



South Asian Journal of Tourism and Hospitality

Journal homepage: <https://www.sab.ac.lk/sajth>
Faculty of Management Studies, Sabaragamuwa University of Sri Lanka



Book Review: Tourism, Hospitality and Digital Transformation edited by Tajeddini, K., Ratten, V. and Merkle, T. (Routledge; 1st Edition (2019); Pages: 242)

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Received 22 March 2020

Revised 18 July 2020

Accepted 29 December 2020

Introduction

Digitalization has profoundly changed and keeps changing the way people live, work and travel and has opened up unprecedented opportunities for tourism and hospitality firms to compete in global markets. Rapidly evolving multiplicity of technological novelties (e.g., robotics, artificial intelligence, Internet of things, blockchain and cryptocurrency) has influenced tourism and hospitality industries in all aspects of its operations. Digital innovations and technological novelties are changing the way work is organized and services delivered, and also presents opportunities to capture and process data and information on supply and demand, and integrate operations along value chains and business ecosystems. In line with the technological revolution, there is a dynamically increasing demand for unique, seamless tailor-made travel experience beyond mass tourism. Accordingly, tourism and hospitality firms have started leveraging technology to reinvent the customer experience through service innovations. Although digitalization has opened up unparalleled opportunities for tourism and hospitality firms of all sizes to reach new heights in profitability, successful digital transformation has been a great challenge for many firms. With a compilation of eleven chapters edited by the renowned contemporary tourism, hospitality and strategic management scholars, namely Kayhan Tajeddini, Vanessa Ratten and Thorsten Merkle, this book is a timely effort which critically analyzes various challenges tourism and hospitality industries face in coping up with digital transformation and how the two sectors have strategically responded to such challenges.

South Asian Journal of
Tourism and Hospitality
© Faculty of
Management Studies
Sabaragamuwa
University of Sri Lanka
ISSN: 2756-911X

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OVERVIEW

The book entitled “Tourism, Hospitality and Digital Transformation” espouses an eclectic approach to contemporary issues arising from technological disruption and innovation, while profoundly rooted in marketing and strategic management theories and models. The nineteen (19) contributing authors of this book represent various research settings, including the United Kingdom, Switzerland, Portugal, Poland, Iran and Sri Lanka.

The first chapter titled ‘Tourism, Hospitality and Digital Transformation’ by Vanessa Ratten, Kayhan Tajeddini and Thorsten Merkle provides an overview to the contents of the book. After the introduction, the book’s technical chapters start with an overview of the increasing complexity of thriving in today’s digital age by Christian Buer, exploring how hotels can transform themselves with emerging digital technologies, while aligning with evolving socio-cultural trends such as digital divide and aging population. He summarizes, “The derivation of digitalization as an interface to the employees and marketing will, in essence, trigger change management in the hotel that is “cultural change” and “management change” (p.12). As implied, successful digital transformation should not be seen purely from the technical perspective, preferably positive, agile leadership amalgamated with significant change management efforts is a necessity.

The next chapter by Mark Beattie and Sharon Link Wyer, also focuses on a more in-depth understanding of the notion of change management and its applications in the context of the fourth industrial revolution. Based on Heidegger’s hermeneutic phenomenological approach, the authors reveal that leadership and organizational development are positive factors for tourism and hospitality firms in embracing digital transformation necessitated by the fourth industrial revolution. The chapter urges tourism and hospitality firms the need of continuous and transformative improvements in fostering a positive customer experience by connecting guests digitally, socially, and cross-functionally. In line with Christian Buer, the authors too emphasize that technology should be used as an assistive tool in change management efforts instead of a replacement for humans.

The fourth chapter titled ‘Love is the bridge between you and everything: relationships of identity, experience, and benevolence to travellers’ loyalty and willingness to purchase’ by Pantea Foroudi and Reza Marvi focuses

on the emotional aspects of digital transformation which was largely neglected in prior literature. Drawing upon Sternberg's (1986) triangular theory of love, the authors contribute to the burgeoning research on the peer-to-peer accommodation sector by emphasizing customer benevolence as one of the most important psychological elements in creating emotional attachment towards peer-to-peer accommodation facilities. Moreover, the chapter supports the idea that love is one of the most important factors for actively involving tourists in producing content for peer-to-peer sharing accommodation which has become the next phenomenon in the tourism and hospitality industries triggered by the digital revolution.

In chapter five, Mahlagha Darvishmotevali and Kayhan Tajeddini report on a qualitative study that they have conducted to develop a model of organizational agility to identify how hospitality firms can survive themselves in the complex and dynamic environment created by the digital revolution. By using a sample of 13 hotel managers from Northern Iran, they propose five pillars of agility (e.g., preconditions, enablers, leverages, enhancers, and delighters) which enable hospitality firms to stay competitive while navigating the complicated landscape of digital disruption. Although the sample size is small, the hotel managers' insights and Darvishmotevali and Tajeddini's discussion make the chapter very interesting to read.

Moving from Western Asia to Iberian Peninsula, Aida Maria de Brito Martins, Joaquim Carlos da Costa Pinho and Graca Maria do Carmo Azevedo examine the application of theories of capital structure (i.e., pecking order theory, trade-off theory and signalling theory) in explaining total indebtedness of hotels in the phase of digital transformation. The chapter highlights that age, tangibility, profitability and extra-tax fiscal benefit have a positive impact on total indebtedness of hotels while the growth and fiscal benefit of debt have a negative effect.

