheses, CEO tenure does not significantly moderate the relationship between fWHR and internationalization, suggesting that the experience length does not impact the strategic use of inherent CEO traits for international expansion. These findings underscore the importance of aligning CEO traits with corporate governance mechanisms to effectively navigate global market strategies.

Key Words:

CEO Facial Masculinity, Internationalization, Corporate Governance, CEO Compensation, CEO Duality

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Full Paper

8.31 **How do I teach a graduate course of global issues in the hospitality and tourism industry**

Jinlin Zhao

Florida International University, United States of America

Abstract

The course uses a student-centered learning approach. The course offers students an opportunity to enhance their analytical and interpretive skills and develop a Business Intelligence System through environmental scanning activities. The activities assist students to identify the driving forces and impact on the global hospitality and tourism industry. Students will identify and analyze the competitive strategies devised by the hospitality and tourism leaders in responding to the challenges in the global business environment.

Key Words:

Environment scanning, Business Intelligence System, Competitive strategies, Student-centered approach

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Lecturer's Lounge

8.32 **Autoethnographic Journeys Through a Fulbright Experience in Vietnam**

Eric D. Olson

Metropolitan State University of Denver, United States of America

Abstract

The U.S. Fulbright Scholar Program (USFSP) provides an opportunity for hospitality academics, including those from other countries, to conduct a meaningful project in hospitality with an international organization. Guided by theories of cultural exchange, intercultural competence, and peace education, this study utilizes an autoethnography through a personal narrative that highlights a Fulbright program experience with an international university in Vietnam. The themes discussed in this research include Vietnam's resistance to tourism challenges affiliated with COVID-19, cultural exchange and understanding, and challenges endured by the USFSP.

Key Words:

Fulbright Scholar Program, application, autoethnography, international collaborations, Vietnam

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Lecturer's Lounge

8.33 Integration of Smart Sparrow in Teaching Strategic Management Courses

Burcin Turkkan[1], Fevzi Okumus[1], Mehmet Altin[2]

1: University of Central Florida, United States of America;
2: Rosen College of Hospitality Management, University of Central Florida, United States of America

Abstract

This paper explores the integration of Smart Sparrow, an adaptive learning platform, into teaching strategic management course at the undergraduate and graduate levels to enhance student engagement and learning outcomes. By simulating real-world management scenarios, Smart Sparrow allows students to apply strategic management theories and concepts in a controlled environment, with personalized feedback based on their choices. The platform aligns with key learning theories such as Bloom's Taxonomy, Fink's Taxonomy of Significant Learning, and Kolb's Experiential Learning. Through practical examples, we demonstrate how instructors can use Smart Sparrow to facilitate deep, reflective learning while preparing students for the complexities of leadership roles.

Key Words:

Hospitality Education, Strategic Management, Smart Sparrow, Adaptive Learning

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Lecturer's Lounge

8.34 À la Carte Challenges: A Coopetitive Business and Society-Centric Learning Strategy for Solving Critical Problems

Adriana F. Chim-Miki[1], Fevzi Okumus[2], Rui Augusto da Costa[3]

1: Federal University of Campina Grande, Brazil;
2: University of Central Florida, United States of America;
3: Aveiro University, Portugal;

Abstract

This study presents two cases of 'À la Carte Challenge method' employed in teaching. It is a learning strategy combining critical problem-based and coopetition approaches with society-centric focus. It fosters integrative teaching and can be used as a pattern across the program. This approach encourages students to apply theoretical concepts to practical application, develops problem-solving skills, and strengthens university-society connections by addressing real-world challenges.

