

## HOTEL INNOVATION IN DIFFERENT SETTINGS – TWO DESTINATIONS' COMPARISON

Ana Jovičić Vuković  
Smiljana Pivčević  
Daniela Garbin Praničević

<https://doi.org/10.20867/tosee.05.10>

### Abstract

**Purpose** – The purpose of this paper is to examine and compare innovation activity, types and differences in innovation perception among the managerial and non-managerial staff within the hotel sector at two destinations from different countries.

**Methodology** – The theoretical part of the paper reviews relevant scientific papers relating to definition, types and determinants of innovation within the hotel sector. As the literature calls for more empirical studies with the same methodology in different contexts, two study destinations, Novi Sad in Serbia and Split in Croatia, are analyzed and compared. The empirical study was conducted in both destinations using the same survey questionnaire, based on scales which have been developed and tested in previous studies. Data were analyzed using descriptive statistics and parametric tests.

**Findings** – The results show moderate hotel innovation activity in both destinations and dominance of the technological innovations type. Statistically significant differences in all innovation types, except the technological ones are found at both destinations. Statistically significant differences in the perception of technological, product/service innovation, and administrative innovation from the managerial and non-managerial employees' perspective were found in Novi Sad hotels while no difference was found in the perception of the total innovation activity between the hotels at both destinations.

**Contribution** – Theoretical contribution is provided through critical synthesis of the relevant scientific papers, the research gap identified and the future research directions. The empirical contribution stems from studies conducted at two destinations from different countries, rarely covered in this research stream while practical contribution comes from the analysis, comparison and conclusions derived. Finally, implications for policy makers, relevant institutions as well as for hotel managers, owners and investors form the social contribution of the paper.

**Keywords** hotel innovation, comparison, two destinations, Novi Sad, Split

### INTRODUCTION

Accommodation sector is the crucial element of the tourism offer (Martinez-Ros and Orfila-Sintes, 2012). Within this sector, the hotel sector plays a key role (Martinez-Ros and Orfila-Sintes, 2009) and is, unlike the tourism sector, relatively homogeneous in operations (Orfila Sintes et al, 2005).

Innovation is generally perceived as one of the key drivers of development and competitiveness (Griesmann et al, 2013; Kessler et al, 2015) and is recognized as a source of increased competitiveness for tourism products, firms and destinations (Hall and Williams, 2008; Hall, 2009). However, tourism businesses have significant

difficulties in ‘protecting’ their innovations as it is usually rather easy for competitors to copy new successful ideas (Camisón and Monfort-Mir, 2012). Furthermore, intense competition, technological advancements and changes in consumers’ tastes makes the company’s survival highly dependent upon their innovation activities (Buhalis & Law, 2008; Wang & Ahmed, 2004). Thus, tourism firms are forced to continually innovate and to identify innovations which are difficult to copy (Vila et al., 2012).

The main objective of the paper is to examine and compare innovation activity, types and differences in the perception of innovations among the employees at managerial and non-managerial positions within the hotel sector at two chosen study destinations, Novi Sad in Serbia and Split in Croatia

## 1. LITERATURE REVIEW

Innovation is an often used but also misused and misunderstood term. For instance, Baregheh, Rowley and Sambrook, (2009) have found more than 60 various definitions of innovation (as cited in Brooker et al., and Joppe, 2014). One common aspect among them is the aspect of ‘newness’ (Johannessen *et al.*, 2001). However, Brooker and Joppe (2014) pinpoint that innovation has become a buzzword for any sort of improvement. To avoid this, a useable definition of innovation must provide an answer to three questions: what is new, to what extent is it new and to whom is it new (Johannessen et al., 2001). The first question refers to types of innovation commonly differentiated as product, process, marketing and organizational innovation (OECD, 2005; Schumpeter, 1934); the second differentiates between incremental (significant improvement) from radical (completely new) innovations (Schumpeter, 1934) while the third distinguishes new to the world from new to the unit of observation/company innovation (Sørensen, 2004). Besides newness, another key aspect of innovation is implementation (Kessler et al, 2015) as innovation only occurs when products/services, processes, marketing methods and organizational measures are put to use in organization’s operations (OECD, 2005).

Although lagging behind other innovation studies for long, the research on innovation in tourism is flourishing in the recent decade (Martinez-Roman et al., 2015). In a bibliometric literature review of tourism and hospitality innovation, Gomezelj (2016) finds that studies focusing on innovation in organizations are particularly numerous in the hotel sector studies, making almost a quarter of all company level analysis conducted. However, studies comparing different destinations are not very frequent.

In a review of hotel innovation studies Pivčević (2017) reveals that innovation measurement is one of the several major research topics in this study area. Thus, studies have found hotels to be little innovative (Pikkemaat, 2008), moderately innovative (Pivcevic and Garbin Pranicovic, 2012) but some also highly innovative (Jacob and Groizard, 2007). As far as dominant type of innovation is concerned, some studies point to technological innovations (Jacob and Groizard, 2007; Pikkemaat, 2008), others to service (Pivčević and Garbin Praničević, 2012) and managerial ones (Vila et al., 2012).

