

Service Opportunities in the Development of the Hospitality Services Market in terms of the New Industrialization

Galina R. Kornova
Ural State University of Economics
Yekaterinburg, Russia
galina2226@bk.ru

Ekaterina Vladimirovna Loginova
Ural State University of Economics
Yekaterinburg, Russia
cat.log@yandex.ru

Abstract - The article is dedicated to the development of the hospitality services market in the new economy. It is revealed that hypertrophied and irrational consumption changes the essence and direction of development of consumer markets. The feature of the service as an instrument of personification of hospitality services in the context of hyper-personalization as a special type of consumer behavior is considered. It is noted that the industrial revolution 4.0 and the growth of tourism open up many opportunities and challenges for the development of the hospitality industry services market. The features of the development of the hospitality services market, characterized by a variety of types and concepts of enterprises, as well as the differentiation of consumers depending on their value orientations are considered. The global significance of the service and the degree of its capabilities in the process of providing customers with the most personalized ways of meeting their needs are shown. The areas of development of service technologies in the conditions of neo-economics are considered. Particular attention is paid to the use of technologies that contribute to meeting the needs of customers of hospitality enterprises that are representatives of new generations. The possibilities of service in the transformation of the relationship between internal and external customers of hospitality enterprises, promoting the development of supply and demand in the hotel services market, are revealed. The competences of the employee of the contact zone of the hospitality enterprise, as well as the role of universities in their formation and development, are identified as necessary for the introduction of innovations.

Keywords - *industrial technologies of hospitality, modernized service, personalization, digital technologies, competencies of contact staff.*

I. INTRODUCTION

Modern scientific literature is distinguished by a variety of opinions on the development of markets in the context of new industrialization.

Economists, including the Urals [7, 8, 13], state the large-scale changes taking place at the present stage of industrialization;

Most authors consider the new industrialization as the use of new, highly efficient technologies that significantly increase the technical equipment of labor and its productivity.

Industrial technologies, understood as high-performance, efficient technologies, using the most advanced technical means, methods of work can be used not only in industrial production, but also in all life-support complexes, including hospitality.

However, in our opinion, insufficient attention is paid to the problems of development of the hospitality services market in the context of neo-industrialization, although in many traditionally industrial regions, the infrastructure of hospitality is not inferior to the production infrastructure in terms of development rates [19]. The Industrial Revolution 4.0 and the sharp rise in tourism [20] offer many opportunities and challenges for the hospitality industry. Innovation is needed to improve the quality of services and attract tourists.

Experts note that the coming decades, the growth pattern of consumer markets will be explosive. The qualitative characteristics of goods and services will also be rapidly transformed: high-intellectual, mobile goods and services that are distinguished by high functional efficiency, environmental friendliness and resource efficiency, maximally corresponding to the individual requirements of consumers will be in priority [9]. The hospitality industry can become one of the fastest growing areas of the economy due to the development of tourism [14].

The purpose of this article is to examine the development trends of the hospitality services market in the context of neo-industrialization, to assess the possibilities and problems of service in implementing the main directions and methods of operation of hotel enterprises in the market in the new economy.

Hypertrophied, irrational consumption changes the essence of the functioning and direction of development of consumer markets. For consumer markets today are characterized by: decentralization and subsidiarity. Understanding the essence of these processes allows us to

improve the processes of relations between consumers and producers of goods and services in order to obtain mutually beneficial social and economic benefits.

In modern economic sources, numerous interpretations of the concept “consumer market” are determined by the author’s interpretation of the point of reference, which determines the boundaries of the consumer market, the functioning subjects and the nature of their interactions.

II. LITERATURE REVIEW

The modern authors interpret the concept of “consumer market” from different positions. A number of authors (I.K. Belyavsky, Yu.F. Simionov, M.A. Nikolaeva, B.A. Raizberg, I.M. Shabunina, O.V. Takhumova) consider the consumer market, limited to specifying its constituent segments, not focusing on the nature and nature of their interaction [15].

I.V. Filimonenko analyzes consumer markets from the point of view of their locality, noting the importance of communicating to the final consumer various types of products with industrial character and consumer value (utility) [16].

