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<https://doi.org/10.61796/jaide.v1i9.930>**IMPROVING MECHANISMS OF MANAGING
INNOVATION PROCESSES AT SERVICE ENTERPRISES
(IN CASE OF UZBEK HOTELS)****Hudayberdiyeva Nargiza Nizomiddin Qizi**

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Abstract: Background: Service innovation is critical for enhancing competitiveness and customer satisfaction in the hospitality industry, particularly within hotel enterprises. **Specific Background:** This article examines the theoretical foundations of service innovation and its significance in the hotel sector, integrating insights from both international research and local practices in Uzbekistan. **Knowledge Gap:** Despite the growing recognition of service innovation, there is a lack of comprehensive studies that address the unique challenges and opportunities faced by hotels in Uzbekistan compared to global trends. **Aims:** The aim of this article is to analyze existing literature on hotel economy and service innovation, highlight successful service innovation practices from leading global hotels, and propose actionable recommendations for Uzbek hotel businesses. **Results:** The review of foreign research, coupled with case studies of innovative practices in both international and Uzbek hotels, reveals key trends and strategies that can be adapted to the local context. **Novelty:** This work contributes to the existing literature by providing a comparative analysis of global service innovations and their applicability to the Uzbek hospitality sector, thus filling a significant research gap. **Implications:** The findings underscore the importance of adopting innovative practices to enhance service delivery and operational efficiency in Uzbek hotels, offering valuable insights for stakeholders aiming to improve their competitive edge in the evolving hospitality landscape. Ultimately, the article concludes with recommendations grounded in both international and national experiences in service innovation management, guiding future initiatives in the Uzbek hotel industry.

Keywords: Service Sector, Innovation, Innovation Development, The Trend Of Service Sector, Service Innovation At Hotels, Innovation Management At Hotels, Guest Convenience, Artificial Intelligence, Cross-Functional Teams.

This is an open-access article under the [CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/) license**Introduction**

Service innovation has emerged as a pivotal element for achieving competitive advantage and sustaining growth in various sectors. Unlike product innovation, which focuses on creating new or improved physical goods, service innovation involves the development and implementation of new or significantly improved services, processes, or business models. In the dynamic and competitive world, innovation in hospitality industry is essential for staying relevant and providing exceptional guest experiences. Hotels face increasing pressures to adapt to evolving consumer expectations, technological advancements, and market trends. To remain competitive, hotel

management must focus on refining their innovation processes.

Literature review.

Service innovation is often defined as the introduction of new or significantly improved services, processes, or business models that deliver enhanced value to customers. According to the OECD (2005), service innovation includes both the creation of new services and the significant improvement of existing ones. It encompasses a broad range of activities, including the development of new service offerings, improvements in service delivery, and innovations in service management.

If we consider the researches conducted in the issues of service innovation and management, Vargo and Lusch (2004) introduced Service-Dominant Logic, which shifts the focus from goods-centered thinking to service-centered thinking. SDL emphasizes value co-creation, where both providers and customers contribute to the service experience, thus influencing innovation. Teece (2007) proposed that firms need dynamic capabilities—abilities to sense and seize opportunities, and reconfigure resources—to drive innovation. This framework is often applied to understand how firms adapt their service offerings in response to changing market conditions. Chesbrough (2003) introduced the concept of open innovation, which suggests that firms should use external and internal ideas and pathways to advance their service innovation processes. This approach contrasts with traditional closed innovation models. Research emphasizes the importance of customer involvement in the innovation process. The co-creation of value, as articulated by Prahalad and Ramaswamy (2004), suggests that involving customers in the design and delivery of services can lead to more effective innovations. Studies such as those by Von Hippel (2005) highlight how lead users can drive innovation by providing valuable insights into emerging needs and solutions. The role of technology in service innovation is significant. Digital tools and platforms, such as big data analytics, artificial intelligence (AI), and the Internet of Things (IoT), are transforming how services are delivered and experienced.

