

Ensuring the Sustainable Development of Hotel Establishments by Improving the Service Quality

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ABSTRACT

This article discusses the concept of sustainable development of hotel enterprises and methods to ensure it by improving the quality of hotel services. This research work is very relevant, since at present much attention is paid to the sustainable development of tourism and hotel enterprises, since sustainable development has a great influence on improving the efficiency of the country's economy and is very important for any state and in any conditions.

Keywords: sustainable tourism, sustainable hospitality, hotel enterprises, hotel services, service quality, economic, environmental, social, institutional, ICT

1. INTRODUCTION

Sustainable development is defined in many ways, but the most common definition is “our common future”, which means meeting the needs of the present without compromising the needs that provide a balanced and healthy life for future generations in the future, and this concept first appeared in (1987) in Report Issued by the Brundtland Commission, which warns of the environmental risks of economic growth, globalization, population growth and industrialization, and is trying to find appropriate solutions [12]. The goal of this research work is a comprehensive study of ensuring the sustainable development of hotel enterprises on the basis of improving their service quality, as well as the development of a set of scientific and practical recommendations for improving the sustainable development of hotel enterprises on the basis of increasing their competitiveness.

2. SUSTAINABLE DEVELOPMENT OF THE HOTEL ENTERPRISES

The modern concept of sustainable development includes four main aspects [14]: economic, social, environmental and institutional, as shown in Figure 1.

In our opinion, it is necessary to add a new aspect to the already existing aspects of sustainable development, since at the present stage, a new economy is developing, which requires innovation. The author proposes aspects of sustainable development presented in Figure 2.

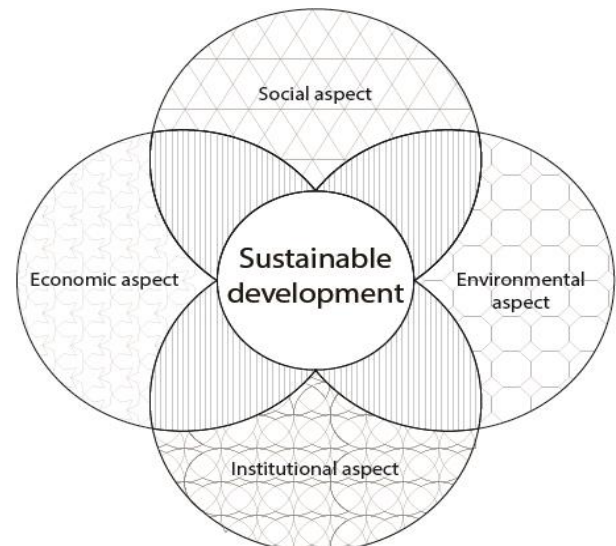


Figure 1 Aspects of sustainable development

Source: Compiled by the author based on the UN Development Program.

It should be noted that so far in the world community, the main international organizations are developing criteria and indicators of sustainable development.

According to the World Tourism Organization (WTO), sustainable tourism development is “tourism that takes full account of its current and future economic, social and environmental impacts, satisfying the needs of visitors, industry, the environment and host communities”. The World Tourism Organization (WTO) is the developer of the first methodology for assessing the sustainable development of tourism [14].

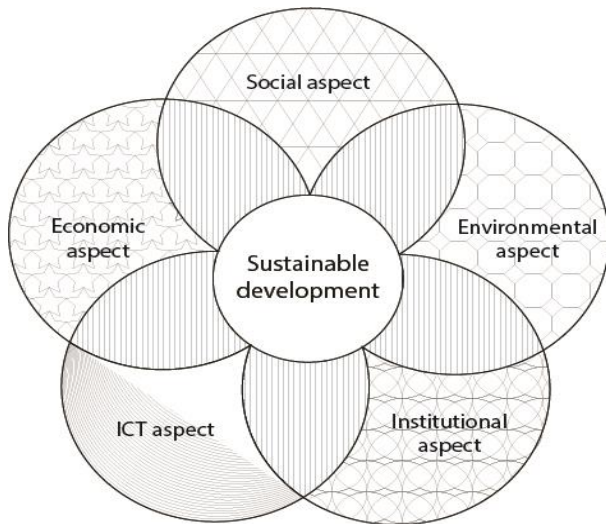


Figure 2 Sustainability aspects proposed by the author
Source: Designed and Compiled by the Author

