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Chapter 132

INNOVATION IN FAMILY FIRMS: AN EAGLE-EYE VIEW OF HOSPITALITY INDUSTRY IN NIGERIA

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Abstract

The hotel industry is considered the most significant branch of tourism because of its ability to provide revenue and satisfy the needs of the guests. There is huge competition in the hotel industry so in order to be able to maintain or improve their market positions and reputations; they need to develop innovations targeted at the customers. Because it is not difficult to copy the innovation ideas from each other, they have to think about building very special hotels for target groups. Innovation raises attention, helps positioning, brand recognition and differentiation. The study explore the contextual definitions of innovation and emphasis on the application of sensory marketing tools in the hospitality industry. The article provides an overview of the "seven sensual notes of hospitality", i.e. "sight", "hearing", "smell", "taste", "touch", "intuition", "impression". However, this paper developed hypotheses and survey the sense of sight, sound, smells and tastes as they commonly appeal to hotels in the study area. The study concluded that the application of innovative sensory notes as strategies of hospitality firms may be a distinct competitive edge of family owned hotels and attract new customers.

Keywords: Innovation, Family business, Hotel, Sensory, Service development

Introduction

Innovation is a key driver for the growth and survival of hospitality firms (Pikkemaat and Peters, 2006; Paget et al., 2010; Gomezelj, 2016). Industry-specific challenges of the hospitality industry such as the large number of actors involved in the development of complex services and products (Pechlaner et al., 2004; Novelli et al., 2006; Peters and Pikkemaat, 2006) often require cooperative innovation processes. Prior research mostly concentrated on the role of tourists in collaborative innovation (e.g., Baglieri and Consoli, 2009) or on innovation on the destination level (e.g., Novelli et al., 2006), largely neglecting to comprehensively investigate special needs of tourist in the quest to deepen innovation in the hospitality firm innovation (Hall, 2009; Hjalager, 2010).

In addition, it is important to consider that the majority of firms in hospitality are family and small and medium sized enterprises (SMEs) (Getz and Carlsen, 2005). In these firms, business is influenced by family dynamics, adding another component to how these firms innovate (De Massis et al., 2015; Pikkemaat and Zehrer, 2016). These firms often face challenges in creating and implementing innovations due to their small size and conservative family governance structures (Pikkemaat and Peters, 2006). Hospitality SMEs predominantly focus on hardware innovations (upgrading hotel facilities, for example) instead of creating service or managerial innovations (Grissmann et al., 2013). Family firms stand for tradition and long-term orientation, but also need to innovate to remain competitive (Bergfeld and Weber, 2011; De

Massis et al., 2015). One solution to overcoming their strategic inertia, lack of size and innovativeness is by exploring the application of sensory marketing tools on the emotions of their customers.

The Definition of Innovation and the Interpretation of Various Industries

Innovation: Defined

People often confused or interchange words “innovation” for “invention”. They do not know what exactly the words means and the context of application. The two words invention and innovation often get mixed up; sometimes they are even used as synonyms. The beginning of the process of transformation is called invention. It is used as an effective idea. “Invention is part of innovation or the innovation process” (Otterbacher, 2008). Tidd (1997) had an idea that innovation came from the word ‘innovare’. It is a latin word, and the meaning is to create or make a something new (Otterbacher, 2008).

Schumpeter (1934) was one of the first researchers who developed the theory of innovation. He said that innovation was a new way of doing things or better/ unique combinations of production factors (Otterbacher, 2008). As he wrote, innovation is making new opportunities for additional valued added, it does not involve just the typical product/process innovation of manufacturing but also the market, organizational and resource input innovations too (Martínez-Ros & Orfila –Sintes, 2009). According to Schumpeter, companies can introduce the innovation process in five areas. These are the following (Otterbacher, 2008, p. 342):

- generation of new or improved product
- introduction of new production processes
- development of new sales markets
- development of new supply markets
- reorganization or restructuring of the company.

As Drucker (1985) said, innovation should be looked at as an opportunity. The result of these opportunities is the creation of a new product or service or changing a previous one. Innovation cannot only be an idea/philosophy, but innovation can be thought about as a practice, a process or a product. The point is that the individual perceives the thing as something new. The individuals are very important in innovation, because they transform ‘a new problem-solving idea into an application’ (Otterbacher, 2008).