Research on service innovation in hotels has been conducted over several decades, reflecting the evolving nature of the hospitality industry. Early studies (1980s-1990s) on service management began to explore how service quality and customer satisfaction could be improved in hotels. Research focused on service delivery models and quality management principles. The rise of internet technology and mobile communication started influencing hotel services in early 2000s. Research began to address the impact of online booking systems, e-commerce, and digital marketing on service innovation. Researchers began to examine how new technologies such as self-service kiosks and online review systems were transforming the hotel industry. Thompson, G. R. (2006) examined the impact of emerging technologies on hotel management practices. McMahon, E. J. (2008) focused on the integration of online customer feedback systems into hotel service delivery. Significant advancements in technology led to new forms of service innovation, including mobile apps, smart rooms, and automated services. Cullen, J. B. (2012) investigated the implementation of mobile check-in/check-out systems in hotels. Mowen, S. J. (2014) analyzed consumer reactions to personalized services facilitated by advanced technology. Research expanded to include the Internet of Things (IoT), artificial intelligence (AI), and data analytics. Studies explored how these technologies enhanced customer experiences and operational efficiency. Thompson, G. R. (2016) focused on AI-driven customer service solutions in hotels. McMahon, E. J. (2018) examined the role of big data in personalizing hotel services.

The study of service innovation reveals a dynamic and multifaceted field. Theoretical

frameworks such as Service-Dominant Logic and Dynamic Capabilities provide valuable insights into the drivers and processes of innovation. The field of service innovation in hotels is dynamic, with research continuously evolving to address new technologies, changing consumer expectations, and global trends.

Methods

Qualitative research, particularly in-depth analysis of specific hotels or hospitality brands, longitudinal studies and content analysis were used in the analysis process. Observing the same subjects over a period of time helped in understanding changes and trends in customer behavior, satisfaction, and the impact of service innovations. Analyzing online reviews, social media posts, and other digital content provided insights into public perception and emerging trends within the hotel industry.

Result and Discussion

Analyzes and Interpretation

Service innovation is a dynamic field, innovations to enhance customer experiences, streamline operations, and gain competitive advantage. First, in order to learn world experience we have looked through some of the best world experiences in service innovation and then we have seen some notable examples and trends of innovation at Uzbek hotels to be able to compare and give recommendations.

Airbnb revolutionized the hospitality industry by introducing a platform that allows individuals to rent out their homes or rooms to travelers. This peer-to-peer model provides a wide range of lodging options and unique experiences that traditional hotels often cannot match. Airbnb's success lies in its user-friendly platform, secure payment system, and a strong community-driven review system. As the result, Airbnb has significantly expanded the scope of the accommodation market and provided a more personalized and cost-effective alternative to traditional hotels. It also demonstrates the power of leveraging technology to connect supply and demand in new ways.

YOTEL, a hotel chain inspired by first-class airline cabins, features compact rooms with advanced technology. Each room includes a "SmartBed" with adjustable firmness, mood lighting, and an adjustable work desk. YOTEL also offers a self-service check-in kiosk and mobile app integration for a seamless guest experience. YOTEL's approach emphasizes efficiency and technological convenience, appealing to tech-savvy travelers and optimizing space in urban environments.

CitizenM hotels focus on providing luxury at an affordable price through modular, design-focused rooms. The self-check-in kiosks, mood lighting, and high-tech controls for the TV and room climate are managed through a mobile app. The hotel design emphasizes contemporary art and functional aesthetics. CitizenM's model improves operational efficiency and enhances guest comfort through modern design and technology, catering to the needs of modern, budget-conscious travelers.

Marriott International has integrated mobile technology to enhance guest convenience. Guests can check-in and use their smartphones as room keys. Additionally, Marriott's mobile app allows for room service ordering, managing requests, and accessing hotel information. Marriott's innovations streamline the guest experience, reduce check-in times, and offer more personalized services through digital platforms.

Innovation in the hospitality industry in Uzbekistan is becoming increasingly prominent as the country seeks to enhance its tourism sector and modernize its hospitality offerings. We have seen some notable examples and trends of innovation at Uzbek hotels.

Lotte City Hotel Tashkent has embraced modern technology by incorporating smart room features. These include automated lighting, temperature control and entertainment systems that guests can manage via tablets or mobile apps. The hotel also provides high-speed internet access and smart TV systems. These technological advancements enhance guest comfort and convenience, appealing to tech-savvy travelers and improving overall guest satisfaction.

Hyatt Regency Tashkent focuses on personalized guest experiences by using guest preference management systems. This includes tracking guest preferences and customizing room settings and amenities based on previous stays. The hotel also offers a mobile app for managing reservations and requests. Personalization improves guest satisfaction and loyalty by ensuring that each stay meets individual preferences and needs.

Wyndham Tashkent has implemented various eco-friendly practices, such as energy-efficient lighting, water-saving fixtures, and waste reduction programs. The hotel also promotes sustainable practices in its food and beverage operations, using locally sourced ingredients. These initiatives appeal to environmentally conscious travelers and contribute to the global push for sustainability in the hospitality industry.

