

Innovative Practices as a Key for a Better Management in Tourism Industry

Assoc. Prof. Dr. Nikolay Tsonev

University of National and World Economy, Bulgaria

Svetoslav Kaleychev, Assist. PhD

University of National and World Economy, Bulgaria

Abstract:

The dynamics in socio-economic life raises the need of new organizational and managerial solutions that meet the requirements of contemporary society. Innovative technologies, as part of these solutions, have a major impact on all areas of life and determine the direction of social development. Modern managers and leaders in the economic industry strive to implement the best innovation practices that will be the key for achieving of the maximum results and ultimate goals. In this respect, tourism as a sector of global economic and social importance is aware of the need to implement innovative practices in all tourism activities. International tourism market show specific changes in the actual and potential tourist behavior. These changes are significant and affect all of the participants in the process of formation and realization of the tourism products, producers and distributors. The main goal is connected with the achieving of a more personal experience, inner satisfaction and maximum recovery as expression of the global contemporary trends in the tourism business. In a more dynamic competitive environment, participants in the tourism market must increasingly rely on the implementation and use of innovative technologies that improve management, organizational structure, economic policy and contributing for the success of the tourism companies.

Keywords: tourism, innovation, management

1. Introduction

Today's society lives in an extremely dynamic, comprehensive, full of information and opportunities world. This is due to the growing and determining role of digitization in an increasing number of industrial sectors of the world economy. It should be noted the fact that the modern economy, especially in its practical and applied part, is directing its efforts towards introducing new and innovative practices of production process, organization of business, positioning of production and services and their market consumption. In today's global society, these practices are enormous and the rate at which they change and evolve is extremely large. This remarkably dynamic environment in which the world economy develops also has an impact on the tourism industry. It must be said that travel and tourism industry is one of the world's largest industries with a global economic contribution of over 7.6 trillion U.S. dollars in 2016, which is 10,2% of world GDP. The sector now supports 292 million people in environment – that's 1 of 10 jobs on the planet and it developing is under the strategic impact of modern innovations in all directions of its activities. Due to the broad access of information and the opportunity for global and fast communication, the tourism industry is shaping under conditions of a strong and highly changing competitive environment. These conditions determined the need of implement and use of new and innovative practices and technologies to identify the difference and contribute to success of individual tourism enterprises. It is the extremely complex and highly competitive environment in which modern tourism enterprises develop their activities and it determines the need for creation of a better management and organizational standards, leading for the best management decisions that will be the key to maximizing efficiency. They also lead the introduction of new and innovative practices, which are a direct expression of the contemporary requirements of tourists, regarding used tourist products and services. At this stage, it may be necessary to conclude that modern tourism enterprises are directing their efforts towards for the use of innovative practices that will lead to implementation of better managerial decisions at all stages of management actions.

At a global level, innovation policy is becoming a key factor and a key tool for achieving competitiveness in tourism. Changes in tourism supply as a result of globalization processes lead to new challenges for the tourism business in Bulgaria as well. The short and long-term development policies should be rethought by the market participants, regarding the new conditions.

World tourism trends pose to the state policy in Bulgaria the need to stimulate the development of innovations and the adoption of the relevant regulations, which direct the business towards to implementation of innovation policy. Innovation takes central place at the EU's growth and jobs strategy. A key feature of the economics of knowledge is the creation, conservation, dissemination and use of knowledge as a way to achieve accelerated growth rates and greater competitiveness.¹

It can reasonably be argued that, to a large extent, the management of the tourist enterprise or destination determines and guides the choice of tourists seeking new and fulfilling tourist experiences. The technological provision and the better organizational structure of services, following the introduction of innovative practices and technologies, create positive impressions, comfort and personal satisfaction during the tourist stay and the various tourist activities that accompany it.

2. Method

Based on the information provided and according to the purpose of the present study, to reveal the manifestations and the effects of the better management in tourism as a result of the application of innovative practices, a method of study was chosen. Taking into account the nature of the matter under consideration, the "questionnaire" methodology is applied as a comprehensive and in-depth approach to innovation focusing on consumer experiences and experiences as the basis for choosing solutions. The questionnaire surveys are a very traditional way of conducting research. They are particularly useful for non experimental descriptive designs that seek to describe reality. Likewise, the questionnaire survey approach is frequently used to collect information on attitudes and behavior².

