



Workshop 3: Branding, innovation in marketing destination in a global tourism market, impact of new technologies on the tourist offer

Case study

Traditional and technologic innovation: the case of two accommodation structures in Sicily

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The globalization implicates a significant impact on the tourist market, because the tourist choices and type of holiday are in constantly evolving. Companies, that do not know how to react or, better, how to anticipate the change, creating value and making their customers feel this, could risk to be out of the market. In order to avoid this unpleasant situation, the accommodation enterprises must "create value", satisfying needs and solving the problems, but it's not enough. It's necessary to create a value added leading the company to be different from the other competitors.

The innovation is the answer to this need. It is important to use the new ideas for the commercial success, in a process that provides the capital investment in research and application of knowledge to produce wealth.

In latest years, in the accommodation offer happened some very important changes. The increased attention for the nature, the ecology and the welfare, determined that many hotels realized inside eco-friendly equipment, wellness centers and fitness zones. The spread of IT and Internet and the production of laptops and smart phones has encouraged the development of hotels with internet access and, in the same time, implicated the significant reductions in operating costs and greater efficiency and effectiveness in the use of accommodation capacity.

It's necessary to specify that innovation in the hospitality industry does not concern only the "product" hotels, B & B, farm etc.. but also the marketing of goods or the purchase processes of all that they sell. These considerations highlight the very important changes that are taking place in the tourism market, in which the demand is ever more exigent and less and less tolerant to long waiting and to vague information. In this sense, multimedia is a huge asset for faster and better process of information and communication, between offer and demand and between various links of tourism industry.

The ICT is only a kind of innovation applied on tourism. Thus, at community level the innovation is defined as the renewal and expansion of products and services, as the introduction of changes in management, organization and working conditions and skills of workers. The first new is the progressive loss of the fallacy which considered the services, because of their more substantial use of human resources, less interested by the innovation and the technological progress.

In fact, the services are characterized by two fundamental dimensions, the intangibility and interactivity, that characterize the processes of innovation.

As for the tourism industry the innovation can be defined: "[...] a process of creating new value [...] geared first towards customers, as the main arbiters of business competitiveness, but one that can also involve other stakeholders as major beneficiaries, such as the organization itself (employees), shareholders (profitability), external partners, etc¹."

¹ Xavier Decelle, *A conceptual and Dynamic approach to innovation in tourism*, OECD 2004.



To handle the competitors, the enterprises need innovation, especially in the case of SMEs, typical of islands economies. The breakdown of enterprises by size and their relative spread are not linked to the size of islands. Islands all share a specific economic structure which is based on a more or less widespread network of microenterprises.

In the islands the spread of SMEs and micro-enterprises is justified by the need to operate with an organizational structure that is more flexible to the change in market demand, all the more so because many islands found on tourism their economy.

That's why, in order to recognize and manage threats and capitalize on opportunities, companies today are undertaking innovative strategic and cultural changes of exceptional importance in all areas of activity. There are many kinds of innovation depending on the "object of innovation". As for Sicily we can consider two very important case studies. In the first case the innovation is addressed to the product and in the second case it's a technologic innovation.

- The product innovation is the introduction of a new service or product with the features very different or better than the previous products (i.e. fidelity programs, organization of events, creation of environmentally sustainable accommodation, etc.).
- The technologic innovation is the introduction of advanced tools and theoretical material through which the company operates (for example, introduction of computers with internet connection, wifi, introduction of global distribution systems, equipment for self-service, etc).

In both cases the introduction of innovation involves the training of staff, who already is working in the enterprise, and, in some cases, its replacement.

Introducing the tourism in Sicily, the largest and most populated of the islands in the Mediterranean, we can say that the tourists visiting the island, have the opportunity to enjoy numerous trails and different tour, not only along the coasts, but also inland. The island is like a large container of art, history, traditions and beautiful landscape which can gratify the different needs of the tourists, national or international. The island is the natural continuation of the Italian peninsula from which it is separated by only 3 km, thus providing in the north an easy access to Italy and in south to the Malta Island, which is only 93 km. As for tourism offer in Sicily there are some example of innovative application, some of which are traditional and others are technological. Both have very important effects on tourism demand, managing to achieve a relevant increase in the tourist flows. The island actually is a destination of tourists, who like to visit natural, cultural and archeological sites and who prefer spending their holidays in bathing localities. Just to give some data, the tourist arrivals in Sicily are more than 3,500,000 and the relative number of overnights is equal to 11,397,745. Nevertheless, the island has a low occupancy bed-places, which is of 23%, and the length of the tourist stay is short, about equal than a week-end. That's why the regional policy gives its incentive to diversification and innovation of the local tourist offer, in order to create further motivation of visit and of stays for a longer time.

We can speak about two examples, most important in the island:

- The first is an example of product traditional innovation: **Art Hotel Atelier sul mare**;
- The second bases its development on use of innovative technologies: **One Hotel – sport & beauty design**.