Although these studies were performed through different *ad hoc* approaches which do not enable direct results comparisons and generalizations, these findings still show that innovation activity varies across time and place of observation/measurement (Pivčević, 2017), as pinpointed by other authors (Hall and Williams, 2008; Thomas and Wood, 2014). Thus, more studies, measurement tools unification and studies conducted in different countries are needed to advance this knowledge on this important topic.

Sources of innovation are numerous and come from the internal as well as external environment. The literature highlights the role of human capital as an antecedent of innovation as employees' capabilities, different skills and knowledge are the generators of new ideas and innovations (De Jong & Den Hartog 2007; Slåtten, Svensson & Sværi 2011; Subramaniam & Youndt 2005, Nagy 2014; Ottenbacher 2007; Zhou & Shalley 2003). Namely, high level of knowledge, abilities and skills improve the information usage, rapid learning, and effective application of what was learnt, all of which affects innovation positively (Nieves and Segarra-Cipres, 2015). Furthermore, organizations that possess better human capital can create new knowledge and improve their capacity for handling changes (Young, Charns and Shortell, 2001; Nieves and Segarra-Cipres, 2015).

Thus, qualified employees should be perceived as one of the key innovation resources (Volberda et al., 2013; Zolnik & Sutter, 2010) as new ideas initiated by individuals can contribute to organizational success and effectiveness to a great extent (Axtell et al. 2000, Kattara & El-Said 2013; Tajeddini 2010; Unsworth & Parker 2003). This is crucial in the hotel business due to the immaterial nature of hotel products/services, the resulting quality to a great extent depends upon the way in which the service is delivered. Namely, as hotels often have the same basic 'hardware', the employees are the key service differentiation element due to their direct impact on consumers' satisfaction and new approaches i.e. innovations (Chatatoth et al., 2014). Thus, the most important internal sources identified in the literature are professional management (Elenkov, Manev, 2005; Howell, Higgins, 1990; Henry, 2001; West et al, 2003) and employees, especially the front-line ones.

In the era of rapid changes of the external environment, the role of managers and the experience they possess becomes more and more important (Kapiki et al, 2014). Managers are the ones required to possess strength and energy to create and articulate the vision, initiate and implement the changes (Jovičić et al, 2013), increase the productivity, introduce new marketing and distribution approaches, initiate changes and implement new ideas (Sundbo et al., 2007; Orfila-Sintes et al., 2005; Martinez-Ros and Orfila-Sintes, 2009), in order to better serve the needs of more and more demanding customers (Jacob et al., 2003; Pikemaat and Peters, 2005).

Managers constantly need to look for efficient ways to increase performances and employee work satisfaction. Training is one of the most efficient tools to achieve that (Orfila-Sintes i dr., 2005; Orfila-Sintes i Mattsson, 2007). Thus, managers need to understand that training and investment in new skills and knowledge are not an option but a necessary precondition for successful business and satisfied employees. This is in line with Tajeddini's (2011) findings that the orientation to learning is one of the most significant factors affecting new service development. Thus, hotels can use the

advantages associated with learning orientation to strengthen their innovative capability and respond to the changing customer demands (Jovičić et al, 2017).

## **2. STUDY DESTINATIONS - CONTEXT AND COMPARISON**

Two study destinations are Novi Sad in Serbia and Split in Croatia. Both countries record a growth of tourist arrivals in the last decade (Statistical Office of the Republic of Serbia 2017, Croatian Bureau for Statistics 2017).

Current positive features of the Serbian tourism can be summarized as follows: (i) the construction work on the international travel and rail corridors intensified, (ii) regional and international air traffic improved, (iii) small and medium-size entrepreneurship developed, and (iv) legislative framework improved. Furthermore, a number of new hotels and hotel chains were opened and domestic company investments in reconstruction, adaptation and construction of new hotel facilities have been made (Serbian tourism development strategy, 2016). In 2017, Serbia recorded 3,08 million tourists, 13% more than 2016. Out of them, 51% are domestic. On the other side, areas for Serbian tourism improvement are (i) the establishment of sustainable development system, (ii) better usage of EU pre-accession funds, (iii) the establishment of system of contemporary tourism trends analysis/ monitoring/reaction, (iv) implementation of modern standards in the hotel and tourism industry, (v) effective inspection system (Serbian tourism development strategy, 2016). As a result, the competitiveness of Serbian tourism is ranked at 95th place out of 136 countries (Travel & Tourism Competitiveness Report, 2017).

Croatia attracts visitors due to its rich and diverse natural, cultural and historical heritage with the coastal area being the most attractive and visited. The country has the highest number of immaterial heritage goods on the UNESCO list in Europe, globally, just behind China and Japan. Croatia's specific accommodation offering also includes 98 ports of nautical tourism (Proposal for tourism development strategy of the Republic of Croatia until 2020, 2013). In spite of natural attractions and cultural-historical heritage, Croatian tourism sector still has room for improvement, specifically in the area of newly-created tourist attractions such as up-to-date equipped congress centres, theme and entertainment parks, golf courses, visitor centres and well-designed thematic routes. Lack of these offerings significantly hampers (i) the expansion of an internationally recognizable tourism brand, (ii) touristic activation of continental areas and (iii) the extension of the tourist season. In addition, Croatia is still missing the centres of the all-year mountain and sport tourism, quality cycling routes with the relating infrastructure, diving and sailing centres and other facilities necessary for sustainable positioning on the market of special interest tourism. In 2017, Croatia officially recorded 17.4 million tourists, 13% more compared to 2016. Out of them, 89% refers to foreign arrivals. According to the Travel & Tourism Competitiveness Report (2017), Croatia is ranked at 32nd place.