The advantages of questionnaires are as follow: practical; large amounts of information can be collected from a large number of people in a short period of time and in a relatively cost effective way; can be carried out by the researcher or by any number of people with limited affect to its validity and reliability; the results of the questionnaires can usually be quickly and easily quantified by either a researcher or through the use of a software package; can be analyzed more 'scientifically' and objectively than other forms of research; when data has been quantified, it can be used to compare and contrast other research and may be used to measure change and positivists believe that quantitative data can be used to create new theories and / or test existing hypotheses³.

The focus of attention is on studying a specific innovative hotel practice with an innovative character based on the study of the better results achieved by managers of the hotel complexes, to highlight and present the usefulness of introducing innovative technology in the tourism industry.

A basic principle of design as a "way of thinking" is to create a harmony between the function of the product / service and the shape and environment in which it is used so that the user remains with positive impressions⁴

3. Analysis

Creating better management in tourism companies is an extremely complex and dynamic process related to the change and restructuring of business models, activities, processes and competencies in order to better exploit the opportunities created by the implemented innovative technologies, taking into account their strategic and future influence of the enterprise. The development of new management models and activities is a key factor of creating conditions through which tourist preferences will be more flexible, market oriented and innovative, effective and responsive to current and future changes in economic reality and in the minds of today's and future tourists. The goal of a better management of tourism companies is to create conditions and environment for faster entry of a new and innovative technological solutions, increasing their reliance on the company's activity in order to achieve more efficient, higher quality results, as well as creating services and products that meet the interests and demands of a wider range of real and potential consumers⁵. The best management is the key that enables modern tourists to have more control over their personal experiences and

¹Ianeva, M., Georgieva, R., "Innovations of the MICE tourism: Opportunities in Bulgaria", 3rd International Scientific Business Conference on Leadership and Management: Integrated Politics of Research and Innovations – LIMEN 2017, Belgrade, Serbia

² Mathers. M., Fox, N., A. Hunn, "Surveys and questionnaires", NIHR RDS for the East Midlands / Yorkshire & Humber 2009

³http://libweb.surrey.ac.uk/library/skills/Introduction%20to%20Research%20and%20Managing%20Information%20Leicester/page_51.htm

⁴ Stankova.M, Kaleychev.S., 2017, "The trajectory of creativity and innovation in tourism" XIII International Scientific Conference - Modern Science, Business and Education, Dobrich, Bulgaria

⁵ Stankova, M. & S. Kirilov, S. Kaleichev, I. Vasenska (2015), "Innovation and tourism – Getting sustainability trough good practices". Sustainable mountain regions: make them work, International Scientific conference, Proceedings 14-16 May 2015, Borovets, Bulgaria. ISBN 978-954-411-220-2, p. 175.

emotions during the tourist experience. Reality shows that a better organization in a tourist enterprise is not related for example, only to a certain type of interface or IT program, or a certain type of new digital product that is offered to tourists. Rather, it expresses how the tourist company operates and how it offers its products and services, allowing tourists to get the most out of any tourist activity during their stay.

Modern innovative technologies, developed specific business models and types of management, revolutionized the process of making and creating the management solutions offered by the tourism industry. Examples of such innovations are the use of personal smart phones such as key card for hotel rooms; hotel accommodation using personal mobile phone; mobile reservations; electronic media in the hotel lobby; electronic luggage stickers carrying their own information platforms; use on-board smart phones; hotel search optimization systems; Internet Protocol Voice Phones that are linked to the hotel's internal system (in-room telephones, through which visitors can order a room service directly from the touch screen) using system communicates directly with the relevant hotel departments; portable identify guests tablet menus and reservation systems table in restaurants; an electronic device that can track every action of the cook and his team, and the customer can even give him a comment or talk about the recipe; cyber-mirror that allows you to get weather information, read the news, or define a route while looking around, wondering what to wear and many others.

On the basis of the information provided so far, the report will present innovative practice in tourism, aimed to create a better organization in the hotel industry in order to achieve the most efficient management decisions, improve the working process and maximize the satisfaction of the tourists. The essence of this innovative practice is bracelet chip service introduced in the 2014 season in Bulgarian hotel complexes and subsequently distributed in a large number of hotels operating on the Bulgarian Black Sea coast. At present 50 hotels use this device.

Chip bracelet is an innovative and modern solution designed to improve the overall tourist experience during rest, recreation or entertainment. The hotel complexes in Bulgaria, which have implemented it in their business, aim to offer complex service, using the chip bracelet such as a room key or a multipurpose payment device. With it help, guests do not wear a wallet or room key because the intelligent bracelet allows the opening of the personal room or the payment of different purchases to be done with just one touch of the bracelet to the specific touchscreen.