N.P. Passennik, V.S. Antonyuk, and I.V. Danilova expand the degree of importance of consumer markets, focusing on the fact that their ability to meet the daily needs of the population determines the degree of intensity of labor motivation, and, consequently, the effectiveness of economic processes. Highlighting the category of territorial consumer markets, the authors emphasize the importance of local conditions, the specialization of the region, and the nature of their subsidiarity to the needs of the population [2].

The evolution process of the definition “consumer market” formed the prerequisites for the modern interpretation of the concept “hospitality services market”, considered as a socio-economic phenomenon that combines supply and demand to ensure the sale and purchase of hospitality products and services at a certain time in a certain place [3].

The essence of the concept of the consumer market from the standpoint of the formation of consumer needs, as well as the provision of ways to satisfy them in order to improve the quality of life, reveals N.D. Postnikov, giving the service the role of an engine of a neo-industrial economy [11]. Service is considered as a connecting element that forms a holistic, so-called network-centric, virtual, economic reality [12,18]. As a result, the concept of service goes beyond its generally accepted understanding as a special kind of human activity aimed at satisfying human needs by providing services. Associating the service with the network-centric virtual reality, the equivalent of which is “service reality”, it can be argued that the role of the service becomes more global, a “global service space” is being formed, improving the consumer market. The concept of “network-centric” is generally regarded as an increase, due to the achievement of information and communication superiority, of the potential possibilities of economic, social, information processes. The

socio-economic processes are moving from a platform-centric development model, distinguished by stability and equilibrium, to a network-centric model associated with the development of information technologies, characterized by a lack of equilibrium and stability. As a result of the emerging opportunities for the rapid transfer of information, a new architecture of the social and economic space is being formed that is capable of creating and maintaining a high level of competitive awareness, turning into a competitive advantage. The “subject-oriented development paradigm” becomes dominant, where a person becomes the center of the reproductive process [12, 18].

The service does not differ in self-sufficiency [14], so it is “embedded” in modern socio-economic processes and plays the role of building relationships, on the one hand, within independent complex processes, on the other hand, between structures of higher organizational order.

The hospitality services market is characterized by the following features:

- a huge variety of types of enterprises of different classes and categories, while there is a wide variety of their concepts [5];

- differentiation of consumers of hospitality services for connoisseurs of luxury and adherents of minimal comfort;

- unlike spheres where in the conditions of neo-economics the importance of time and place decreases, and a participant in market relations does not need to be physically present to realize his plans and fulfill his functions in a certain place [10], virtual reality or modern communications cannot be in hospitality in most cases, a sufficient substitute for the presence of guests and staff [17].

- hospitality service satisfies the guest’s immediate demand, without being rendered in a timely manner, it changes the guest’s impression, increasing the risk of losing it to the enterprise.

In hospitality, the boundaries of the market and its properties are determined by the behavior of customers (guests), which differentiate the market of hospitality services into potential, mastered, and valid.

III. RESULTS AND DISCUSSION

The potential market unites consumers who have a need for a hospitality service, but there are obstacles in actualizing this need, for example, in the form of low solvency. A valid market brings together customers (guests) who have the required solvency and are interested in purchasing the desired hotel product. The tapped market characterizes sustainable preference for a particular service. It brings together all types of clients (guests), who, for the most part, are not loyal clients, do not always have adequate solvency, but consider the service of a hospitality enterprise to be valuable [9].

Service, as a component of the hospitality services market, creates conditions for the transformation of potential market consumers into consumers of the developed market, and later on – the real market of hotel services.

The service, as a personification tool, is able to maximally identify supply and demand (Figure 1), which increases the importance of the service in terms of transforming consumer behavior in the hospitality market when a special type of consumer behavior is formed, called hyper-personalization.