Key Words:

Society-Centric Learning, Coopetition, Problem-solving skills, University-society, Problem-based learning

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Lecturer's Lounge

8.35 Discovery the mutual relationship on how to development intellectual capital with cross professional perspective

Yung-Chuan Huang[1], Jeou-Shyan Horng[2], Chih-Hsing Liu[1], Sheng-Fang Chou[3], Tai-Yi Yu[4], Yen-Po Fang[5], Jun-You Lin[6]

1: Department of Tourism Management, National Kaohsiung University of Science and Technology, Taiwan;
2: Department of Food and Beverage Management, Shih Chien University, Taiwan;
3: Department of Hospitality Management, School of Tourism, Ming Chuan University, Taiwan;
4: Department of Risk Management and Insurance, Ming Chuan University, Taiwan;
5: Department of Leisure & Recreation Administration, Ming Chuan University, Taiwan;
6: Department of Management and Information, National Open University, Taiwan

Abstract

The post-pandemic aviation market has indeed created new challenges. However, as the burst of travel after the pandemic eased, many new opportunities were created. Airlines now must maintain a high degree of flexibility to quickly respond to changes in market demand. To explore the factors affecting the innovative transformation of the aviation industry and the influencing relationship between the criteria under the related dimensions, after investigating the opinions of a total of 30 experts from the aviation industry, the government and academia, the innovation strategy is established by the fuzzy Delphi method (FDM) and the decision-making trial and evaluation laboratory (DEMATEL). The results of the transformation assessment model help reveal the interactions among the key factors for managers. This study suggests that when the aviation industry undergoes innovative transformation, market orientation and absorptive capacity should be prioritized to reduce the risk of transformation failure.

Key Words:

Intellectual capital; service innovation; absorptive capacity; market orientation; infrastructure flexibility

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.36 Dynamic capability as a critical criterion for innovation transformation of restaurants in the postpandemic period: Developing a novel model with the DEMATEL application

Sheng-Fang Chou, Jeou-Shyan Horng, Chih-Hsing Liu, Tai-Yi Yu, Yung-Chuan Huang, Quoc Phong La

Ming Chuan University, Taiwan

Abstract

In the wake of the pandemic, consumer behaviors, preferences, and expectations have shifted, necessitating the recalibration of restaurant operations and services. This study aims to validate the connections among dynamic capability, organizational culture, absorptive capacity, innovation adoption, performance and restaurants' innovation transformation activities in the postepidemic era. Thirty experts in innovation transformation were consulted, and the fuzzy Delphi method (FDM) and Decision-Making Trial and Evaluation Laboratory (DEMATEL) were utilized to examine and analyze the relationships among dimensions and items in the context of innovation transformation in restaurants. Additionally, strategic development suggestions for future innovation transformation problems in restaurants were provided.

Key Words:

Absorptive capacity, Organizational culture, Innovation adoption, Innovation transformation, Dynamic capability

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.37 Developing Integrated Concepts of New Service Innovation During Pandemic Recovery: An Integrative Analysis from a Professional Standpoint

Chih-Hsing Liu[1], Jeou-Shyan Horng[2], Sheng-Fang Chou[3], Tai-Yi Yu[3], Yung-Chuan Huang[1], Yen-Po Fang[3], I-An Wang[4], Ho Tran Vu[1]

1: National Kaohsiung University Of Technology And Science, Taiwan;
2: Shih Chien University, Taiwan;
3: Ming Chuan University, Taiwan;
4: Tunghai University, Taiwan

Abstract

Employing a combination of qualitative and quantitative methodologies, this study delved into the essential facets of service innovation across diverse industries, including tourism, hospitality, leisure recreation, and the airline sector. The findings underscore that the dynamics of service innovation are intricately linked to both internal and external environments, thereby shaping organizational and customer performance. The study identified pivotal attributes such as absorptive capacity, intellectual capital, big data analysis capability, transformational leadership, service design, digital technology adoption, environmental factors, differentiation, market orientation, information infrastructure, organizational culture, innovation transformation, dynamic capability, and financial performance as critical influencers of service innovation. Furthermore, the multifaceted dimensions highlighted in this study contribute to a comprehensive understanding of how service innovation can be strategically harnessed to navigate and thrive in the evolving landscape of the tourism and hospitality industry.

Key Words:
Service Innovation; Absorptive Capacity, Intellectual Capital; Technology Application

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.38 The impact of perceived organizational support on employees' risk-taking behavior: The moderating role of AI anxiety

Li Ding

Institut Lyfe, France

Abstract

Given the growing adoption of AI technologies in the hospitality industry, the current study aims to explore the significant relationship between employees' perceived organizational support (POS) and their intellectual risk-taking behavior (IRT) as well as the moderating role of employees' AI anxiety in this relationship. The PLS-SEM will be used to analyze the results. The findings will provide hotel industry insights into organizational management and better allocate the company resources to help employees increase their AI competencies.

