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### Tourism innovation

#### 1. Introduction

The tourism industry is amongst the most innovative in the world given its ability to incorporate technological and societal advances through new business creation (Hjalager, 2015). Tourism innovation is a fluid and dynamic concept that changes in meaning depending on the context (Garcia-Sanchez, Siles and Vazques-Mendez, 2019). This has led to most tourism innovation research relying on an interdisciplinary perspective to bridge the literature on tourism with innovation management. The aim of this special journal issue is to discuss new advances in tourism innovation research in order to advance research on this topic. We thank very much Professor Dr Marianna Sigala for her help and advice in compiling this special journal issue.

Tourism innovation can differ in characteristic from short term and incremental leading to minimal change to more complex and holistic requiring an alteration of a business structure. However, as Nordli (2018:199) states "the capacities and incentives that innovation processes in the tourism industry draw on remain poorly understood". This means more information is required about how social capital contributes to the integration of innovation in tourism firms by enabling the combination and exchange of resources (Ceci, Masciarelli and Poledrini, 2016). It can be difficult to be innovative in the tourism industry due to the lack of training and high level of labour turnover (Hjalager, 2002). Thus, knowledge about new ideas is needed for innovation in order to facilitate experimentation that leads to creative outcomes (Rodan & Galunic, 2004).

Innovation can be examined through two main units of analysis: the destination and firm level (Orfila-Sintes & Mattsson, 2009). Tourism destinations differ in their level of infrastructure, accommodation and related services. The destination has typically been based on geographic area but with the advances in internet technology it can also be considered as virtual. Augmented reality and other technologies related to the internet of things has continued to innovate the tourism industry (Martinez-Perez, Elche, & Garcia-Villaverde, 2019a,b). Tourism destinations are markets for local service providers and multinational companies (Romao & Nijkamp, 2019). Thus, as Romao and Nijkamp (2019: 1150) states "tourism is clearly a place-based activity, while in many advanced economies it is increasingly becoming a knowledgebased activity". At the firm level, innovation differs according to size, nature of business and intent of the owners (Garay, Font, & Corrons, 2019). In addition, industrial clusters and networks can facilitate the process of innovation amongst tourism firms.

Tourism is a strategic industry due to the links it creates amongst entities in the economy (Martinez-Perez et al., 2019a,b). The main elements of innovation include a new way of thinking that encompasses creativity and problem solving (Bertella, 2019). This means that in a tourism setting, innovation requires the use of imagination to see

possibilities. Being a tourism innovator can be hard due to the need to balance multiple tasks. This has led to policy initiatives around tourism innovation that incorporate multiple stakeholders who when working together can help facilitate the process of change (Ratten, Braga, Alvarez-Garcia, & Rio-Rama, 2019). Critical thinking is a key part of tourism innovation as it enables different points of view to be considered.

Tourism studies focus on different elements of the innovation process from networking (Sundbo, Orfila-Sintes, & Sorensen, 2007), market orientation (Ronningen & Lien, 2014) to human resources (Medina-Munoz, Medina-Munoz, & Zuniga- Collazos, 2013). A criticism of many of the theories used to explain tourism innovation is that they originated in the industrial and manufacturing sectors (Narduzzo & Volo, 2018). This has limited the development of new theories specifically designed to capture the intricacies of the tourism sector. More emphasis is needed on how innovation develops as a by-product of the network relationships across, outside and within the tourism ecosystem (Narduzzo & Volo, 2018).

The articles in this special journal issue provide a comprehensive overview of different approaches to researching tourism innovation. There is a myriad of complexities within tourism innovation research due to its interdisciplinary nature that requires a fresh perspective. All the contributions in the special journal issue explore the richness of innovation in the field of tourism through different geographical and theoretical approaches. This special journal issue discusses the theoretical and practical issues in tourism innovation research, thereby presenting a valuable analysis of the current state of the field but also by predicting future changes in the industry. Each article explains how tourism is innovative and the challenges faced by tourism providers in being innovative. This will help researchers and policy analysts integrate more innovation into their work.

The rest of this article is structured as follows. The next section discusses the way innovation is conceptualised and defined in the tourism industry. Next, an overview of each article in the special journal issue is presented. Lastly, implications for theory, policy and managers are stated together with some suggestions for future research.

## 2. Tourism innovation

Innovation thrives in the tourism industry due to its multifaceted nature that requires the use of different stakeholders, entities and systems (Ratten, 2017). Innovation involves a degree of creation destruction in terms of providing a better approach of how things are currently conducted (Nunkoo, Seetanah, & Agrawal, 2019). Innovation can be broadly defined as the "implementation of a new idea or new application of an existing idea that results either in a new kind of product, or a new and better process for producing an existing product" (Divisekera

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& Nguyen, 2018, p. 158). This broad definition encompasses many different ways innovation can be applied in the tourism industry including through product, process, service and technological change.