As per diverse country contexts, the cities of Novi Sad and Split are chosen as study destinations due to their similarities in several aspects. Namely, both are (i) the second largest city in the country, (ii) a regional centre, (iii) a university centre, (iv) recognized

in local gastronomy, surrounded by (v) water (Novi Sad a river port, Split a sea port), and (vi) mountains. However, their 'tourist' profile data (Table 1) reveals that these two destinations are quite different.

Tables 1: **Tourism traffic in Novi Sad and Split in 2017**

Destination Year	Novi Sad		Split	
	2017	Change 2017 vs. 2016	2017	Change 2017 vs. 2016
Total tourist arrivals	178,955	12.9 %	720,325	23.5 %
Total overnights	340,036	2.8 %	2,127,350	23.9 %
Foreign tourist arrivals	112,802	3.0 %	660,534	20.97 %
Foreign overnights	231,340	1.5 %	2,005,490	26.1 %
Domestic tourist arrivals	66,153	12.8 %	59,791	-2.06 %
Domestic overnights	108,696	5.5 %	121, 860	-3.65 %

Source: Statistical Office of the Republic of Serbia, 2018. and Strateški marketinški plan destinacije Split, 2017.

### 3. METHODOLOGY

The empirical study was conducted using a specially designed questionnaire consisting of two parts. The first part included socio-demographic variables of respondents while the second measured the employees' perception of hotel innovation. The scale consisted of 28 items divided into 6 dimensions:

- Products/Services innovations (5 items) (Damanpour 1991; Nasution et al. 2011);
- Process innovations (5 items) (Damanpour, 1991; Nasution et al. 2011);
- Administrative innovations (5 items) (Hine/Ryan, 1999, Nasution et al. 2011);
- Customer-focused innovations (5 items) (Hogan et al. 2011);
- Marketing innovations (4 items) (Hogan et al. 2011) and
- Technological innovations (4 items) (Hogan et al. 2011).

Based on the literature, the items were formulated as five-point Likert scale statements, and the respondents asked to express their level of agreement.

Table 2: **Socio-demographic variables of respondents**

Variable	Category	Novi Sad	Split	Total
		Percentage of respondents (%)		
Gender	Male	35.5	44.0	39.5
	Female	64.5	56.0	60.5
Education	Secondary school	30.9	57	43.3
	College/Faculty	57.3	30	44.3
	Master studies	11.8	13	12.4
Position	Top management	4.5	8.0	6.2
	Middle management	19.1	15.0	17.1
	Lower management	10.9	14.0	12.4
	Non-management staff	65.5	56.0	61.0

The field research included 210 employees in 26 hotels (110 in 9 hotels in Novi Sad and 100 respondents in 17 hotels in Split) in three-star hotels and higher. The average number of respondents per hotel was 12 in Novi Sad and 6 in Split. The average age of respondents in both destinations is 33.8. The average work experience in hospitality industry is 9.8 years in Split and 6.9 years in Novi Sad. In terms of length of work in a current hotel, respondents from Split have reported 4.5 years on average and respondents from Novi Sad 3.3 years. The average length on a particular position is again higher in Split – 4.6 years compared to 3.8 years in Novi Sad. The other socio-demographic characteristics are given in Table 2.

#### 4. RESULTS AND DISCUSSION

Descriptive statistics of variables measuring innovation are given in Table 3. All subscales showed high internal consistency (Nunnally, 1978) with Cronbach alpha ( $\alpha$ ) ranging from 0.885 to 0.971.

Table 3: **Descriptive statistics**

Variable	N	Min	Max	M	SD	Cronbach's $\alpha$
Customer-Focused innovations	210	2.00	5.00	3.68	.66	.885
Marketing innovations	210	1.00	5.00	3.47	.81	.921
Technological innovations	210	1.75	5.00	3.90	.75	.945
Process innovations	210	1.80	5.00	3.52	.77	.908
Products/Services innovations	210	1.40	5.00	3.45	.71	.914
Administrative innovations	210	1.00	5.00	3.39	.65	.879
Innovation – Total	210	1.89	5.00	3.52	.62	.971

The T-test analysis of independent samples (Table 4) showed statistically significant differences among two destinations in level of innovation of all types, as well for all types of innovation summated (Innovation - Total). As presumed, hotels in Split have demonstrated a higher level of innovation. Cohen's d (Cohen, 1988) was calculated to quantify the difference between the two groups (Table 4).  $t$ , 0.5 a moderate effect whilst values of 0.8 and greater indicate a large effect size. The results reveal mostly moderate differences (d from 0.5 to 0.8) between the mean values of hotel innovations in the two cities, except for technological innovations (no difference).