Innovation in the Service Industry

The definitions mentioned above are not essentially from service studies. Sundbo (1997) deals with innovation in the service sector. He distinguished innovation and learning. He thought that innovation is not only an action, which is strategically re-created, but also a factor, that is identified by a greater jump in turn over or profit (Martínez-Ros & Orfila –Sintes, 2009).

“The service industry is highly heterogeneous and includes a great variety of interesting, complex and often highly innovative activities” (Martínez-Ros & Orfila –Sintes, 2009). Miles (2000) said that this is the reason why it is impossible to give a general account of services innovation (Martínez-Ros & Orfila –Sintes, 2009).

Service Innovation vs. Manufacturing Innovation

The source of these differences in formalization between services and manufacturing observed empirically are, at minimum, twofold. First, there are fundamental differences in the nature of services, as opposed to products. Services are usually co-produced with customers, whereas products are decoupled from their origin and distributed to customers, often by agents. This

makes it more difficult for service industries to (1) disentangle process and product development, (2) capture benefits, because of ease of imitation by competitors, and (3) measure outcomes, so continuous improvement is challenged by the ability to regenerate innovation in the future (Prajogo, 2006).

Second, innovation has come relatively recently to the service sector; R&D spending in that dominant sector has just recently started rising. See, for example the NIST 2005 report (<http://www.nist.gov/director/prog-ofc/report05-1.pdf>), which documents the significant gap between R&D spending in services (less than 10% of total U.S. investment) and the rest of the economy. Formal R&D spending requests will often provide the motivation to create formal structures for implementation of strategic innovation initiatives and spending. For example, in Thomke's (2002) Bank of America case, a quality group was in essence converted to an innovation team. Their spending level was less than 1% of sales, yet it represented a significant departure from the way the organization had been previously structured to initiate change; previously, service innovation had typically occurred at the branch level, or in other decentralized processes.

Thether (2005) idea was that service innovation can be considered as a "softer" kind of innovation, with "aspects based in skills and inter-organizational cooperation practices".

Finally, Gallouj (2002) thought that the nature of service innovation is more social and organizational than in case of the manufacturing sector. Manufacturing innovation focuses on the products and processes. It is not typical in the service sector, which is based on R&D, because it is driven by practical experience (Sundbo, 1998). In addition, innovation activities are less structured in service than industrial innovation, and employees become more involved in the process (Mattson & Sundbo & Fusing-Jensen, 2005).

Innovation in the tourism industry

The tourism industry belongs to the service sector, so the theories of service innovation can be applied for this sector as well. Researchers can also help to 'dig' deeper insight into tourism's innovation. Innovation theories in hospitality or tourism have their limits. Hjalager (1997, 2002) has analysed the use of the term innovation in tourism research, and concluded that innovation policies should emphasize sustainability and initiatives coming from other sectors (Mattson & Sundbo & Fusing-Jensen, 2005, p. 359).

Poon (1990, 1993) analysed technological innovation and its effects to the tourism industry. One of the most important questions about the topic is how technological innovation can help grow the small flexible tourism businesses. Several researchers have suggested that small hospitality companies are less likely renewed than other small firms in other sectors (Mattson & Sundbo & Fusing-Jensen, 2005). One of the authors in their research concluded that innovation also appears in the tourism industry in various forms. Therefore, the method of classifying should be applied in case of dealing with different forms of innovation (Gyurácz-Németh & Raffay & Kovács, 2010).

In May 2007, 'Innovation in tourism - adapting to change, an international conference' was held in Bled, Slovenia - which was organized by the UN World Tourism Organization (UNWTO). This conference highlighted the role of innovation in the adaptation of continuous change in the sector (Gyurácz-Németh & Raffay & Kovács, 2010). These three main groups which were emphasized are:

- ✓ Innovation of the information and communication technologies.
- ✓ Innovation of tourism products

- ✓ Innovative solutions and recommendations to the challenges.

The main points of innovation in information technologies are mobile technology development, the emergence of smart phones, and online hotel booking due to achieving more guest satisfaction (Gyurácz-Németh & Raffay & Kovács, 2010).

The innovation of tourism products is receiving greater emphasis, as all tourism related products are being renewed. The cause is the increased needs for satisfaction. These products are medical tourism, ecotourism and cultural tourism (Gyurácz-Németh & Raffay & Kovács, 2010).

The innovative solution for the challenges of climate change, sustainability and seasonality has been in the spotlight and discussed. (Gyurácz-Németh & Raffay & Kovács, 2010).