The essence of this approach lies in the system of indicators, and consists of 768 indicators, 29 of which are basic. In this regard, the criteria and global basic standards for the tourism industry, which are managed by the Global Council on Sustainable Tourism (GSTC), are presented. There are two sets: appointment criteria for government policy makers and line managers, and industry criteria for hotels and tour operators. According to the GSTC, the criteria for sustainable development for hotels and tour operators are the same and identical to the industry criteria of the GSTC. This demonstrates the close relationship between sustainable development in the hotel and tourism sectors. The criteria for hotels were created in order to come to a common understanding of the sustainable development of tourism and are the minimum that the hotel business should strive to achieve. Based on data from the Global Council on Sustainable Tourism Development (GSTC), the main criteria for sustainable development of the tourism industry for tourism destinations are closely related to the following factors:

- Rational and effective planning of sustainable development of tourist destinations.
- Focusing on maximizing the socio-economic benefits received by the local population.
- Strengthening of cultural heritage.
- Reduction of harmful and destructive effects on the environment [13].

It should be noted that there are still no clear criteria in the world community and no methodology for assessing the sustainable development of hotel enterprises.

According to S.S. Skobkina, the final stage of planning sustainable development of tourism should be measures to improve the territory where tourism is under development in a cluster of hospitality services [11, p. 80-81].

In our opinion, the sustainable development of hotel enterprises involves the simultaneous solution of diverse and largely controversial problems of economic growth in the hotel industry, provided that the quality of the living

environment is maintained, assessed primarily in accordance with the following aspects: social, economic, environmental, institutional and informational communication technology.

In our opinion, the objectives of sustainable development of hotel enterprises should be as shown in Figure 3.

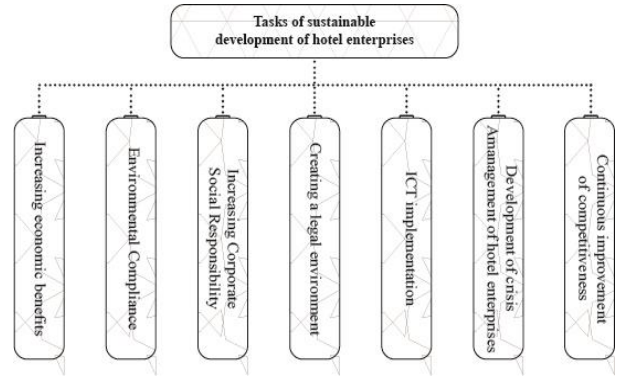


Figure 3 Tasks of sustainable development of hotel enterprises
Source: Compiled by the author.

Let's consider them in more detail.

1. The increase in economic benefits for both hotel enterprises and for the local population, based on the following tasks:

- Quality management and ensuring the development of the service of hotel enterprises [1, p.8-9].
- financial sustainability management of hotel enterprises.
- an increase in investment opportunities in the hotel industry, which, in turn, leads to an increase in the contribution of hotel enterprises to GDP.

2. Increase in corporate social responsibility (CSR) of hotel enterprises. Social responsibility in the field of hotel enterprises is the adoption of a social role in the development strategies of hotel enterprises, which will bring much benefit to the community, improving the mental image of the organization and creating a positive look for hotel guests, employees and community members as a whole [5, p. 65-66].

3. Compliance with environmental standards when providing hotel services: measures are being taken to minimize risks to the territory and the environment in which the hotel is located.

4. The creation of a legal environment for hotel enterprises aimed at supporting the social, environmental and cultural aspects: laws and regulations are issued by the state or by the hotel enterprises themselves with the aim of creating a legislative environment that ensures the achievement of sustainable development goals [1, p.13-14].

5. The introduction of ICT for the effective control and management of hotel enterprises [10, p. 474-475]. One of the most important reasons for the increasing demand for hotel enterprises is the progress in the field of information and communication technologies, which provide good communication between exporting countries and host tourists, and also play a large role in the provision of tourism and hotel services [6, p.175-176].

6. Development of crisis management of hotel enterprises. A simple definition of the crisis in the field of tourism and hospitality is that an unexpected event affects the confidence of tourists traveling to a particular tourist destination [9, p. 65-66]. Crisis management in the field of hospitality involves the development of strategies for dealing with crises and conditions of instability, which must be divided in accordance with the crisis stages and extended also to the post-crisis period [7, p.113-114].