Figure 1. Example of an all-inclusive access control bracelet with non-contact tag



Source:https://www.tripadvisor.com.au/LocationPhotoDirectLink-g8766716-d8762779-i280667790-Melia_Braco_Village-Rio_Bueno_Trelawny_Parish_Jamaica.html

In technical terms, the chip bracelet consists of two parts (Figure 1). One part is a colored strap with a buckle that allows adjustment of the width when placing the hand of the tourist. It is made of water-resistant, impact-resistant, sun-resistant materials, allowing it to be used in various conditions without disturbing its integrity. The shape and color combinations of the bracelet are tailored to the feeling of wear and tear. The second part consists of a chip non-contact PVC tag attached to the bracelet. The tag allows multiple use with rewriting and reading. It is a major component of the so-called "Chip Bracelet" because it brings all the information about the tourist who uses it. It can reasonably said that is collection of an electronic identity card with tourist data and an electronic debit card that holds some of its financial resources.

The conceptual innovation in chip bracelet service is related to the ability to improve and optimize the organization of work, service and by the statistics from bracelet data to take the best management decisions for the overall functioning of a hotel

complex. Every tourist can charge their bracelet chip electronically on each of the receptions or areas designated for this activity, with a sum determined by him / her, and then dispose and pay with his / her means at each of the commercial premises designated by the hotel complex. On this way, a tourist without physical money can use a variety of services. On the other hand, the chip bracelet promptly informs the holder for any financial transaction, the type of purchased products or services and the available financial amount at its disposal at any point of its stay.

Whether the hotel guest is in the pool, sports or collects sun rays, the bracelet chip allows secure, fast and easy access to any service or product offered in the complex. It frees it from the necessity of wearing cash currency, from worrying about its security, while enabling him / her to quickly and easily make a payment, with just one hand movement and touching the bracelet chip to a corresponding sensor device.

Such smart devices are used by chains like "Four Seasons", "Hilton", "Hyatt", "Marriott", "Holiday Inn", etc. Here is the place to note the example of "Palladium Hotel Group" 2014 presents the VIB (Very Important Bracelet) smart bracelet so that guests can do everything from one device. With it help, the guests do not wear a wallet, telephone or room key, as everything is available from the smart bracelet: they can open their rooms, enter various venues around the hotel, pay for each product using a code combination, and receive exclusive discounts. (Figure 2).

Figure 2. Example of a bracelet used in Paradisus Palma Real Golf & Spa Resort



Source:https://www.tripadvisor.com.au/LocationPhotoDirectLink-g147293-d583034-i72425847-Paradisus_Palma_Real_Golf_Spa_Resort-Punta_Cana_La_Altagracia_Province_Dom.html

4. Results and discussion

In this report, a survey conducted in 2017 was carried out among twenty managers who have implemented the above mentioned innovative technological device in the activities of the hotel complexes they manage. Hotel complexes incorporating the device are represented by different categories, the four stars being the most numerous - twelve, followed by five of the three stars and three of the five stars hotels. The managers receive a system of questions aimed at acquiring information on the usefulness of the device used and the information that is acquired by it in the process of taking the best possible management decisions. The aim of the study is to identify and compare the perceptions of individual managers about the role, importance and effectiveness of using chip bracelets during a real business environment. The research aims to acquire, analyze and synthesize information related to managers' attitude towards the innovative system of service and organization offered to hotel complexes managed by them. The current study consists of a questionnaire survey with formulated questions. The survey was conducted among 20 managers of hotel complexes located on the Bulgarian Black Sea coast. They manage hotels with different sizes, mode of operation and type of the offered tourist products and services. All of that implies differences and specifics in the choice of answers determined by the essence of their activity, way of work and management capabilities.

A system of questions has been set up for managers in the following form:

1. What is your nationality?

Bulgarian other

2. What is your age?

26- 35 years

36 - 45 years

46-55 years

over 55 years old

3 Are you support the implementation of innovative practices to optimize the activities of hotel complexes?

yes

no

I have no opinion

4. Do you think that the service in the complex is much faster using a bracelet chip?

(Yes) (Maybe) (No) (I have no opinion)

5. Is the statistical information obtained by using a bracelet chip in the complex improving your management decisions?

(Yes) (Maybe) (No) (I have no opinion)

6. Does the accounting organization of the complex improve after the implementation of the bracelet chip as the primary payment instrument?