The tourism sector is not only the part of the service industry, but it is the part of the experience sector, which has recently been more emphasized. Pine and Gilmore (1999) introduced this sector. Previously, this sector was included in the service industry; however there are differences between these sectors. The aim of the service industry's companies is to solve the customers' problems, while the experience industry offers a mental journey. The experience economy includes entertainment, art, culture (theatre, film, music, and television), museums, gastronomy, computer games and of course, last but not least, the study's main theme tourism industry (Sundbo, 2009).

Innovation in the hotel industry

This study analyses the innovation of choice for most Nigerian family hotels. Innovation is not so popular in this industry because the 'conservative and capital intensive nature of the structure, which promises a return of more than 25 years, is not conducive to innovation' (Gyurácz-Németh & Raffay & Kovács, 2010). Allegro and de Graaf (2008) have found that, in the hotel industry, most innovative ideas come from those who have an outsider's perspective looking at the operation and they do not impede the existing paradigms (Gyurácz-Németh & Raffay & Kovács, 2010).

To date, quality service is based on a new system of relations integrating non-standard methods and approaches and providing a new perspective on hospitality marketing mix. These methods include interesting architecture of hotel buildings, modern landscape design, attractive interiors and a variety of technological innovations ranging from the common Wi-Fi to the integrated innovative smart house technology (Dzhandzhugazova, 2013). However, hotel guests are people who want attention, warm welcome and care, but now those desires are satisfied with the help of innovative solutions creating almost any atmosphere and affecting an array of human feelings and emotions. This approach underlies sensory marketing, which studies the impact on feelings and the emotional state of consumers targeting the increase in sales (Ambler, 1999). Marketers believe that sensory marketing helps a person develop a direct association of certain brands with melodies, sounds and smells. The main objective of innovation in this perspective, is to appeal the sensory organs of the guests in order to attain ecstatic moods while the stay last. The innovative hotel should capitalize on marketing mix called Seven Sensual notes of hospitality with a focus on the sensual sphere of a human being (Dzhandzhugazova, 2015).

Table: 1 Service Innovation Using Sensory Parts

Sensory Parts	Experiences
Sight	Architecture, painting, interior
Hearing	Music, radio, TV

Smell	Scents.
Taste	Food, gastronomy
Touch	Softness, luster, warmth and texture.
Intuition	Peace, security, caring.
Impressions	Emotions, feelings, and experience

Source: Adapted from (Dzhandzhugazova, 2016).

Sight is the first "sensual note" of hospitality; it appeals to the ability to see the environment, to assess the form, scope and composition of the surrounding objects, focusing the attention on the original architecture of a hotel, the balance of interior design and decoration. Hotels are developed by the most fashionable architects and designers offering the most advanced trends in the global hospitality industry. They have credit for the gaining momentum of design hotels which generated the concept of a "boutique hotel" characterized by absolute uniqueness.

Urs Karli, the famous experimentalist in the field of hospitality and gastronomy, remarked that the trend of boutique hotels is quite natural, and the demand for them will keep growing in the next 25 years. A hotel is conceived and created as a design object where everything – from the rooms layout to the last latch – is developed by a designer. The most illustrative example of such an approach is Ian Schrager boutique hotels entirely decorated by Philippe Starck.

A boutique hotel, by contrast to the concept of hotel chains where all hotels are decorated in the same style, is designed for a new category of travelers. These people aspire to the highest quality of service; their choice of a hotel is based on the main criterion of style, design and atmosphere. A striking example of that approach is Bulgari Hotel Milano as the embodiment of a dream design (Bulgarihotels, 2016). Expensive and rare material is used in the finishing, modern Italian furniture creates interiors. In developing the hotel concept, the designers implemented the key creative idea of Bulgari House, the famous jewelry store, stressing the majesty of monumental stone against the background of gold glitter. Based on the jewelry concept, the hotel looks like a beautifully faceted gem immersed in the spectacular atmosphere of the best Milan attractions – La Scala opera house and the richest Brera Botanical Garden – of the most refined quarter of the Lombardy capital. This argument leads to the formulation of the Proposition 1:

Proposition 1: A spectacularly designed hotel premises is likely to influence family hotels performance