The results reveal that hotels in Novi Sad mostly focus on technological innovations ( $M = 3.8$ ), and the least to administrative innovations ( $M = 3.23$ ). This is partially in accordance with the results obtained in the sample for the whole of Serbia (Jovičić et al, 2015; Jovičić Vuković et al., 2018). The result for Split area are in the same line - the highest mean values being for technological innovations ( $M = 4.02$ ) and the lowest for administrative ones ( $M = 3.56$ ).

Table 4: Hotel innovation - differences between Novi Sad and Split

Variables	City	N	M	SD	T	sig.	Cohen's d
Customer-Focused innovations	Novi Sad	110	3.54	.66	-3.149	<b>0.002</b>	0.44
	Split	100	3.83	.64			
Marketing innovations	Novi Sad	110	3.30	.86	-3.334	<b>0.001</b>	0.46
	Split	100	3.66	.70			
Technological innovations	Novi Sad	110	3.80	.74	-2.150	<b>0.033</b>	0.01
	Split	100	4.02	.74			
Process innovations	Novi Sad	110	3.33	.76	-3.954	<b>0.000</b>	0.54
	Split	100	3.73	.73			
Products/Services innovations	Novi Sad	110	3.26	.71	-4.135	<b>0.000</b>	0.57
	Split	100	3.65	.65			
Administrative innovations	Novi Sad	110	3.23	.64	-3.814	<b>0.000</b>	0.53
	Split	100	3.56	.62			
Innovation – Total	Novi Sad	110	3.34	.60	-4.832	<b>0.000</b>	0.67
	Split	100	3.73	.57			

Previous empirical research on hotel innovation revealed moderate innovation activity in the Republic of Croatia (Pivčević and Garbin Praničević, 2012; Pivčević, 2010), as well as in the Republic of Serbia (Jovičić, 2015; Jovičić et al., 2016; Jovičić Vuković et al. al, 2018). Thus, a significant potential for increased innovation in both countries exists and it can be seen as an impediment for increased competitiveness of the hotel sector, and, consequently, the whole tourism sector.

The next analysis was aimed at determining differences in perception of innovations among employees at managerial and non-managerial positions. The results of the T-test analysis (Table 5) reveal statistically significant differences for three types of innovations in Novi Sad: technological, product/service and administrative innovation. Managers are the ones that perceive these types of innovation to be higher than do the non-manager employees. The reason for this might be the insufficient ability of lower-level employees to recognize innovations or, on the other hand, the need of managerial staff to show better performances of the hotels they manage. In case of Split area hotels, such differences were not found revealing a coherent perception among managers and non-managers. Also, such differences were not found between Novi Sad and Split hotels' for summated innovation activity.

**Table 5: Hotel innovation – differences between managers and non-managerial employees**

Destination	Variable	Work position	N	M	SD	T	sig.
Novi Sad	Customer-Focused innovations	Managers	38	3.61	.66	.771	.442
		Non-managers	72	3.51	.66		
	Marketing innovations	Managers	38	3.46	.73	1.433	.155
		Non-managers	72	3.21	.92		
	Technological innovations	Managers	38	4.08	.52	3.378	<b>.001</b>
		Non-managers	72	3.65	.79		
	Process innovations	Managers	38	3.51	.69	1.871	.064
		Non-managers	72	3.23	.78		
	Products/Services innovations	Managers	38	3.45	.64	2.027	<b>.045</b>
		Non-managers	72	3.16	.73		
	Administrative innovations	Managers	38	3.44	.53	2.513	<b>.013</b>
		Non-managers	72	3.12	.67		
	Innovation – Total	Managers	38	3.49	.53	1.907	.059
		Non-managers	72	3.26	.63		
Split	Customer-Focused innovations	Managers	37	3.85	.68	.334	.739
		Non-managers	56	3.80	.63		
	Marketing innovations	Managers	37	3.80	.68	1.466	.146
		Non-managers	56	3.58	.72		
	Technological innovations	Managers	37	4.01	.65	.335	.738
		Non-managers	56	3.96	.80		
	Process innovations	Managers	37	3.77	.72	.410	.683
		Non-managers	56	3.71	.74		
	Products /Services innovations	Managers	37	3.77	.61	1.545	.126
		Non-managers	56	3.56	.66		
	Administrative innovations	Managers	37	3.67	.57	1.535	.128
		Non-managers	56	3.47	.64		
	Innovation – Total	Managers	37	3.80	.54	1.054	.295
		Non-managers	56	3.67	.60		

## CONCLUSION

The results of this study have provided three new insights on the hotel sector innovation. Firstly, significant moderate differences in hotel innovation of most types were found among the two destinations. Innovation activity was higher in Split, not surprising considering the wider context of macro/national and micro/destination level setting. In these two countries the development of tourism as well as the hotel sector are quite diverse – Croatian hotel sectors is consolidated and very rather propulsive in recent years, Serbian in transformation and modernisation stage. Differences are also found in destination setting in terms of attractiveness, tourism figures, hotel sector development and features – in all of them Split considerably outweighing Novi Sad. Thus, the results support the stance that competition pressures drive innovation (Hjalager, 2007). However, as in hotel sector (and tourism) same studies are rarely conducted in different settings, this finding is a relevant literature contribution.