Key Words:

Perceived organizational support, risk-taking behavior, AI anxiety, hotel

Track: Technology Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.39 **The Inclusion of Disadvantaged Groups as Workforce in Service Sectors: A Systematic Literature Review**

Yi-Chung Yang | ORCiD: 0000-0002-1038-7363,
Bora Kim, Shi (Tracy) Xu

School of Hospitality and Tourism Management,
University of Surrey, Guildford, United Kingdom

Abstract

This review thoroughly examines the integration of disadvantaged groups within service industries and scrutinizes the role of CSR in this process. It underscores CSR's synergy with global social inclusion initiatives and its multifaceted contributions to sustainability, economic stability, and social well-being, including cultural preservation and employee welfare. Despite considerable scholarly attention, gaps persist in addressing the inclusion of disadvantaged groups adequately. The study identifies these gaps and advocates for employing clearer terminology like "disadvantaged groups," aligning with the United Nations' commitment, and extending engagement to groups receiving less attention. Through a systematic literature review, the study identifies prevailing research trends and identifies barriers to inclusion from the perspectives of employers, disadvantaged individuals, and customers. Overall, this review advances the integration of CSR with Diversity, Equity, and Inclusion perspectives in service industries.

Key Words:

Disadvantaged Groups, Corporate Social Responsibility (CSR), Workforce, Inclusion, Systematic Literature Review

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.40 Changing Service Default, Service Unbundling, and Corporate Policy Enforcement

Tiffany S. Legendre[1]| ORCiD: 0000-0002-7948-3281, Wei Wei[2], Seonjeong (Ally) Lee[3], Yue Vaughan[4]

1: University of Houston, United States of America;
2: University of Central Florida, United States of America; 3: Purdue University, United States of America;
4: Kansas State University, United States of America

Abstract

This review thoroughly examines the integration of disadvantaged groups within service industries and scrutinizes the role of CSR in this process. It underscores CSR's synergy with global social inclusion initiatives and its multifaceted contributions to sustainability, economic stability, and social well-being, including cultural preservation and employee welfare. Despite considerable scholarly attention, gaps persist in addressing the inclusion of disadvantaged groups adequately. The study identifies these gaps and advocates for employing clearer terminology like "disadvantaged groups," aligning with the United Nations' commitment, and extending engagement to groups receiving less attention. Through a systematic literature review, the study identifies prevailing research trends and identifies barriers to inclusion from the perspectives of employers, disadvantaged individuals, and customers. Overall, this review advances the integration of CSR with Diversity, Equity, and Inclusion perspectives in service industries.

Key Words:

Disadvantaged Groups, Corporate Social Responsibility (CSR), Workforce, Inclusion, Systematic Literature Review

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.41 **Best Practices in Food Waste Management - How to Involve Guests?**

Klara Morvay Karakas | ORCiD: 0000-0002-6828-2732

Budapest Business University, Hungary

Abstract

Food waste is a significant global issue with far-reaching consequences. According to the United Nations Food and Agriculture Organization (FAO), approximately 1.3 billion tons of food are wasted globally each year. This also means wasting resources such as water, land, and energy that are used in the production. Although several professional organizations drew attention to the hospitality sector's significant role in waste production, thus raising consumer awareness of its magnitude and societal importance, it has attracted insufficient attention to-date.

On this poster, we present the results of two experiments in which restaurants drew guests' attention to this problem and measured the effect of raising awareness on the amount of food thrown away. The results support that guests can be involved in food waste reduction measures.