The Sound of Music is the second "sensual note" which rests on a person's ability to hear a variety of sounds and melodies (Dzhandzhugazova, et'al, 2016). The modern cafés, restaurants, hotels and stores tend to use pleasant background music. The practical marketing proves that music helps create a positive response from the customer and make them more benevolent to the products and services offered. A study on effect of music to choice of hotels shows that 75% of hotel guests like to listen to the background music in lobbies, bars, restaurants and public areas. More than one out of four people would choose to pay at least 5% more for food or drinks in a hotel restaurant or a bar, if there is music playing. Functional music is a particular necessity in modern hotels in a variety of areas: the lobby, restrooms, elevators, hallways, spa-centers, etc (Dzhandzhugazova, et'al 2016). Experience shows that those segments of the hotel space form a general impression of the guest about the hotel. Nevertheless, the choice of functional music, as well as other sensory innovative marketing tools, depends on the types of the hotel space (open space and private space). Luxury hotels carefully consider all options of functional music even for lavatories in an attempt to drown any unpleasant or disturbing sounds (Dzhandzhugazova, et'al 2016). However, the

Most famous company offering a selection of unique musical settings for hotels is “prescriptive music”. Music is not selected randomly, rather it centers on the target audience, the type of room and the time of day. The essence of such innovative approach is a unique selection of non-recurring tunes for each individual hotel chain, whereby the music is never tiresome. To that end, sufficiently large lists are compiled, for instance, 200 pieces per 3 hours. As a result, one will not hear the same song twice in one day. This argument leads to the formulation of the Proposition 2:

Proposition 2: A pleasant background musics in a hotel premises is likely to influence family firm performance

Smell:- Aroma magic of hotel is the third sensual note of hospitality based on the sense of smell, since fragrances, as well as sounds, may be associated with brands. Aroma marketing is an important section of all sensory marketing, because odors remain in our emotional memory for a long time and may even intensify it. It is important to bear in mind that our memory stores the association of smell with a specific context. According to Martin Lindstroem, the expert in the field of innovative branding and the author of “brand sense”, smell intensifies the emotional impact by 75% stronger than any other human senses and has the second degree of importance (Aroma marketing, 2016). Research shows that Aroma marketing is currently an innovative way to attract new customers and increase the loyalty of guests by means of special fragrances in hotels. Aroma marketing is now widely applied in top hotels for varieties of reasons. The tourism firms use different fragrances depending on what happens and where. The aroma of roses, for example, is used for weddings; leather scent is present during meetings and business negotiations; in the morning the air with a mixture of chlorine is blown through the air system to create a sense of cleanliness (Best Hotels of the World, 2008). When a Holiday Inn hotel in Paris used the Hawaiian Rose fragrance developed individually for that hotel, the statistics showed a clear increase in repeated visits by almost 23% (Aroma group, 2016). It is especially important to choose the right fragrance for a respectable hotel intending to emphasize the atmosphere of luxury and refinement, because the aroma itself is the sensation. Experts in hospitality industry understand that people do not come to a five-star hotel because they have nowhere else to stay. They come there to immerse themselves in an atmosphere of well-being and peace of mind (Dzhandzhugazova, et’al 2016). This narratives leads to the formulation of the Proposition 3:

Proposition 3: A fragrance smell in the hotel premises is likely to influence family firm performance

Taste: Taste is the fourth sensual note of hospitality, where taste is manifested in cuisine and gastronomic traditions of a hotel. It is common knowledge that taste sensations as well as smells can evoke associative connection with some events or objects (Aroma group, 2016). Four basic types of taste are sweetness, bitterness, saltiness and sourness; they are able to render the most subtle and various sensations, which may likewise be associated with brands. Taste is indispensable in setting the emotional tone. Taste along with the sense of smell has proved to affect the sharpness of sight and the acuity of hearing, the degree of skin sensitivity and overall state of the human emotional sphere. Sweet, pungent, astringent, tart, slightly sour or bitter tastes create a certain attitude and complete the sensual picture of the world. According to the results of (TripBarometer, 2015), the world's largest study of trends among hospitality enterprises and travelers, travelers are willing to spend the same amount for dinner in the restaurant and accommodation in the hotel. In the hotel industry, cuisine is a key element of hospitality: the gastronomic component of a hotel sometimes becomes the decisive factor in assessing the quality of hotel services. At the same time hotel

cuisine is, without exaggeration, a world of its own created throughout years, decades or even centuries (Aroma group, 2016). This argument leads to the formulation of the Proposition 4:

Proposition 4: Offering of delicious meals by a hotel is likely to influence family firm performance