Secondly, in both destinations, the highest grade is reported for technological innovations (no statistical differences among them). This supports the findings of previous studies on the dominance of technological domination in the sector (Jacob and Groizard, 2007; Pikkemaat, 2008) but this study adds a new insight that this dominance is neither context nor competition-dependent.

Thirdly, in regards to difference among managerial and non-managerial employees' perspective, the findings could lead to conclusion that in less developed sector/destination these two groups of employees have somewhat diverging perceptions of their business operations i.e. reveal a potential inhomogeneity. However, that is only one possible presumption, and more studies in different destinations are necessary to confirm/validate it.

As per managerial and policy implications, comparing the findings of related previous studies in these two countries (Pivčević and Garbin Praničević, 2012; Pivčević, 2010 in Croatia; Jovičić, 2015; Jovičić et al., 2016; Jovičić Vuković et al. al, 2018 in Serbia) it appears the innovation rate is slowly rising. Still, there is room for improvement in both destinations/countries. Innovation and competitiveness of the hotel industry could be enhanced by further development of human resources through investments in knowledge and skills, development of learning systems adopted the hotel industry needs, development of hotels' networks and partnerships with universities, schools and professional associations. Furthermore, introduction of e-learning-oriented culture and provision of innovation related educations/seminars for staff might increase innovation perception and implementation and foster organizational competitiveness (Fraj et al., 2015). The entrance of more international hotel chains could be an impediment as were found more innovation prone (Orfila-Sintes et al, 2005).

The study conducted entails several limitations. The first one is the innovation activity measurement by subjective respondent perception but subject-based innovation measurement remains the only tool for innovation measurement, especially in the services sector. The second one is the sample size, in terms of respondents and hotels included. A bigger sample would increase the results representativeness and enable more complex data analysis and relations testing. Also, including more destinations in the study would be needed to validate the effect of diverse setting on innovation activity/differences which was pilot-tested in this study.

## **ACKNOWLEDGEMENTS**

The research was supported by Erasmus Mundus SUNBEAM Programme.

## REFERENCES

- Axtell, C., Holman, D. & Wall, T. (2006), "Promoting innovation: A change study", *Journal of Occupational and Organizational Psychology*, Vol. 79, No. 3, pp. 509-516.  
<https://doi.org/10.1348/096317905x68240>
- Baregheh, A., Rowley, J. & Sambrook, S. (2009), "Towards a multidisciplinary definition of innovation", *Management decision*, Vol. 47, No. 8, pp. 1323-1339.  
<https://doi.org/10.1108/00251740910984578>
- Brooker, E. and Joppe, M. (2014), "Developing a tourism innovation typology: leveraging liminal insights", *Journal of Travel Research*, Vol. 53 No. 4, pp. 500-508.  
<https://doi.org/10.1177/0047287513497839>
- Buhalis, D. & Law, R. (2008), "Progress in information technology and tourism management: 20 years on and 10 years after the Internet the state of eTourism research", *Tourism Management*, Vol. 29, No. 4, pp. 609-623. <https://doi.org/10.1016/j.tourman.2008.01.005>