(Yes) (Maybe) (No) (I have no opinion)

7. Is the efficiency of the staff in the work process increased due to the use of a bracelet chip by the guests of the complex?

(Yes) (Maybe) (No) (I have no opinion)

8. Do you receive a faster information about each service that is paid in the various venues around the hotel complex?

(Yes) (Maybe) (No) (I have no opinion)

9. Do you think the process of activating and charging the bracelet chips is fast enough?

(Yes) (Maybe) (No) (I have no opinion)

10. Do you think that tourists used bracelet chip as a service method in the complex, are satisfied with it?

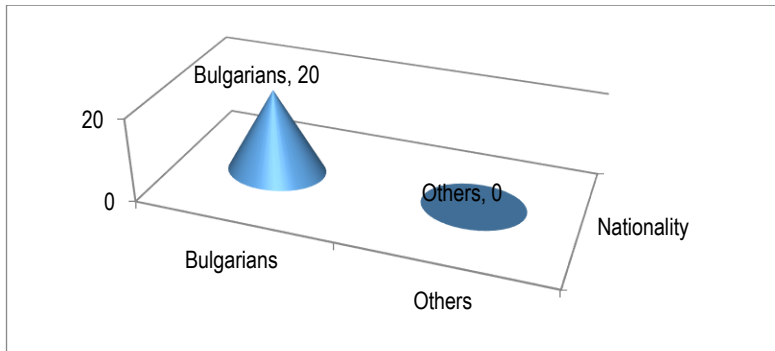
(Yes) (Maybe) (No) (I have no opinion)

11. Do you think that the use of bracelet chip in the future will find a wider manifestation in the tourism industry?

(Yes) (Maybe) (No) (I have no opinion)

The answers to the questions were analyzed and presented in graphs, the results being presented in a quantitative and proportional ratio. For the purpose of this report an analysis of the information obtained from the survey will be presented in graphical form.

Figure 3: Nationality of the tourists involved in the survey



Source: own survey

From the information presented in (Figure 3), it is clear that the managers who participated in the survey are only Bulgarians. This fact is due to the successful tourism business in Bulgaria and the favorable opportunities for building professional Bulgarian managers to meet the contemporary requirements of the dynamic tourism industry.

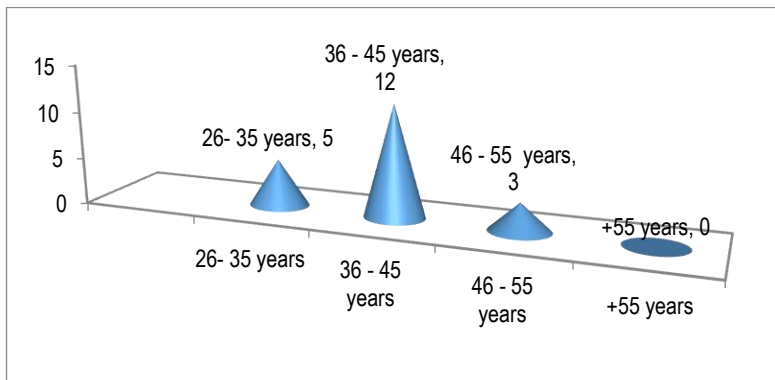
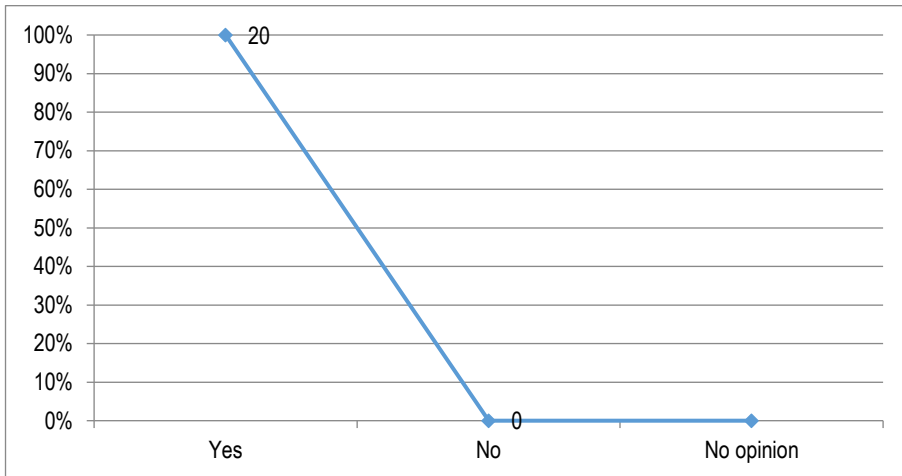