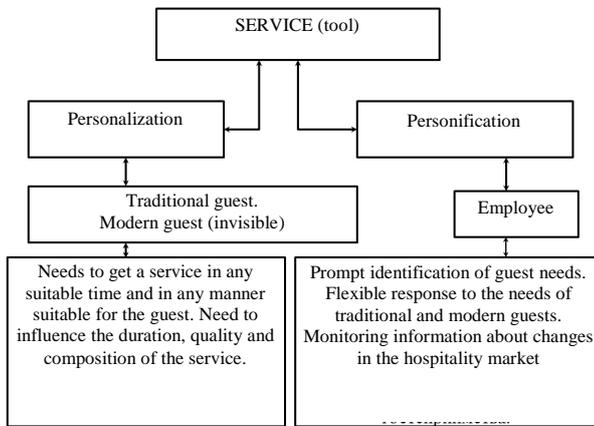


Fig. 1 – Service as a tool to personalize hospitality services

Hyper-personalization is interpreted by psychological science as an excessive degree of human subjectivization of its importance [4]. Hyper-personalization changes the nature of consumer demand, encourages hospitality service providers to develop and incorporate technologies into the service cycle, aimed at enhancing the importance of hospitality services in the consumer’s life, providing him with the most personalized ways of meeting needs, and thereby influencing his loyalty.

Intensive development and distribution of information technologies differentiates consumers of hospitality services to guests, who are accustomed to by many hospitality enterprises, and guests of the new formation who are just joining the ranks of consumers of hospitality services and belonging to so-called generations Y and Z with clever preferences and supported by computer analytics consumption [1, 9]

For traditional guests, a personalized service is a whole range of measures that allow the guest to feel as if the entire staff of the establishment works on him: they know him, recognize him, communicate not with duty phrases, but with those he is used to and likes. The guests of the new formation, which can be described as “invisible guests”, issue tickets and book hotels online, order food through the applications. Modern technology helps such people to make a lot of transactions almost without the need to call the staff on the phone or talk to him in person. Personification of the service for this category of consumers means that the consumption of the service is exactly the way they want it: in a convenient way for them and quickly.

The smartest hospitality enterprises not only adopt new technologies, but also understand how to use them to increase guest satisfaction, keeping a balance between the invasion of a guest’s territory and his detachment.

Automation of time-consuming functional tasks transfers control levers into the hands of consumers and significantly reduces the load on the enterprise itself.

Digital technologies change not only the behavior of the external client – the guest, but also change the quality of interaction between internal clients – the staff, which affects the quality of the offer and work with external clients.

For the purpose of making service the effective tool for the development of the hospitality services market, information about guest satisfaction with the level of the service received is very important. It allows you to identify possible shortcomings, mistakes, often, unspoken due to some reasons, wishes, and often discontent. Traditional, effective tools for obtaining objective feedback are live communication with guests during their stay in the institution, the use of guest questionnaires. Modern ways of studying the opinions of guests are the chats on the official websites of institutions, where guests can receive the necessary answers online and report their impressions, as well as leave feedback. Modern tools include: a loyalty button, a gadget with a demonstrating question that guests can answer by pressing the "yes" or "no" button. Note that there are many programs in the hospitality services market, thanks to which business leaders have the opportunity to analyze consumer trends and customer habits.

We emphasize that the transformation of consumer behavior is determined not only by their changing values, but also by service technologies, which initiate the competences of employees.

In the digital age, reducing the points of contact between guests and staff imposes an increased requirement on the quality of each contact [17]. Customers who did not notice most of the upgraded services today are in direct contact with technology.

A modern employee of the contact zone of a hospitality enterprise must possess the following skills that contribute to the personification of services:

- communication, tactful and delicate handling of guests in the contact area;
- delivery of hospitality services through information technology;
- operational collection and analysis of relevant information;
- forecasting the needs of the guests and making independent decisions that increase their loyalty.

IV. CONCLUSION

Therefore, there is a need to train specialists who own both high-tech and traditional methods of communication.

Universities are tasked with the transformation of methodological support: the creation of an educational-methodical base oriented towards the use of modern technical means, a modification of the content of the studied disciplines [6].

Considering that hospitality training worldwide confronts with the conservatism of the academic education system [9], the special role of universities is to form and

develop new areas of cooperation with the training centers of hospitality enterprises in order to gain access to new highly efficient technologies and technical facilities increase the level of professionalism and responsibility of future professionals.

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