- Camisón, C. and Monfort-Mir, V.M. (2012), "Measuring innovation in tourism from the Schumpeterian and the dynamic-capabilities perspectives", *Tourism Management*, Vol. 33 No. 4, pp. 776-789.  
<https://doi.org/10.1016/j.tourman.2011.08.012>
- Chathoth, P.K., Ungson, G.R., Altinay, L., Chan, E.S.W., Harrington, R. and Okumus, F. (2014), "Barriers affecting organisational adoption of higher order customer engagement in tourism service interactions", *Tourism Management*, Vol. 42, pp. 181-193.  
<https://doi.org/10.1016/j.tourman.2013.12.002>
- Cohen, J. (1988), *Statistical power analysis for the behavioural sciences*, 2<sup>nd</sup> ed. Lawrence Erlbaum Associates, Hillsdale, NJ.
- Croatian Bureau for Statistics 2017, viewed 15 February 2019,  
[https://www.dzs.hr/Hrv\\_Eng/ljetopis/2018/sljh2018.pdf](https://www.dzs.hr/Hrv_Eng/ljetopis/2018/sljh2018.pdf)
- Damanpour, F. (1991), "Organizational innovation: A meta-analysis of effects of determinants and moderators", *Academy of management journal*, Vol. 34, No. 3, pp. 555-590.  
<https://doi.org/10.2307/256406>
- De Jong, J.P., & Den Hartog, D.N. (2007). "How leaders influence employees' innovative behaviour", *European Journal of innovation management*, Vol. 10, No. 1, pp. 41-64.  
<https://doi.org/10.1108/14601060710720546>
- Elenkov, D.S. & Manev, I.M. (2005), "Top management leadership and influence on innovation: The role of sociocultural context", *Journal of management*, Vol. 31, No. 3, pp. 381-402.  
<https://doi.org/10.1177/0149206304272151>
- Fraj, E., Matute, J. and Melero, I. (2015), "Environmental strategies and organizational competitiveness in the hotel industry: The role of learning and innovation as determinants of environmental success", *Tourism Management*, Vol. 46, pp. 30-42. doi:10.1016/j.tourman.2014.05.009
- Gomezelj Omerzel, D. (2016), "A systematic review of research on innovation in hospitality and tourism", *International Journal of Contemporary Hospitality Management*, Vol. 28, No. 3 pp. 516-558  
<https://doi.org/10.1108/ijchm-10-2014-0510>
- Government of the Republic of Croatia (2013), Proposal for tourism development strategy of the Republic of Croatia until 2020, 2013, viewed 15 February 2019,  
[https://mint.gov.hr/UserDocsImages/arhiva/Tourism\\_development\\_strategy\\_2020.pdf](https://mint.gov.hr/UserDocsImages/arhiva/Tourism_development_strategy_2020.pdf)
- Government of the Republic of Serbia (2016), Tourism development strategy of the Republic of Serbia. viewed 15 February 2019.  
<http://mtt.gov.rs/download/3/TOURISM%20DEVELOPMENT%20STRATEGY%20OF%20RS%202016-2025.pdf>
- Hall, M.C. (2009), "Innovation and tourism policy in Australia and New Zealand: never the twain shall meet", *Journal of Policy Research in Tourism, Leisure and Events*, Vol. 1, No. 1, pp. 2-18  
<https://doi.org/10.1080/19407960802703466>
- Hall, M.C., Williams, A.M. (2008), *Tourism and Innovation*, Routledge, Oxon.
- Henry, J. (2001), *Creativity and perception in management*, Sage, London.
- Hine, D. & Ryan, N. (1999), "Small service firms—creating value through innovation", *Managing Service Quality: An International Journal*, Vol. 9, No. 6, pp. 411-422.  
<https://doi.org/10.1108/09604529910302109>
- Hjalager, A.-M. (2007), "Stages in the economic globalization of tourism", *Annals of Tourism Research*, Vol. 34, No. 2, 437-457. <https://doi.org/10.1016/j.annals.2006.10.006>
- Hogan, S.J., Soutar, G.N., McColl-Kennedy, J.R. & Sweeney, J.C. (2011), "Reconceptualizing professional service firm innovation capability: Scale development", *Industrial marketing management*, Vol. 40, No. 8, pp. 1264-1273. <https://doi.org/10.1016/j.indmarman.2011.10.002>