Service innovation as the key driver of sustained competitiveness in the hotel industry is the theme of chapter seven by Marcin Olszewski, Barbara Kowalczyk and Łukasz Widła-Domaradzki. Due to the constant change and fierce competition triggered by the digital revolution, being successful requires a continual development of new sources of competitive advantage. Concerning the hotel industry in Poland, Olszewski, Kowalczyk, and Widła-Domaradzki review the multidimensional nature of the customer orientation phenomenon and its vitality in fostering innovations and increase competitiveness in the long

run. Moreover, the authors offer provocative implications which include: need of conducting marketing research to create new value for customers through innovations, equip employees with guidelines and training concerning management of customer-derived knowledge and need of building and fostering long-term cooperation between employees and customers.

Moving to a renowned paradise island of the world, Mohamed Ismail Mujahid Hilal accentuates the importance of destination branding in ensuring the revisit intention of tourists. Focusing on Pasikuda, one of the most visited destinations in Sri Lanka by tourists, Hilal reviews a range of functional attributes of Pasikuda as a tourist destination and examines how these attributes contribute to the destination brand equity and in turn, significantly affect the revisit intention of tourists. As this chapter indicates, functional attributes of a destination can influence its competitiveness and can be used as a marketing tool in promoting a territory and its products and service portfolio.

Chapter nine by Thorsten Merkle, Kayhan Tajeddini, Sven Mostberger, Sarah Rohner, Kira Schmid and Eleanor Shaw stresses the role of transport hubs in the digital revolution. Reading between the lines, it seems that implementing a gamification strategy could be a viable option in enhancing customer experience and creating a positive perception towards an airport. As the authors argue “Additionally, the airport needs to find a way to create an immediate added value through the gamification in order for it to be successful” (p. 159). However, as the chapter emphasizes, there are more interferences which curtail the implementation of gamification strategy than the benefits it would generate. The main hindrances include issues in collecting relevant and timely data conforming to data collection and privacy laws under the current regulations, limitations associated with data analysis tools, techniques and strategies, inadequacy of airport infrastructure and lack of passenger awareness and involvement.

The tenth chapter titled ‘Innovation in tourism destination marketing’ by Gretel Qumsieh-Mussalam and Kayhan Tajeddini reviews the notion of innovation in the context of the tourism and hospitality industries. As innovation literature does not offer a consensus on the definition of innovation concerning tourism and hospitality industries, different scholars have characterized the notion of innovation by using different taxonomies. Moreover, success factors associated with innovations in destination marketing is rarely studied; thus, failures of innovations are widespread. Despite the

significant failure rate, Mussalam and Tajeddini argue that innovation is vital for tourism and hospitality firms to remain competitive. As implied in the chapter, different actors involved in the service delivery process need to collaborate to build innovative strategies that would meet the expectations of ever-demanding customers who continuously seek novel experiences.

The book's final chapter written by Roberto Martín-González, Ana María LuqueGil and Kamilla Swart follows a conceptual and single case study approach in interrogating an alternative theory concerning surf tourism, relatively a novel pursuit in the field of sport tourism. In their effort, they have discovered that many surf tourism researchers are surfers which eventually creates a conflict concerning objectivity and transparency in knowledge production. Interestingly, this chapter reveals that despite the ideology of knowledge production, the position of the researcher (i.e. in terms of country, university and department) has played a critical role in the research agenda concerning surf tourism. Although expressed in a very circuitous way, the chapter essentially highlights lack of innovations in the surf tourism industry and the need to incorporate digital innovations to further fuel the growth of the sector.

EVALUATION AND CONCLUSION

This carefully edited book examines the effects of digitalization on the tourism and hospitality industries from several perspectives. The various approaches and topics in each of the chapters provide a holistic understanding of what digital transformation means and how it will affect the tourism and hospitality industries. Moreover, the book stresses the need for innovation as a business strategy to reap the full potential of the digital revolution in the rapidly changing business landscape. This book is a valuable resource for businesses and individuals involved in tourism and hospitality industries to understand the nature of disruptive technological forces, the need for innovation, and how to keep ahead of the learning curve. At the same time, it is a useful resource to initiate theoretically rigorous interdisciplinary research focusing on tourism, hospitality, strategic management and marketing.

Even though there are many merits to this book, it is not without some limitations. At first, chapter ten lacks comprehensiveness in addressing whether destination marketing organizations required different innovation management approaches to satisfy tourists and add value to their travel experience. Secondly,

the conceptual and descriptive nature of chapter eleven limits the usefulness of findings concerning sustainability issues facing the surf tourism industry. At last, although most chapters in the book focused on responding to challenges created by digital disruption, chapter six, ten and eleven are not directly addressing such issues, thus not entirely in line with the theme of the book. The book would have been much more focused and valuable if the editors had selected the chapters that are entirely in line with the theme of the book. Amidst these limitations, as a whole, the book does justice to the title ‘Tourism, Hospitality and Digital Transformation’ and makes a useful and exciting contribution.

ABOUT THE EDITORS

Kayhan Tajeddini is a Professor of Tourism at Sheffield Hallam University and a Visiting Professor at the Institute for International Strategy at Tokyo International University (TIU). Vanessa Ratten is an Associate Professor of Entrepreneurship and Innovation in the Department of Management, La Trobe Business School at La Trobe University, Melbourne, Australia. Thorsten Merkle is a Professor and currently the Director of Studies: Service Innovation and Design at University of Applied Sciences of the Grisons, Switzerland.

ACKNOWLEDGEMENT

The reviewer would like to acknowledge Prof. Kayhan Tajeddini for his esteemed patronage in providing this book for the review.

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