Week 1. Blog 1. Current Issues in hospitality and tourism

**What obstructs tourism?**

It is an increasing trend that hoteliers and investors are altering their services with the changing environment and the dynamic social life of the present day. They are modifying the services to reduce the operational cost, to enact the change needed for sustainable development and for changing the attitude of tourists toward the environment. Despite such modifications and developments, the hospitality and tourism industry is facing copious challenges. Since there is a continuous growth of hotels in each country and at the international level, therefore, there is an increasing trend of adopting state of the art and technologically modest business models. Major challenges in hospitality and tourism industry pertain to fixed costs, fluctuation in revenue generation, increasing demand vis- a- Vis low customer satisfaction and heightened costs of operations.

For Sigala, the major issue in hospitality and tourism is attached to the low and varied revenue stream (Sigala, 2017). Since the hospitality industry works over a system of fixed salaries and has to pay fixed costs for maintenance and repairs as like other industries follow, therefore the managers and forbearers need to scheme strategies for expansion in funds and revenue which must adapt to the expanding revenue demands. The major cause of low fund generation is the fact that customers will tend to demand best accommodation for lowest charges.

Taking forward this view, Jovicic argues that established brands in the hospitality industry are capable to bear the increased prices of operational costs and resultantly attract new customers each day (Jovicic, 2016). This leaves a challenge for small investors in the tourism and hospitality industry. It also results negatively on standardizing the services, as it downgrades the amenities offered by the established brands. This pressing phenomenon is ever-increasing and has already resulted in categorizing the service providers based on the services they provide.

Another tenacious challenge for the tourist industry is the fluctuations in seasons. It leaves a challenge for investors and hoteliers as to how to maintain and improve business during a running season. Ateljevic writes that the tourist season is what everyone in the season is waiting for (Ateljevic & Li, 2017). They prepare and remold their services to attract maximum tourists which leaves minimum business for hoteliers located at a small distant place. In order to avoid bankruptcy, these small investors then offer accommodation at lower cost which dampens a so-called standard of hoteling. It takes no longer to affect each chain linked with this industry.

Adding to the issues in hospitality and tourism, the investors in this domain are also negatively affected by the expanded usage of the internet. Even a single tourist will search and compare the cost offered by hotelier in his way. Not just this, the customer also requires a stable internet connection and unhindered supply of resources (Rahimi, Köseoglu, Ersoy, & Okumus, 2017). This is how things become unmanageable and contrary as to how they are portrayed. As the guests have become so conscious and knowledgeable, therefore it is hard to satisfy them with even the excellent services. Trip advisor suggests that if any tour operator or hotelier provide even the modest services, it remain successful in retaining his guests, who then normally pay good amount in return (“TripAdvisor survey—TripAdvisor Support Forum,” n.d.).

These issues suggest that there is quite a need for research regarding the psyche and approach of travelers. As there are many people attached to this industry and it remains a low income generating industry despite the fact that the number of tourists has increased, therefore it remains important to study this area from an academic point of view. The new research will by some way add new dynamics for hoteliers and investors.

# References:

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