Established tourism practices may be hard to alter due to institutional and structural factors, which means innovation is needed in order to produce new ways of thinking about current practices that produce impactful results. There are numerous ways to analyse the performance of an innovation including impact, market share, threshold, speed and value (Muller & Peres, 2019). The impact of tourism innovation depends on the magnitude and extent of the change. This involves understanding the number of tourism providers who have used the innovation and the way it has affected their business. Market share involves understanding what percentage of the tourism industry utilises an innovation and its effect on the competitive environment. Threshold involves focusing on the learning curve involved with adopting an innovation to see market penetration rates (Dougherty & Dunne, 2011). Speed means the time taken to enter the market and the level of resulting change whilst value is about assessing the positive benefits from the innovation. Tourism destinations are finding it difficult to deal with environmental and socio-economic pressures so are using resilience thinking as a strategy (Heslinga, Hillebrad, & Emonts, 2019). The advantage of thinking in a resilient way is that it enables the tourism industry to use scenario planning as a form of risk minimization. This enables more informed ways to plan for future change that take into account different environmental impacts.

### 3. Overview of articles

The first article titled 'Market orientation and hotel performance: The mediating effect of creative marketing programs' by Dariusz Dabrowski utilises a sample of Polish hotels to understand how creative marketing mediates the relationship between customer orientation, competitor orientation and cross-functional integration with a hotel's financial performance. Using market orientation as the theoretical framework the article discusses how the meaningfulness and novelty in marketing programs influences how a hotel performs in the market-place. This provides a useful way to link the literature on tourism innovation with the emerging creativity literature.

The second article titled 'Innovation research in tourism-research streams and actions for the future' by Birgit Pikkemaat, Mike Peters and Bernhard Bichler delves into the complexity of research on tourism innovation by analysing the contributions and resulting gaps in the literature. The article discusses the trajectory of tourism innovation as an important research field that has impacted other disciplinary areas. As a result of the systematic literature review, the authors find that more research is needed on micro tourism enterprises, sustainability and governance structures.

The third article titled 'Trade show innovations- organizers implementation of the new service development process' by Thomas Bauer and Krzysztof Borodako highlights the importance of business travel through an examination of diverse partnership models. Using a sample of German and Polish trade show organizers, the article discusses the relevance of space-related revenue and value-added service revenues. By doing so the articles suggests trade shows can be innovative when there are sustained business activities that take into account new practices.

The fourth article titled 'A quasi-experiment to map innovation perception and pinpoint innovation opportunities along the tourism experience journey' by Vanda Vereb and Antonio Azevedo focuses on how to measure perceived innovativeness in a traveller's journey. The article focuses on four different online scenarios to determine the impact of authenticity and co-creation. This novel study suggests there is a positive correlation between expectations and purchase intention on perceived innovativeness.

The fifth article titled 'Innovation and internationalization as development strategies for coastal tourism destinations: The role of organizational networks' by Filipa Brandao, Zelia Breda and Carlos Costa

discusses the importance of international collaboration to increase innovation. In the article, social network analysis is used as a way of understanding how innovation evolves amongst tourism stakeholders. This is a useful approach to use given the need for tourism partners in harnessing the knowledge potential of their region.

### 4. Theoretical contributions

Innovation is a source of competitiveness for tourism firms who need to incorporate societal and technological advances (Martinez-Perez et al., 2019a,b). Each firm in the tourism industry has a different capacity for being innovative depending on their distinctive capabilities. Innovation can be classified as incremental when small changes result or radical when major changes occur (Hjalager, 2010). The articles in this special journal issue have taken an interdisciplinary perspective to address this gap by suggesting innovation is a cognitive and behavioural resource in tourism. Thus, the capability of a tourism provider to act on innovation will differ depending on their entrepreneurial propensity. Previous research has identified innovation as being critically important for tourism studies but less is known about how innovation drives new business performance (Tajeddini, Denisa, & Ratten, 2017). This incompleteness in the literature has led to a need for more theoretical development about tourism innovation. Whilst the main streams of research involving innovation in tourism firms including networks, type of tourism business and entrepreneurial orientation (Kallmuenzer, Kraus, Peters, Steiner, & Cheng, 2019) a broader theoretical base for the literature is needed that takes into account new emerging research paradigms such as the sharing economy and value co-creation.

## 5. Managerial implications

In order for more tourism providers to be innovative there needs to be a strategic plan in place for making this a reality. This involves formulating a plan for the steps required to make innovation attractive for a broad range of tourism businesses (Tsioutsou & Ratten, 2010). When developing this innovation vision there needs to be a sense of ambition in creating an innovative tourism ecosystem. This includes having close collaboration between stakeholders that involves the community but also recognises the global nature of the tourism industry.