Figure 4: Age range of participants in the study

Source: own survey

In the analysis of the obtained data in (Figure 4), it is clear that the largest number of participants in the survey are in the age range of 36-45 years old, accounting for more than half of the total number of all respondents. This fact is due to the preference of hotel owners to hire already established managers with experience but also with knowledge of new technologies, products and services in the hotel industry. The second most important group involved in the survey is between the ages of 26-35. The representatives of this group being the young wave of managers who are less experienced but familiar with all new trends of modern tourism and are digitally oriented, having the skills to deal with the latest and innovative technologies and methods of service and business. The third age group by number of respondents in the study ranged from 46-55 years. Here we can find mainly managers with very wide practical experience but can be said that they belong to the older generation that is not technologically oriented in terms of processes related to the implementation and operation with innovative technologies and products in hotel industry. Managers of the age range over 55 years were not identified during the survey, perhaps due to the fact that they could very hardly use new and innovative technologies during their management duties. Which determines and sets the hotel owners who want to implement such technologies to orient themselves to other types of managers.

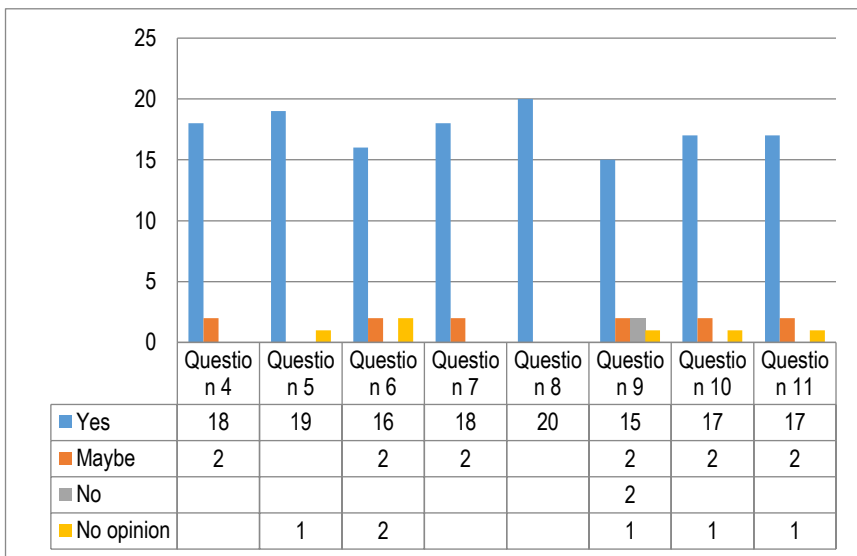
Figure 5: Are you support the implementation of innovative practices to optimize the activities of hotel complexes?



Source: own survey

In the survey (Figure 5) presents the answers of third question asked to all participants, which aimed at establishing the attitudes and preferences of managers towards the introduction and use of optimization practices in tourist services. As the results show, 100% of all respondents are optimization supporters. It can reasonably be concluded that modern managers in the tourism industry have a positive attitude towards the optimization of the stay in the hotel complexes managed by them.

Figure 6: Summarized results of the study of the attitude towards the optimization of the service in selected hotel complexes.



Source: own survey

Figure 6 shows the value attitude in the answers to the questions received in the study. A specific point in the survey is the systematisation of questions from the fourth to eleventh in a way that addresses questions that combine four types of answers: "Yes", "Maybe", "No" and "I have no opinion"

Regarding the fourth question from the survey, it is clear that the choice of the "Yes" answer is a leading one and takes into account the personal and direct experience of the managers regarding the innovative approach in the service. Followed by