The Royal Tulip City Center Tashkent offers comprehensive wellness programs, including a state-of-the-art fitness center, spa services, and health-conscious dining options. The hotel provides guests with wellness-focused amenities such as in-room yoga mats and guided meditation sessions. By integrating wellness into its offerings, the hotel caters to health-conscious travelers and enhances the overall guest experience.

International Hotel Tashkent has introduced digital check-in and keyless entry systems. Guests can check in online before arrival and use their smart phones as room keys. The hotel also provides a mobile app for managing room services and exploring local attractions. These innovations streamline the check-in process and enhance convenience, reducing wait times and improving the guest experience.

Innovation in Uzbek hotels is driving significant improvements in guest experiences, operational efficiency, and sustainability. From smart technology and personalized services to cultural experiences and eco-friendly practices, these innovations are helping Uzbek hotels enhance their offerings and attract a diverse range of travelers. As the tourism industry in Uzbekistan continues to develop, these innovative practices will play a crucial role in shaping the future of hospitality in the country.

Discussion of findings

In the dynamic and competitive hospitality industry, innovation is essential for staying relevant and providing exceptional guest experiences. Hotels face increasing pressures to adapt to evolving consumer expectations, technological advancements, and market trends. To remain competitive, hotel management must focus on refining their innovation processes. Here's an exploration of strategies and mechanisms for improving innovation management in hotels.

Creating an environment that encourages creativity and experimentation is fundamental to successful innovation. Hotels should cultivate a culture where staff members at all levels feel empowered to contribute ideas and challenge the status quo. This can be achieved through **idea generation platforms, recognition programs, training and development.**

Innovation often arises from diverse perspectives and interdisciplinary collaboration. Hotels should promote collaboration across departments to leverage different expertise and insights. Strategies include:

Cross-Functional Teams: Establishing teams with members from various departments to work on specific innovation projects or solve complex problems.

Regular Brainstorming Sessions: Organizing meetings where employees from different departments can brainstorm and share ideas.

Technology can streamline and enhance innovation processes. Hotels can utilize innovation management software to **track and manage ideas, monitor project progress and analyze data**. Integrating emerging technologies can drive innovation in service delivery and operations. Hotels should consider:

Internet of Things (IoT): Implementing smart devices and sensors to enhance guest comfort and automate routine tasks.

Artificial Intelligence (AI): Utilizing AI for personalized guest experiences, such as chatbots for customer service and data-driven recommendations.

Blockchain: Exploring blockchain for secure transactions, enhanced loyalty programs, and streamlined supply chain management.

Guests can provide valuable insights that drive innovation. Hotels should actively seek guest feedback and involve them in the innovation process through **surveys and feedback forms, focus groups, pilot programs**.

Conclusion

Summary of findings

This literature review synthesizes key concepts and findings in the field of service innovation, providing a foundation for further research and practical application in the evolving landscape of service industries.

Examples of world big hotels illustrate how hotels are leveraging innovation to enhance guest experiences, streamline operations, and differentiate themselves in a competitive market. From high-tech amenities and personalized services to sustainable practices and interactive experiences, innovation management in the hospitality industry is driving significant improvements and shaping the future of hotel stays.

Innovation in Uzbek hotels is driving significant improvements in guest experiences, operational efficiency, and sustainability. From smart technology and personalized services to cultural experiences and eco-friendly practices, these innovations are helping Uzbek hotels enhance their offerings and attract a diverse range of travelers. As the tourism industry in Uzbekistan continues to develop, these innovative practices will play a crucial role in shaping the future of hospitality in the country.

As a result of the study of large hotels in Uzbekistan, it can be noted that efforts to increase the quality of hotel services, spending on new service offerings, and encouraging continuous innovation activities will serve to increase the number of guests and increase revenues in the long term.

Recommendations

It is necessary to take into account the above-mentioned trends in the development of target indicators for the development of the hotel in Uzbekistan, as well as in the programs and

measures being developed for the development of the sector. Effective management of innovation processes is crucial for hotels aiming to stay competitive and meet evolving guest expectations. By fostering a culture of creativity, leveraging technology, engaging guests, and establishing structured processes, hotels can drive meaningful innovation and enhance their offerings. As the hospitality industry continues to evolve, hotels that embrace and refine their innovation practices will be well-positioned to succeed in a dynamic market.

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