Tourism managers need to promote innovation by focusing on its benefits and how it can be incorporated within their business environment based on the cultural characteristics of their region that might affect innovation. Kallmuenzer et al. (2019) found that ownermanagers of tourism firms in Austria in high uncertain environments need to access financial capital in order to facilitate entrepreneurship. Thus, managers need to allow employees to be innovative and provide education on how to do this. It is important that managers enable their employees some flexibility to be creative in order to cultivate new practices. Tourism managers need to interpret market information whilst enabling the capacity of their organization to be innovative. As tourism is a competitive industry it is important that managers develop the right innovation strategies.

In terms of implications for tourism innovators, the articles in this special journal issue can help guide new innovations through using networking and entrepreneurial alertness. In particularly, the performance of tourism start-ups is largely dependent on their ability to be alert to innovative opportunities. This means in real life situations tourism innovators need to pay attention to technological advances and resulting regulation changes. Owners of tourism businesses can assess the level of impact from technological innovation by focusing on potential impact. The idea is that tourism entrepreneurs should seize new opportunities by drawing on their social networks (Di Bella, Petino, & Scrofani, 2019).

To harness the potential of a tourism innovation there needs to be

an awareness of its existence and usage. This can occur via social interactions and marketing communication that draws on user generated feedback. Learning about innovation is a social process that enables better familiarity with new sources of information. To do this some familiarity with an innovation is required in order to draw on information in an individual's social network (Borgatti & Cross, 2003).

## 6. Policy implications

Tourism policy makers need to focus on how they can foster innovation by capitalising on existing resources. This might include increasing the number of education programs that teach tourism providers to be innovative. By making innovation a central part of the curriculum in tourism courses it can facilitate the early development of an innovative mindset. Tourism institutions can also be part of this process as they can enable innovative exchanges in the marketplace. The innovativeness of tourism firms impacts their performance in the market but also affects the economic growth of a region (Kallmuenzer & Peters, 2018). More dynamic regions are expected to have a higher level of innovation in tourism firms. Both formal and informal governance mechanisms can be used to facilitate this innovation.

### 7. Direction for future research

We need to extend the current body of knowledge on tourism innovation to take into account future scenarios tourism managers will likely face. Whilst the existing research on tourism innovation has provided many insights there is still some way to go in terms of building a cumulative and constructive body of research. Much of the existing research on tourism innovation has tended to be published in tourism and hospitality journals, which indicates its widespread popularity. However, in order to provide a more meaningful assessment of innovation in tourism there needs to be consideration of other industry segments such as education, entertainment and sport through cross fertilization of research. This involves incorporating a broader range of innovations that can enable synergies amongst the tourism discipline with other theoretical perspectives.

A common problem for most evaluations of tourism innovation effectiveness is the failure to understand its impact. More research is needed at different stages of the innovation journey in order to provide guideposts to managers about the diffusion of innovation in the tourism environment. Often innovation is the result of multiple causes so it is necessary to measure impact but also understand the chronology of the innovation. It may be worthwhile to routinely research different types of innovation in a tourism setting to understand market impacts. One way to accomplish this is for researchers to increase the use of longitudinal studies in order to map the innovation. Research is needed on the system of innovation in tourism to show the causal connections, activities and outputs. By focusing on the temporally relevant innovation process, researchers can delve into how assumptions about innovation are understood.

There needs to be more research into understanding the impact of human capital on scientific and technical forms of tourism innovation. The capacity of a tourism provider to be innovative may be linked to its ability to produce knowledge. Furthermore, there can be multiple ways of measuring innovation depending on interrelated economic and social factors. More research is needed on tracing the career trajectories of individuals in the tourism industry and how they have interacted with innovation providers such as research labs. It is possible that specific individuals are acting as knowledge disseminators and research is needed to understand this process.

## 8. Conclusion

Each of the articles in this special journal issue attempts to challenge existing theory on tourism innovation. Innovation is a popular topic

amongst tourism researchers but also managers trolling the literature and wanting to understand more about the process. The research and theory developments in tourism innovation are rapidly evolving. Although tourism innovation focuses on novelty, there is still some fuzziness about the concept due to the multitude of different types of innovation. This has resulted in a diverse way to understand tourism innovation and led to divergent research practices.

In order to advance tourism innovation research there are still a number of challenges to overcome due to its complex nature. We advocate for more real world interaction between tourism researchers and practitioners in order to move the field forward. There is still considerable room for improvement regarding the practice of tourism innovation despite abundant research on the topic. It is our hope that the collection of articles in this special journal issue will provide new research avenues and constructive advice about where the field is heading.

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