the answer "Maybe," with notably small amounts of background of the overall opinion on the asked question. The specific moment in the analysis of the information on the given question is related to the fact that the answer "No" does't exist in the selection of the interviewed managers, which itself is a testimonial for the positive impact of an innovative approach. The fifth question also integrates almost absolute values of the "Yes" response. Followed from the "I have no opinion" response that was noted with only one participant in the surveyed group. The preferred answer is in values from which it can be accepted as dominating and shows the direct experience of managers regarding the usefulness of using chips bracelets in the overall activity of the complex. On the sixth question, the analysis of the information shows extremely high values of the "Yes" answer, the second and the third choice of the respondents being the answers "Maybe" and "I have no opinion" with two preferences. It is noteworthy that the answer "No" is missing as it is a direct expression of the additional efficiency in accounting that comes from the introduction of the innovative product. The leading answer to the seventh question is related to the choice of "Yes", which is extremely dominant. Only two people chose the "Maybe" response during the study. The other two responses were not preferred by any of the study participants. This question shows the overall positive result of the introduction of the chip bracelet, with better management decisions affecting all levels and structures in the hotel complex. The eighth question is extremely interesting from an informational point of view as it shows the effectiveness of the innovative product implementation. 100% of all managers have chosen the "Yes" answer, confirming the high levels of creativity and innovativeness embedded in the innovative approach of this kind of tourist service. The ninth question also addresses the tangible leading role of the "Yes" answer, but must be noticed that this is the only question that contains the four types of answers selected in the study. The second most important answers are "Maybe" and "No" with 2 preferences, while the third choice is the "I have no opinion" option, preferred by only one of the managers surveyed. The tenth question combine together three of the possible answers, dividing their number into similar amount in the study so far. A leading choice is the "Yes" answer chosen by seventeen managers involved in the study, followed by the answer "Maybe" with two preferences, and the third is the "I have no opinion" with only one answer. These magnitudes of our responses are due to the fact that still in the Bulgarian hotel services are some specifics regarding the management priorities. Some of them sometimes do not take into account the values of satisfaction of their tourists in contrast to other leading world and European hotel industry. The last eleventh question takes into account the leading role of the "Yes" response as the main choice of surveyed managers. Followed by the answer "Maybe," while the "I have no opinion" answer takes the third position. It should be noted that the answer "No" is not preferred by any of the survey participants. The answer to this question clearly reflects the views and opinions of the interviewed managers about the future of the hotel service and draws attention to the use of creative and innovative approaches in it.

5. Conclusion

The data obtained from this study show that innovative practices impacting on better management decisions, consequently improving organizational structure in tourism services and they are increasingly important in the activity of each tourist enterprise. It can be argued that the innovative products and services offered by the tourist companies, modeling and predetermine the choice of a specific tourist destination in the conditions of an extremely dynamic competitive environment. Modern tourists orient their preferences to destinations that provide them with comfort, security, fast and quality service as well as technological solutions that contribute to a more complete personal satisfaction and memorable holiday. Undoubtedly, the innovative products and services offered by tourism companies are one of the most important factors in the contemporary tourism business, they allow modern managers to make decisions that are based on a large practical information and which are aimed at maximally satisfying all the requirements of tourists. The 21st century tourist is extremely knowledgeable and has a variety of modern methods and technologies to modeling his preferences and ways to achieve a full tourist experience and satisfaction. That is why it can reasonably be argued that tourism innovations are the key to better management in tourism, being one of the most important prerequisites for creating a better organizational structure in hotel complexes and one of the main factors, which determine the preferences and motivation of modern tourists.

References

- [1] Ianeva, M., Georgieva, R., "Innovations of the MICE tourism: Opportunities in Bulgaria", 3rd International Scientific Business Conference on Leadership and Management: Integrated Politics of Research and Innovations – LIMEN 2017, Belgrade, Serbia
- [2] Kaleychev.S., 2017, "Influence of technological transformations on innovative practices in tourism", XXV Symposium "Quality, Competitiveness, Sustainable Development" - "The Challenges of the New Technological Transformation", Sofia, Bulgaria

- [3] Mathers. M., Fox, N., A. Hunn, "SURVEYS AND QUESTIONNAIRES", NIHR RDS for the East Midlands / Yorkshire & Humber 2009
- [4] Stankova.M, Kaleychev.S., 2017, "*The trajectory of creativity and innovation in tourism*" XIII International Scientific Conference - Modern Science, Business and Education, Dobrich, Bulgaria
- [5] Stankova, M. & S. Kirilov, S. Kaleichev, I. Vasenska (2015), "*Innovation and tourism – Getting sustainability trough good practices*". Sustainable mountain regions: make them work, International Scientific conference, Proceedings 14-16 May 2015, Borovets, Bulgaria. ISBN 978-954-411-220-2, p. 175.
- [6] Tsonev, N., Kaleychev, S., *Innovative practices as a premise for creating a better organization in tourism companies*", 3rd International Scientific Business Conference on Leadership and Management: Integrated Politics of Research and Innovations – LIMEN 2017 , Belgrade, Serbia
- [7] http://libweb.surrey.ac.uk/library/skills/Introduction%20to%20Research%20and%20Managing%20Information%20Leicester/page_51.htm