7. Constantly increasing the competitiveness of hotel enterprises. The term “competition” (“concurrere”) literally means “clash” or “compete” [2, pp. 20-21]. From an economic point of view, competition can be defined as a competition among market participants for obtaining the

most favorable conditions and results of economic activity [8, p.204-205].

3. CRITERIA FOR ASSESSING THE SUSTAINABLE DEVELOPMENT OF HOTEL ENTERPRISES

Based on the selected criteria for sustainable tourism development for destinations proposed by the Global Council for Sustainable Tourism (GSTC), the author proposes a classification of criteria for assessing the sustainable development of hotel enterprises with five sections, which are presented in table 1.

Table 1. Criteria for the sustainable development of hotel enterprises proposed by the author.

Section A, increasing economic benefits for both the hospitality industry and the local community	
A1	Room Revenue - revenue from sales for a room fund. The indicator is calculated as the total revenue from the room fund, net of taxes and food expenses.
A2	Occupancy - loading is equal to the number of sold numbers divided by the total number of numbers.
A3	ADR is the average price per room. ADR is equal to the proceeds from the sale of room stock divided by the number of rooms sold.
A4	Double Occupancy - this indicator is taken into account when forming the budget. Double Occupancy equals the number of guests / occupied rooms
A5	RevPar = (Room Revenue - Room Revenue) / total number of rooms in a hotel
A6	RevPAC - income per guest. RevPac = (total hotel income, including accommodation, meals, additional services, taxes / number of guests staying for a given period).
A7	The financial stability ratio is a ratio equal to the ratio of equity and long-term liabilities to the balance sheet currency.
A8	Profitability ratio of hotel enterprises (net profit). Obtained by dividing the profit from the sale of services by the amount of revenue received.
A9	Return on equity ratio — a coefficient equal to the ratio of net profit from sales to the average annual cost of equity.
A10	Staff turnover rate. Staff turnover rate = number of laid-off employees for the period under review × 100% / average headcount for the period under review. If the turnover rate exceeds the 5% barrier, the phenomenon takes on negative features [3, p.1085-1086].
Section B, increasing corporate social responsibility (CSR) of hotel enterprises	
B1	Contribution to job creation at the district or federal levels
B2	Quoting jobs for disabled people and giving them discounts
B3	Providing hotel enterprises with the availability of hotel services; providing them with the necessary information for people with special needs
B4	The involvement of the local population in the development of hotel enterprises by taking into account their opinions and suggestions regarding the quality of services provided and the price level
B5	The hotel enterprises have a feedback system with guests, as well as constant timely analysis of negative reviews and the elimination of problems in a short time
B6	The hotel enterprises have their own crisis and emergency response plan, the main provisions of which are brought to the attention of local residents, enterprises and visitors
B7	Cooperation with charitable organizations: allocation of funds to sponsor charitable projects, as well as non-material assistance to the above-mentioned organizations by providing hotel services free of charge
B8	Development and implementation by personnel of hotel enterprises of a sustainable development management system and periodic training of personnel in their functions and responsibilities
B9	Promotional materials for hotel operations should be reliable and respectful to local communities.
B10	Preservation by the hotel enterprises of the archaeological, cultural heritage and sacred places in the vicinity of the hotel enterprises

