



Article Title

Services Marketing in the Hospitality Economy: An exploratory study

Citation

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Abstract

Meeting the challenges of an unstable and unsettled environment is not easy. The recent impacts on the hospitality services economy of changing technology, mergers of institutions, increasingly demanding consumers and increased competition have created an atmosphere of volatility and rapid change. In order to survive in this demanding market place, service organizations have only one choice, to successfully develop and launch new services. However, the failure rate of new service projects is high, because the knowledge on how new services should be developed is limited. Unfortunately, unlike tangible new product development practices which have the benefit of extensive research into how successful new products are developed, the service sector has only recently begun to explore ways to ensure the success of new services. Therefore, this study focuses on a better understanding of how successful new hotel services are developed and investigates the factors, which have impact on success or failure in new service development (NSD) in the hotel sector. The results of the exploratory study are summarized in a conceptual model for further research

Methods

Although new product programmers are plagued by high failure rates and disappointing results, new products are vital for the growth and prosperity of the modern corporation. While trying to overcome these deficiencies, companies looking for formal processes for moving a new product project from the idea stage to launch. This article reports on empirical studies of new product launches, which identify some of the key factors in success (Cooper and Kleinschmidt, 1993).

Results

Three major techniques for the multivariate data analysis will be employed: factor analysis to reduce the number of variables to a more manageable number; two- group discriminant analysis to develop a model for predicting either success or failure; logistic regression to verify the results of the sensitive discriminant analysis. However, before beginning this analysis the issue of scale reliability will be addressed first (Edgett and Parkinson, 1994; Zopounidis and Doumpos, 2002).

Conclusion

The first step of the research is to get a better understanding of the underlying factors and dimensions that describe NSD in the hospitality economy. This will be done in the near future through empirical research by interviewing the 120 potential hotel managers in the eight default cities, who are knowledge of NSD. The interviews will cover business and resort hotels in Greece.