Art Hotel Atelier sul mare

It is an hotel museum of contemporary art unique in the world. It lies just few meters from a wonderful sea, in Castel di Tusa, nearby Cefalù, very famous bathing destination in the island. The idea was born from the hotel owner Antonio Presti, who has changed radically the concept of hotel room in order to deliver it to his utopia. “It’s only entering and living the room that the art work will be totally realized; the presence, the use of the room will be the fundamental and integrating part of it. He wanted to realize the dream of many people: to spend a night inside a museum to fall asleep within an art work.

The hotel lies in a zone in which the tourism, actually, is not the main economic activity, even if in this part of Sicily, Halaesa Valley, there are many opportunities to develop the tourism, which needs a better organization in every its components. The innovation in this hotel derives from the knowledge and passion of the hotel owner, as said before, who has the merit to be the inventor of Fiumara D’arte, the park of open air sculptures biggest in Europe.

The hotel, in this way, becomes the travel destination contrary to its traditional function to offer accommodation. Many tourist, in fact, prefer to make the tour of the hotel rooms instead of visiting the neighboring places and countries. The hotel is a very important cultural attraction for all Halaesa Valley, for which represents an artificial cultural attraction with the Fiumara D’arte.

In Art Hotel Atelier sul mare, the tourists can choice if sleeping in one of art rooms or in a standard room. In fact, there are in the hotel 20 standard rooms, with Sight sea and furnished in a comfortable manner. Also the standard rooms maintain their unique value: pictures, art photos, ceramics, installation realized by international artists decorate the walls of the rooms in an original way, making them become true art galleries.

As for the art rooms, they are 17 and they were realized by very famous international artists, in the period from 1991 to 2010. Each room has a specific thematic and it is very original, representing an offer of accommodation unequalled in the world.

The hotel can be considered innovative because the traditional function of the rooms was been changed in an art dream. The tourist who visit this hotel becomes a part of the art work and without the tourist the art work would be not complete.

This case study shows how the innovation could be born from a spontaneous idea of a single person and how this experience could be reproduced in another place. Concluding, the product innovation consists in the improving to the local offer, taking away it from the natural obsolescence of some traditional products and through the planning after knowing the sector.

² For further details: www.ateliersulmare.it



One Hotel – sport & beauty design³

The second case study is an example of technologic innovation or rather the increase and the use of theoretical and practical tools through which the enterprise works, inserting inside new technologies supporting or replacing the internal employees. In Sicily an example is given from **One Hotel – sport & beauty design** that is a four stars hotel and lies near Syracuse, very important cultural destination in Sicily, for its archeological heritage and for its proximity to “Città Barocche della Val di Noto”, an UNESCO listed site from 2002. One Hotel – sport & beauty design adopted the latest news in technologic sector modifying the concept of the hotel. The investments, needed for its realization, are balanced from being a novelty not only for Syracuse but also for all Sicily, because it’s a very innovative and competitive structure. It’s like a container that offers multi-sensory experiences to the contemporary travelers. Inside, there’s not the traditional reception desk replaced by two vertical totems through which is possible to make a fast check in (customer registration and room assignment). The receptionists have an headphone with a microphone, through which they can answer to the tourists requests, without staying behind a desk. The tourists, who arrive for the first time to the hotel, receive the “scanpassport”, which allows to give back the document to the tourist and to register its data on hotel software. In the hotel there are 44 rooms, a gym, Sushi Bar and Lounge Restaurant, the Sky roof, the SPA, 4 different meeting spaces, that cater perfectly for the needs of business professionals. All services that the hotel offers are available for the inhabitants; the hotel is open to the city. The non-conventional aspect characterizes One Hotel which is based only on sport and wellness. A very important innovative technology was introduced in the restaurant, in which the customers can use an interactive card, combining in the best way dishes and calories. The tourists can go in the rooms with an electronic card with transponders. The televisions are big with flat screen and a very good design, they receive Sky Channel and they give customers a warm welcome, with a message. The material used for building the hotel is innovative, too. Outside there is metal net, which is during the night backlighting, for offer a very suggestive effect to the tourists and inhabitants. The televisions are gifted with DVD reader with a list of movies always updated.

The floors, the walls, the water glasses, the plates are black, a very unusual color for an hotel. The entrance of the hotel allows to visit the gym and the sushi bar, unique service of this kind in east of Sicily.

The innovation in both cases entails:

1. an increase of tourist flows, because the local offer is diversified through the creation of a further motivation of visiting the destination, that can result interesting for some tourist niche;
2. an more equal distribution of tourist arrivals and overnights during the year, because the hotels are opened and usable all year;
3. a diversification of local offer because both hotels are really as tourist attractions.

In the case study on One hotel there’s also a decrease in expenditures for employees, like it’s usual after applying the technological innovation.

³ For further details: www.onehotel.it