Key Words:

Food Waste, Best Practice, Measurement, Hospitality, Guest Awareness

Track: Sustainability Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.42 Online Travel Community Members' Motivation for Value Co-Creation: Scale Development and Validation

Xiaoyi Xu, Lorna (Xuan) Wang, Bora Kim

University of Surrey, United Kingdom

Abstract

Travel companies are integrating online communities into their business strategies to foster value co-creation with customers. The potential value of online travel communities relies on the level of members' engagement and motivation to participate and contribute. This study proposes a Motivation for Value Co-Creation Scale (MVCCS) for measuring online travel community users' participation in value co-creation activities. Employing a four-stage study with a mixed-methods design, rigorous scale development procedures were established. Phase 1 identified dimensions and initial items through literature review. Phase 2 used exploratory factor analysis to refine the items. Followed by confirmatory factor analysis (phase 3) and the scale's predictive validity in community members' intentions to share information and purchase (phase 4). This research extends the understanding of online community members' motivations for value co-creation. Furthermore, it provides implications for online travel companies to use MVCCS to measure their customers' motivation of contributing to value co-creation activities.

Key Words:

Motivation to participate, Self-determinant theory, online travel community, value co-creation, scale development

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.43 **"Namaste!" Like a local - Demonstration of cross-cultural adaptation by foreign travel vloggers in India: Exploring the emotional solidarity of the natives through online interactions.**

Aiwa Romy[1], Anjusha P P[2]

1: British University Vietnam, Vietnam;
2: School of Tourism Studies, Mahatma Gandhi University, India

Abstract

Even though cross-cultural adaptations of tourists have been subjected to previous studies, the responses of the natives upon such demonstrations are least explored especially from the perspective of cultural tourism impacts. Through qualitative analysis of videos, and online interactions, this conceptual paper would explore the extent of emotional solidarity among natives that resonates alongside the cross-cultural adaptations demonstrated by foreign vloggers on social media.

Key Words:

Cross-cultural adaptation, foreign vloggers, cultural tourism, emotional solidarity, parasocial

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.44 **Dark sky friendly hotels as an example of sustainable tourism**

Anna Dłuzewska[1], Grzegorz Iwanicki[2]

1: Durban University of Technology, South Africa;
2: Institute of Social-Economic Geography and Spatial Management at Maria Curie-Skłodowska University, Lublin, Poland

Abstract

Light pollution is a significant problem in urbanising societies around the world. The increase in artificial light sources, especially in urban and peri-urban areas, leads to numerous negative consequences for the environment, human health and quality of life. Among the facilities generating artificial light at night (ALAN) are hotels, which by their very nature and function often operate with lighting throughout the night. The light emitted by hotels affects not only the external environment, but also potentially the comfort and health of guests and staff (Iwanicki et al., 2024).

The issue of light pollution in the aspect of accommodation facilities has not often been discussed in the scientific literature (Iwanicki et al., 2024). Some publications have analysed the environmental impact of artificial light emitted by hotels and resorts, especially in coastal areas (e.g. Verutes et al., 2014). Few publications concerned light intensity measurements on building facades (e.g. Skiadopoulos et al., 2022). Dark sky friendly hotels are tourist facilities that take specific measures to reduce light pollution and have an exceptional or distinguished quality of starry nights and a nighttime environment (DarkSky, 2024). These measures are not only aimed at minimising the impact of artificial light on the surroundings, but also to ensure that guests can experience an unpolluted, natural night sky. In order to achieve a certificate, hotels must meet certain criteria and standards, which are usually monitored and certified by the relevant organisations.

Key Words:
Hotels, Light pollution, Dark sky, Sustainable lighting, Sustainable tourism

Track: Customer Experience Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

References

Iwanicki, G., Tabaka, P., Dłużewska, A., (2024). Light pollution in accommodation facilities: main sources and measurement methods. In. K. Szlachetko (Ed.), Sustainable outdoor lighting policy. Legal, policy, environmental and technical aspects (in Polish), Gdańsk Univeristy Press.

Skiadopoulos, G., Sigala, C., Papalambrou, A., Balafoutis, Th., Kakogiannis, N., Doulos, L.T., (2022). Façade lighting of hotel buildings: Integration in the city and their impact on light pollution. In. IOP
Conference Series: Earth and Environmental Science, vol. 1123, Athens 2022, s. 012041.

Verutes, G.M., Huang, C., Estrella, R.R., Loyd, K. (2014). Exploring scenarios of light pollution form coastal development reaching sea turtle nesting beaches near Cabo Pulmo, Mexico.