1.5 Other sensual notes includes the following;

Touch: The hotel on the "tip of the fingers" – is based on the fifth sense, i.e. the sense of touch, allows one to feel the surface of various objects. The perception of the surrounding elements with the help of touch helps assess their shape, size, texture, consistency, temperature, dryness or humidity, as well as their position in space. Tactile (haptic) sensations are a form of skin sensitivity and may be manifold, significantly complementing the picture of the world. Furthermore, the physical contact is essential in selecting goods and service. The feeling of softness, gloss and cozy warmth of familiar textures give a nostalgic sensation. This is why digital photos cannot fully replace conventional photographs, and ebooks are no substitutes for paper books with their pleasant rustling pages and a hard, well-glued spine. The hotel business never misses the opportunities created by the sense of touch. An experienced hotelier knows that a guest can learn plenty about the hotel, or, so to say, "read" it with their fingertips. Bruno Borrione, a designer who developed the concept of Le Placide hotel in Paris, found an interesting design solution combining many types of textures. This small hotel emanates coziness of a family home from its every element, be it the bleached, slightly rough facade, clay pots rough and porous to the touch, or smooth wooden shutters. This hotel is quiet and comfortable rather than trendy or pretentious. There is, however, modesty of the highest quality: velvet sofas, large cushions with convex patterns one can feel, stone floor with halfworn vintage patterns, an original staircase with wrought iron railings. (Best Hotels of the World, 2008) Having described the five sensual notes of hospitality based on our common sensations –visual, auditory, olfactory, gustatory and tactile – we have not yet exhausted the array of human capabilities in the sphere of sensations.

Intuition: intuition usually called the sixth sense, is important in any business, in the service sector especially. Intuition, Latin for "contemplation", enables a person to achieve the necessary understanding of a situation without any logical analysis. In this case, strict logic gives way to insight, or a so-called "instinct", which becomes an essential product of past experience. The role of intuition is great and even indisputable, since intuition is the way for a person to be in the right place at the right time, make non-standard solutions and find the shortest ways to the goal, relying on the results of past experience, which are hidden in our sub consciousness.

Tourism market experts have studied the hospitality of European hotels and determined what countries have hotels which treat their guests in the best way possible. The friendliness of the serving personnel of the European hotels was assessed according to a 100-point scale. The survey showed that the most hospitable personnel in Europe worked at Austrian hotels. In this ranking, Austria earned 95.5 points. The three leaders also included Italy (95.3) and Ireland (95.1). The hotels of the northern Europe also differ in their hospitality. Poland and the Netherlands were ranked next. France earned the 10th place with its 94.1 points. Intuition in the hotel business helps personnel to ensure the peace and safety of their guests even in difficult and unusual situations, providing them with maximum care and attention. A striking example of intuition in professional activities is the development of the professional standards of hospitality and offering guest service within those standards. Any professional standards are a framework within which people work, but a person is not a machine and therefore, while observing the prescribed rules, one intuitively feels the specific aspects of this or that situation, allowing for a quick and correct decision-making. All professional standards of hospitality are

tailored to the mechanisms of natural human control: the sense of responsibility, empathy, guilt, pride, etc. But, at the same time, they rest on the common humanitarian values, and every employee is well aware of that fact. In particular, the Golden Standards of Hospitality in RitzCarlton declare the necessity of a genuine care and attention to the guests, which means creating a natural and relaxed atmosphere, telephone etiquette and a mandatory escort of the guests around the hotel. Those rules must not only be observed with a mechanical precision, but rather give room to the ability to feel the situation and make the right decisions.

Impression 'the power of impression is called the "seventh sense". The impression (from Latin "impressio") is the image, reflection or trace left in the mind of a person by the surrounding pictures of the world or events. The power of impression always results from a kind of unique and masterful musical piece, where every "sensual note" is played. Upon building its marketing policy, a hotel must weigh the doses of all sensual elements used as if on the scales. Music, smell, taste, sensitivity of staff, etc. – at the final stage, all those elements should fall into their places in the puzzle of the overall impression of the hotel, creating a branded feeling. Everyone knows the expression "to sink into heart", which means to make a strong and lasting, perhaps unforgettable, impression. This is the reason why every hotel aims to ensure that the impression of their guests from staying in the hotel is not only enjoyable, but also strong (Dzhandzhugazova, 2013).

The innovation activities

Researchers deal with different innovation groups and innovation activities as well. In order to measure innovation activities three main categories can be identified: (Tseng & Kuo & Chou, 2008, p. 1019) - Technological innovation - Organizational innovation - Human capital innovation.