- Howell, J.M., & Higgins, C.A. (1990), "Champions of technological innovation", *Administrative science quarterly*, pp. 317-341. <https://doi.org/10.2307/2393393>
- Jacob, M., Groizard, J.L. (2007), "Technology transfer and multinationals: The case of Balearic hotel chains' investments in two developing economies", *Tourism Management*, Vol. 28, No. 4, pp. 976-992 <https://doi.org/10.1016/j.tourman.2006.08.013>
- Jacob, M., Tinotre, J., Aguiulo, E., Bravo, A., Mulet, J. (2003), "Innovation in the tourism sector: results from a pilot study in the Balearic Islands", *Tourism Economics*, Vol. 9, No. 3, pp. 279-295 <https://doi.org/10.1177/135481660300900303>
- Johannessen, J.-A., Olsen, B., Lumpkin, G.T. (2001), "Innovation as newness: what is new, how new and new to whom", *European Journal of Innovation Management*, Vol. 4, No. 1, pp. 20-31 <https://doi.org/10.1108/14601060110365547>
- Jovičić Vuković, A. J., Gagić, S., Terzić, A., Petrović, M. D. & Radovanović, M. (2018), "The Impact of Organisational Learning on Innovation: Case Study of the Serbian Hotel Industry", *JEEMS Journal of East European Management Studies*, Vol. 23, No. 4, pp. 673-692. <https://doi.org/10.5771/0949-6181-2018-4-673>
- Jovičić, A. (2015), *Organizacioni faktori kao prediktori inovativnosti u hotelijerstvu Srbije*, doktorska disertacija, Novi Sad: Univerzitet u Novom Sadu, Prirodno-matematički fakultet, Departman zageografiju, turizam i hotelijerstvo.
- Jovičić, A., Gagić, S. & Sekulić, D. (2016), "Interdependance of innovativeness and category of a hotel: Case study of Serbian hotels sector", *Marketing*, Vol. 47, No. 2, pp. 93-103. <https://doi.org/10.5937/markt1602093j>
- Kapiki, S., Mu, L. & Fu, J. (2014), "Assessment of the lodging industry profitability performance: Invest in independent or chain ownership?", *Turizam*, Vol. 18, No. 2, pp. 84-94. <https://doi.org/10.2139/ssrn.2459498>
- Kattara, H.S., & El-Said, O.A. (2013), "Innovation strategies: The implementation of creativity principles in Egyptian hotels", *Tourism and Hospitality Research*, Vol. 13, No. 3, pp. 140-148. <https://doi.org/10.1177/1467358414522053>
- Kessler, A., Pachucki, C., Stummer, K., Mair, M., Binder, P. (2015), "Types of organizational innovativeness and success in Austrian hotels", *International Journal of Contemporary Hospitality Management*, Vol. 27, No. 7 pp. 1707-1727 <https://doi.org/10.1108/ijchm-03-2014-0150>
- Martinez-Roman, J.A., Tamayo, J. A., Gamero, J., Romero, J.E., (2015), "Innovativeness and business performances in tourism SMEs", *Annals of Tourism Research*, Vol. 54, pp. 118-135, <http://dx.doi.org/10.1016/j.annals.2015.07.004>
- Martinez-Ros, E. and Orfila-Sintes, F. (2012), "Training plans, manager's characteristics and innovation in the accommodation industry", *International Journal of Hospitality Management*, Vol. 31, No. 3, pp. 686-694. <https://doi.org/10.1016/j.ijhm.2011.09.004>
- Martinez-Ros, E., Orfila-Sintes, F. (2009), "Innovation activity in the hotel industry", *Technovation*, Vol. 29, No. 9, pp. 632-641 <https://doi.org/10.1016/j.technovation.2009.02.004>
- Nagy, A. (2014), "The orientation towards innovation of spa hotel management: the case of Romanian spa industry", *Procedia-Social and Behavioral Sciences*, 124, pp. 425-431. <https://doi.org/10.1016/j.sbspro.2014.02.504>
- Nasution, H. N., Mavondo, F.T., Matanda, M.J., & Ndubisi, N.O. (2011), "Entrepreneurship: Its relationship with market orientation and learning orientation and as antecedents to innovation and customer value", *Industrial marketing management*, Vol. 40, No. 3, pp. 336-345. <https://doi.org/10.1016/j.indmarman.2010.08.002>
- Nieves, J. Haller, S. (2014), "Building dynamic capabilities through knowledge resources", *Tourism Management*, Vol. 40, pp. 224-232. <https://doi.org/10.1016/j.tourman.2013.06.010>
- Nunnally, J. (1978), *Psychometric methods*, 2nd Edition, McGraw-Hill, New York.
- OECD, EUROSTAT (2005), *Oslo manual – guidelines for collecting and interpreting innovation data*, 3rd Edition, available at <http://www.ttg.v.org.tr/UserFiles/File/OSLO-EN.pdf>
- Orfila-Sintes, F., Crespi-Cladera, R. and Martinez-Ros, E. (2005), "Innovation Activity in the Hotel Industry: Evidence from the Balearic Islands", *Tourism Management*, Vol. 26, No. 6, pp. 851-865. <https://doi.org/10.1016/j.tourman.2004.05.005>
- Orfila-Sintes, F., Mattsson, J. (2007), "Innovation behavior in the hotel industry", *Omega*, Vol. 37, No. 2, pp. 380-394. <https://doi.org/10.1016/j.omega.2007.04.002>
- Ottenbacher, M.C. (2007), "Innovation management in the hospitality industry: different strategies for achieving success", *Journal of hospitality & tourism research*, Vol. 31, No. 4, pp. 431-454. <https://doi.org/10.1177/1096348007302352>