Global Ecology and Conservation, 2, pp. 170-180.

8.45 **Building Bridges in International Education: Teaching Sustainable Tourism Development in Greenland and the USA**

Tracy Michaud

University of Southern Maine, United States of America

Abstract

As Greenland anticipates an increase in American tourism in the coming years, the Arctic Education Alliance (AEA) partnerships between Greenland and Maine, USA have resulted in several innovative community-based action research projects at UNESCO World Heritage Sites that teach students sustainable tourism development tenants by engaging them as tourists and as community members. It is argued that this type of research approach, which relies on international collaboration, strengthens recommendations for tourism development and management, including the indigenization of tourism education while also building leadership and creative problem-solving skills in the stewards of tomorrow's tourism industry. In teaching a sustainable approach to tourism development through long-term international collaborations with community partners and higher education institutions, the AEA strives to create space for building bridges and sharing capacity in sustainable tourism initiatives.

Key Words:

Sustainability, Tourism Management, Arctic, Tourism Education

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.46 **Impact of Internships in Higher Tourism Education on Tourism and Hospitality Graduates Career Paths**

Daniela Wagner

Vienna University of Applied Sciences for Management & Communication, Austria

Abstract

This poster presents the findings of a mixed methods study about the impact of a mandatory internship in Higher Tourism Education and its effect on the employability of tourism and hospitality graduates in Vienna. An online survey and a focus group discussion with tourism bachelor graduates were used to examine the impact of a mandatory internship on their career plans as well as on their employability. The results show that graduates have no difficulties entering professional life after graduation. Furthermore, it is indicated that the duration before starting the first job was significantly shorter for graduates who did their internships according to their career plans in their preferred tourism sector than for graduates who did not do their internships in line with their career plans.

Key Words:
Internship, Practical Experience, Tourism Higher Education, Career Plan

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.47 Information Pit Stop: Leveraging Microlearning for Quick & Impactful Hospitality Training

Shams Uz Zaman1, Ivan Ninov2

1: Consultant;
2: Executive Dean, Al Rayyan International University College.

Abstract

This research explores the impact of 'Microlearning' (ML) as a training tool within the hospitality industry, focussing on its ability to provide accessible knowledge while addressing time management constraints faced by employees. Through a mixed-method approach, qualitative interviews were conducted with 20 training specialists, revealing five key attributes that make ML particularly effective: accessibility, time management, activity diversity, assessment, and performance impact. A subsequent quantitative survey involving 100 hotel employees assessed their perceptions of these attributes. The findings show that ML is well-received, especially for its time efficiency and accessibility, which accommodate the demanding schedules of hospitality employees. However, the study also highlights generational differences in perceptions of ML's time-saving potential. By assessing participants' feedback, this study offers insights into the design and deployment of ML to optimise training outcomes and proposes strategies for integrating ML into broader hospitality training programmes.

Key Words:

Microlearning, Hospitality Training, Employee Development, Training Technology, Knowledge Retention

Track: Education Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

*EuroCHRIE 2024 Best Poster Award

8.48 **Stacking the bricks of Thriving: A LEGO® SERIOUS PLAY® investigation of thriving at work in hospitality**

Anita Manfreda[1] | ORCiD: 0000-0002-5280-9229,
Anastasia Kulichyova[2] | ORCiD: 0000-0001-9467-0213,
Amanda Ting[1] | ORCiD: 0000-0001-5631-9051

1: Torrens University Australia;
2: Queen's University Belfast

Abstract

The concept of Thriving at Work (TAW) is increasingly attracting attention in both academic and industry circles, particularly within the organisational setting of the hospitality sector, which faces notable challenges related to its workforce. Despite the growing body of research, the individual and contextual factors influencing TAW in the hospitality sector, including its barriers and enablers, have been understudied. This research seeks to explore the notions of TAW from the combined perspectives of hospitality frontline staff and managers. Utilising LEGO® SERIOUS PLAY®-elicited focus groups, this study enhances our understanding of TAW within the hospitality industry, contributing to positive organizational psychology and sustainable human resources management both in theory and practice. Furthermore, it aims to provide practical recommendations for industry practitioners and policymakers to improve employee well-being and performance, offering strategies specifically designed for hospitality work and its workforce.