Technological innovation:- According to Sheldon (1983) this kind of innovative methods is capable of providing equipment and technologies (Tseng & Kuo & Chou, 2008, p. 1018) which offer new and improved tools/machines that are suitable for the production and enhance the effectiveness of management. This is very important for the hotel industry's profitability. The technological innovation is shown primarily in improving the communication and computer networks. This kind of change is the strongest modifying and reshaping force in the market, so hotel CEOs know how important the innovation is, especially how important the innovation in the communication and how essential information technology's potential benefits can be, which are deeply influenced by the relationship between the customer and the service (Tseng & Kuo & Chou, 2008).

Organizational innovation: The organizational innovation shows the organizational capital changes. This kind of innovation refers to the efficiency and effectiveness of the innovation, and how to manage and develop the knowledge of the hotels' CEOs and their teams, when they confront a competitive environment. This mode includes the organizational processes and the organizational culture as well (Tseng & Kuo & Chou, 2008).

2,3 Human capital innovation:- According to Orfila-Sintesa et al. (2005), the human capital innovation advocates that the adjustment of human capital skills is mostly equal to efforts in successful innovation implementation (Tseng & Kuo & Chou, 2008). Updating these skills/capabilities emphasize the changing training needs, in investment, and in the case of human resources (Griliches, 1990; Pine, 1992; Van de Wiele, 2007). This updating plays an important role also in the success of the innovation (Olsen & Conolly, 1999; Sirilli & Evangelista, 1998). The human capital innovation includes the collective hotel capability to bring out the right solution to the knowledge of the employees and the employees skills such as a wideranging customer relationship or the experience (Tseng & Kuo & Chou, 2008).

However, the organizational and the human capital innovation are less visible in family owned hotels. The innovation practices in some successful hospitality industry across the world is process tendency. They do not focus on technological innovation, although they use the latest software and equipment. The organizational innovation is displayed strongly, because within the hotel a creative organization operates. Everyone has a right to make suggestion in all areas and topics, but these suggestions should be constructive. They held meetings weekly, where they have the opportunity to exchange their ideas.

3.0 Methodology

Menor, Tatikonda, and Sampson (2002) argue that building knowledge within the domain of service innovation will call for a priori specification of the type of new services to be studied. The maturity of this topic is quite nascent, and given the state of the art, the choice of methodologies is often problematic. Even when trends in fit between theory and research are well established, these are only guidelines and heuristics, not hard and fast rules (Edmondson and McManus, 2007). At the early stage of theoretical development, qualitative research is often prescribed; but in fact, science advances with multiple methods at all stages of the maturity of any research stream, seeking triangulation and convergence using independent methods. The work reported here is at the early stages of hypothesis development and testing in the field of service innovation. Therefore, this is a preliminary, field-based hypothesis development and testing study in this area of research.

For this study, data will be collected using a self-administered questionnaire. The questionnaire comprises two major sections. The first section addresses a number of questions pertaining to the variables of research interest, including hotel innovative architectural design and maintenance, hotel practices on prescriptive and functional music, attitude to use of fragrances, perception of the meals and delicacies available in the hotel. The second section deals with respondents' demographic information, such as gender, age, education, nationality and so on. Participants in this study are frontline guests and employees from several mid- or upscale hotels in Niger state. All the items to be used in this study are well-established scales derived from prior studies. A 5-point Likert-type scale is used for all the items.

The Statistical Package for Social Sciences (SPSS) will be employed for descriptive analysis to provide respondents' profiles. The hypotheses regarding the effects of the four innovative sensual notes on hotel performance will be tested utilizing regression analyses.

4.0 Conclusion

Innovative technologies in family owned hospitality firms are an obvious change of their delivery. This process may be expressed as a new service product, technology, or individual elements of its implementation; as the arrangement of hotel operations; as new approaches to the management or marketing of the hotel. Innovative technologies in the hotel industry target the effective satisfaction of the needs of consumers and the increase in the competitiveness of services organization. Having considered all the details of the innovative hospitality marketing mix based on its "sensual notes," we should emphasize that the sensory marketing tools must be used in a delicate and balanced manner. The most common aspect of this marketing type is the impact on the guests through sights, sounds, smells or tastes. Furthermore, aroma-branding can be used for marketing purposes by creating intentional association of a particular scent with a specific brand or organization to identify products or services of the organization. The application of sensory marketing as one of the innovative methods of hotel marketing may become a distinct competitive advantage of a family hotel and attract new customers.

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