- Pikkemaat, B. (2008), "Innovation in small and medium-sized tourism enterprises in Tyrol, Austria", *Entrepreneurship and Innovation*, Vol. 9, No. 3, pp. 187-197.  
<https://doi.org/10.5367/00000008785096601>
- Pikkemaat, B., Peters, M. (2005), "Towards the Measurement of Innovation - A Pilot Study in the Small and Medium Sized Hotel Industry", *Journal of Quality Assurance in Hospitality and Tourism*, Vol. 6, No. 3/4, pp. 89-112. [https://doi.org/10.1300/j162v06n03\\_06](https://doi.org/10.1300/j162v06n03_06)
- Pivčević, S. (2017), "A literature review of innovation research in the hotel sector", *Review of Business Research*, (1546-2609) Vol. 17, No. 1, pp. 7-16, <http://dx.doi.org/10.18374/RBR-17-1.1>
- Pivčević, S. and Praničević, D.G. (2012), "Innovation Activity in the Hotel Sector - The Case of Croatia", *Ekonomska Istrazivanja - Economic Research*, Vol. 25 No. 1, pp. 337-363.  
<https://doi.org/10.1080/1331677x.2012.11517568>
- Schumpeter, J.A. (1934), *The theory of economic development*. Cambridge, MA: Harvard University Press.
- Slåtten, T., Svensson, G. & Sværi, S. (2011), "Service quality and turnover intentions as perceived by employees: Antecedents and consequences", *Personnel Review*, Vol. 40, No. 2, pp. 205-221.  
<https://doi.org/10.1108/004834811111106084>
- Statistical Office of the Republic of Serbia 2017, viewed 15 February 2019  
<http://publikacije.stat.gov.rs/G2018/Pdf/G20182051.pdf>
- Statistical yearbook of the Republic of Serbia, viewed 15 February 2019  
<http://publikacije.stat.gov.rs/G2018/Pdf/G20182051.pdf>
- Subramaniam, M. & Youndt, M. A. (2005), "The influence of intellectual capital on the types of innovative capabilities", *Academy of Management journal*, Vol. 48, No. 3, pp. 450-463.  
<https://doi.org/10.5465/amj.2005.17407911>
- Sundbo, J., Orfila-Sintes, F., Sørensen, F. (2007), "Innovation in tourism firms – Comparative studies of Denmark and Spain", *Research Policy*, Vol. 36, No. 1, pp. 88-106  
<https://doi.org/10.1016/j.respol.2006.08.004>
- Tajeddini, K. (2010), "Effect of customer orientation and entrepreneurial orientation on innovativeness: Evidence from the hotel industry in Switzerland", *Tourism management*, Vol. 31, No. 2, pp.221-231. <https://doi.org/10.1016/j.tourman.2009.02.013>
- Tajeddini, K. (2011), "Customer Orientation, Learning Orientation, and New Service Development An Empirical Investigation of the Swiss Hotel Industry", *Journal of Hospitality & Tourism Research*, Vol. 35, No. 4, pp. 437-468. <https://doi.org/10.1177/1096348010380599>
- Thomas, R. and Wood, E. (2014), "Innovation in tourism: Re-conceptualizing and measuring the absorptive capacity of the hotel sector", *Tourism Management*, Vol. 45, pp. 39-48.  
<https://doi.org/10.1016/j.tourman.2014.03.012>
- Turistička zajednica grada Splita (2017), Strateški marketinški plan destinacije Split, 2017-2022, 2017 viewed 15 February 2019, <https://visitsplit.com/clients/1/documents/5dnzypa85onms73.pdf>
- Unsworth, K.L., & Parker, S.K. (2003), "Proactivity and innovation: Promoting a new workforce for the new workplace", *The new workplace: A guide to the human impact of modern working practices*, pp. 175-196. <https://doi.org/10.1002/9780470713365.ch10>
- Vila, M., Enz, C. & Costa, G. (2012), "Innovative practices in the Spanish hotel industry", *Cornell Hospitality Quarterly*, Vol. 53, No. 1, pp. 75-85. Retrieved [11.02.2019.], from Cornell University, School of Hospitality Administration site: <http://scholarship.sha.cornell.edu/articles/204/>
- Volberda, H.W., Van Den Bosch, F.A.J., & Heij, C.V. (2013), "Management innovation: management as fertile ground for innovation", *European Management Review*, Vol. 10, No. 1, pp. 1-15.  
<https://doi.org/10.1111/emre.12007>
- Wang, C.L., & Ahmed, P.K. (2004), "The development and validation of the organizational innovativeness construct using confirmatory factor analysis", *European Journal of Innovation Management*, Vol. 7, No. 4, pp. 303-313. <https://doi.org/10.1108/14601060410565056>
- West, M.A., Borrill, C., Dawson, J., Brodbeck, F., Shapiro, D., Haward, B. (2003), "Leadership clarity and team innovation in health care", *Leadership Quarterly*, Vol. 14, pp. 393-410.  
[https://doi.org/10.1016/s1048-9843\(03\)00044-4](https://doi.org/10.1016/s1048-9843(03)00044-4)
- World Economic Forum (2017), The travel & tourism Competitiveness Report 2017, viewed 15 February 2019. [http://www3.weforum.org/docs/WEF\\_TTCR\\_2017\\_web\\_0401.pdf](http://www3.weforum.org/docs/WEF_TTCR_2017_web_0401.pdf)
- Young, G.J., Charns, M.P., & Shortell, S.M. (2001), "Top manager and network effects on the adoption of innovative management practices: a study of TQM in a public hospital system", *Strategic Management Journal*, Vol. 22, No. 10, pp. 935-951. <https://doi.org/10.1002/smj.194>
- Zhou, J. & Shalley, C.E. (2003), "Research on employee creativity: A critical review and directions for future research", In *Research in personnel and human resources management*, Emerald Group Publishing Limited, pp. 165-217. [https://doi.org/10.1016/s0742-7301\(03\)22004-1](https://doi.org/10.1016/s0742-7301(03)22004-1)

Zolnik, E.J. & Sutter, R. (2010), "Workforce management innovations in transportation agencies: overcoming obstacles to public sector innovation", *The Innovation Journal: The Public Sector Innovation Journal*, Vol. 15, No. 1, pp. 2-15.

**Ana Jovičić Vuković**, PhD, Lecturer  
Novi Sad School of Business,  
Department of Tourism and Hospitality  
Vladimira Perića Valtera 4, Novi Sad, Serbia  
Phone: 00381641478824  
E-mail: dr.ana.jovicic@gmail.com

**Smiljana Pivčević**, PhD, Associate Professor  
University of Split, Faculty of Economics, Business and Tourism  
Department of Tourism and Economy  
Cvite Fiskovća 5, 21000 Split, Croatia  
Phone: 0038521430669  
E-mail: smiljana.pivcevic@efst.hr

**Daniela Garbin Praničević**, PhD, Associate Professor  
University of Split, Faculty of Economics, Business and Tourism  
Department of Business Informatics  
Cvite Fiskovća 5, 21000 Split, Croatia  
Phone: 0038521430612  
E-mail: daniela@efst.hr