Key Words:

Thriving at work, Hospitality workforce, Sustainable HRM, Employee well-being, LEGO® SERIOUS PLAY®

Track: The Employees’ Perspective Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.49 **How job insecurity affects new and veteran employees differently: the crucial role of supportive leadership**

Mahlagha Darvish

The Hong Kong Polytechnic University, Hong Kong S.A.R. (China)

Abstract

The study examines the impact of quantitative and qualitative job insecurity (JI) on employees' subjective well-being (SWB) and performance in the creative and eco-creative domains. It uses social information processing, sensemaking, and conservation of resources theories to understand these relationships. The study also investigates how supportive leadership (SL), considering employees' length of service, moderates the effects of JI on performance and well-being. The data was collected from Chinese hotel workers. The findings suggest that SWB partially mediates the relationship between qualitative JI and eco-creative performance. Qualitative JI and SL significantly influence SWB and creative performance, but no evidence supports that SL moderates the relationship between quantitative JI, SWB, and performance types. Long-term employees experience slightly lower qualitative JI and its effects. This study highlights the importance of recognizing JI as a significant stressor and its implications for employees' mental health and productivity at work.

Key Words:

Job insecurity, Well-being, Creative/eco creative performance, leadership, Tenure

Track: The Employees' Perspective Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.50 What is the real cost of hospitality businesses' employee turnover?

Anthony Brien[1] | ORCiD: 0000-0002-0398-7408,
Scott Richardson[2], Ioanna Karanikola[3], Shelagh Mooney[4]

1: Lincoln University, New Zealand;
2: Abu Dhabi Hospitality Academy, Les Roches, UAE;
3: Emirates Academy of Hospitality Management, UAE;
4: Auckland University of Technology, New Zealand

Abstract

Employee turnover happens, and while most businesses can tell you their turnover percentage, they cannot tell you how much it costs.

The hospitality industry is known for high employee turnover; with suggested percentage rates over 70% and costing at least 30% of each employee's salary, the financial cost of turnover can be staggering. Still, businesses don't measure turnover cost; instead, accepting turnover without considering its financial (at times unnecessary) negative impact on the business's profits.

The most recent research on employee turnover was in 2014, and the world has changed significantly since then. While research tells us potential turnover causes and solutions, business location, standard and style, and the general state of the economy etc contribute to turnover, but to what level is not known.

Our research questionnaire sets out to understand and update the costs of hospitality employee turnover across various hospitality sectors in New Zealand, Australia and Dubai.

Key Words:
Employee Turnover, Cost, Hospitality, Return On Investment.

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster

8.51 "Yanhuo Chi" (烟火气) and Tourism Experiences: An Everyday Aesthetics Perspective

Jingjing Hu[1], Li Miao[1], Ting Jiang[2], Chunlin Chen[1]

1: University of Macau, Macau S.A.R. (China);
2: University of Jinan, Jinan, Shandong, China

Abstract

In tourism, there is a growing trend towards engaging with the everyday aspects of destinations. This trend is highlighted by the Chinese concept of "Yanhuo Chi", which directly translates to the fire, smoke, and unique mingled aroma produced when people cooked daily meals with firewood. It extends to symbolize the simple yet aesthetically rich atmosphere of everyday life, filled with worldly human emotions and everyday culture of a place. This study utilizes semi-structured interviews and grounded theory to explore tourists' experiences of Yanhuo Chi from the perspective of everyday aesthetics. The findings reveal a framework of the aesthetic qualities of destinations' Yanhuo Chi. It also challenges the conventional limits of "everyday aesthetics", proposing its extension to non-routine environments. This research also has practical implications for enhancing tourists' everydayness experiences and community-based destination management.

Key Words:
Yanhuo Chi, Everyday Aesthetics, Everyday Tourism, Tourism Experience.

Track: General Track

Focus of the Paper: Theoretical/Academic

Type of Submission: Poster