Section C, hotel business planning with a view to minimizing negative environmental impacts	
C1	Identification by the hotel industry of existing threats to the environment and the availability of a ready-to-use system to counter these threats
C2	Implementation by hotel enterprises of environmental education of both the local population and hotel guests, informing them of the importance of preserving the environment
C3	The implementation by hotel enterprises of energy monitoring to assess, control and reduce energy consumption
C4	Adoption of a system for assessing, controlling, minimizing the effects of greenhouse gas emissions [4, p.212-213].
C5	Adopting a system for measuring water quality, maintaining statistics on water use and taking measures for the informed consumption and use of fresh water
C6	The use by hotel enterprises of building materials that provide thermal insulation and reduce energy costs for heating or cooling
C7	The introduction of such a system of effective treatment and safe discharge of wastewater, which would not have a harmful effect on the local population or the environment
C8	Adoption of a system for measuring and reducing the amount of solid waste (including food waste), the introduction of separate waste collection
C9	Following the green marketing trend in hotel operations
C10	The introduction of a system of encouraging guests, employees and suppliers to more widely use environmentally friendly and efficient transport resources in the activities of hotel enterprises
Section D, the creation and enforcement of new laws, both at the hotel industry and at the state level to ensure the safety of the environment, society and the economy.	
D1	Creation by the hotel enterprises of the sustainable development management department within their organizational structure
D2	Informing hotel enterprises of stakeholders, including guests, about their sustainable development policies, actions and results
D3	The adoption by hotel enterprises of internal laws that protect the environment of the organization within the framework of the rules of the organization or within its philosophy or goals
D4	Hotel companies minimize pollution from noise, light, runoff and other environmental risks
D5	Solving the problem of gender inequality by hotel enterprises through the active involvement of women in economic activity
D6	Compliance by hospitality enterprises with all local, national laws and regulations, including health, safety and labor
D7	Inclusion in the local regulatory acts on employment of a clause on the need to observe the principle of equality when hiring employees and following this principle
D8	The exclusion by hotel enterprises of the possibility of a negative impact on the local population, namely its access to livelihoods, including land and water resources, restrictions on the local population's right to travel, affordable transportation and housing
D9	Hotel enterprises have a system for regulating visits, especially during the seasonal peak, which would include measures to preserve, protect and enhance natural and cultural values
D10	Compliance with laws and regulations governing and regulating the display of artifacts in hotel enterprises
Section E, ICT implementation for the effective control and management of hotel enterprises.	
E1	Use by hotel enterprises of energy-saving appliances (water and electricity)
E2	Using technologies that rely on alternative energy, such as solar energy
E3	The use of technology by hotel enterprises to increase the safety of enterprises and guests. Especially in cases of danger (arched metal detectors, fire alarms, panic buttons, etc.)
E4	The use of technology to ensure the participation of people with special needs in the activities of hotel enterprises
E5	Ensuring the availability of high-speed Internet and various services and functions related to the Internet, such as watching TV via the Internet, including access to various online cinemas in the price of a room, and others

E6	Application of the concept of a smart hotel and the concept of Internet of things IoT. Including the presence of intelligent thermostats and automatic door locks to significantly improve the quality of guest service
E7	The use of technologies and modern encryption systems to ensure the protection of personal information of guests, as well as personnel of hotel enterprises
E8	The provision of electronic commerce services; support of banking services (online); cooperation in the field of electronic banking; and the possibility of payment through an electronic account (PayPal)
E9	Support for the latest e-booking software in hotel operations
E10	Support for email marketing, websites and social networks. Paying attention to the website design of a hotel company, the means of social communication used and its role in electronic marketing, accessibility in international search engines (Google, Yandex and others)

Source: designed and compiled by the author based on data from the Global Council on Sustainable Tourism (GSTC)

In our opinion, the classification of criteria for assessing the sustainable development of hotel enterprises is interconnected with the following aspects:

- increase in economic benefits for both hotel enterprises and the local community;
- increase in corporate social responsibility (CSR) of hotel enterprises;
- planning the activities of hotel enterprises with the condition of minimizing negative consequences for the environment;
- creation and compliance with new laws both at the level of hotel enterprises and at the state level to ensure the safety of the environment, society and the economy;
- ICT implementation for the effective control and management of hotel enterprises.

4. CONCLUSION

So, the study conducted in this article allows us to come to the following conclusions:

- Sustainable development of hotel enterprises can be defined as comprehensive planning of the responsibilities of all the elements ensuring the formation and functioning of hotel activities in the implementation of sustainable development in the following aspects: economic, social, environmental, institutional and information communication technologies.
- implementation of sustainable tourism development is associated with the implementation of sustainable development in the hotel industry;
- based on the identified criteria for sustainable tourism development for destinations proposed by the Global Council for Sustainable Tourism (GSTC), we have proposed a classification of criteria for assessing the sustainable development of hotel enterprises.

Prospects for the study

Developing a methodology for assessing the sustainable development of hotel enterprises and creating a new international accreditation system for hotel enterprises in accordance with the sustainable development aspects of hotel enterprises.

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