

EXPLORING HOW TO ENHANCE SMES PRACTICES IN THE TOURISM SECTOR IN TERMS OF SERVICE QUALITY AND SUSTAINABILITY

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ABSTRACT

This study is part of RESETTING, a European program designed as a tool for "Relaunching European Smart and Sustainable Tourism Models through Digitalization and Innovative Technologies" (RESETITNG, 2022). This project aims to improve the quality of the travel experience, support the decarbonization of the tourism industry and promote more inclusive economic growth - not only for SMEs, but also for local people in the destination - by testing and integrating cutting-edge, digitally driven solutions that reduce burdensome requirements and facilitate the transition to more resilient, circular and sustainable operating models for European tourism businesses. The project will involve 60 SMEs from five countries (Portugal, Spain, Italy, Greece, and Albania). The contribution of managers with different experiences will allow them to evaluate and find solutions that can be helpful and relevant in very specific tourism contexts. This work will help to identify, propose, and validate measurement scales for a web platform developed to help SMEs evaluate their execution of different concepts. The main objective is to use a systematic literature approach to identify and analyze two core constructs: Service Quality and Sustainability. In addition, we also intend to understand how these constructs are measured in the tourism sector, especially regarding small and medium enterprises, to then propose our own measurement scales. The systematic literature review followed several criteria of quality, the scope of the study, and the use of quality ranking of journals where studies are published.

INTRODUCTION

Sustainability is part of our daily lives and is one of the areas that businesses must focus on in order to develop. Sustainable tourism has been promoted since the early 1990s, when the UNWTO began promoting indicators "as essential tools for policy-making, planning and management processes in destinations" (United Nations World Tourism Organization [UNWTO], 2004). Later, UNWTO launched the Statistical Framework for Measuring the Sustainability of Tourism, which aims to develop an international statistical framework for measuring the role of tourism in sustainable development, including its economic, environmental, and social dimensions, and to support universal, cross-sectoral, and sustainable tourism policies and practices that operate from an integrated, coherent, and robust information base (De Marchi et al., 2022). With this type of framework, tourism

managers will be able to keep an eye on the level of sustainability and eventually identify the actions needed to raise the level in all aspects of tourism, as it has been recognized that defining a set of indicators that are internationally comparable will allow the assessment of sustainability and the improvements needed in tourism destinations (Lozano-Oyola et al., 2012). The European Commission also developed its own model in 2016, called the "European Tourism Indicators System" (ETIS). The ETIS has the explicit aim of contributing to the improvement of sustainable destination management. It aims to assist destinations and stakeholders in measuring their sustainability management procedures so that they can track their success and progress over time (European Commission [EC], 2016). According to the WTO, sustainability principles refer to the environmental, economic, and socio-cultural aspects of tourism development, and an appropriate balance between these three dimensions must be established to ensure its long-term sustainability. Mackenzie and Gannon (2019) show different conceptualizations of sustainability based on historical cases, where the government's perspective on sustainability in the 1960s was economic, with environmental concerns either secondary or completely ignored. The focus on environmental sustainability came from entrepreneurs and the private sector, where both prominent figures developed sustainable initiatives (Mackenzie and Gannon, 2019). Today, the WTO believes that the "informed participation of all relevant stakeholders, as well as strong political leadership" is needed to achieve sustainable tourism development. In the SME sector, sustainability is crucial, but it needs to be addressed differently from the rest of the tourism sector. Coles et al (2014) argue that policy interventions could not only focus on most of the tourism sector, as the policies may then be irrelevant to SMEs. Furthermore, the authors note that businesses that are interested in sustainable development could contribute even more if they are properly supported. This is important because SMEs in the hospitality sector may be under less pressure to adopt sustainability practices than large hotel chains, operators, or franchises, as they do not receive the same attention or criticism as large industry players (Mohammed, 2022). Service quality (SQ) and customer satisfaction (CS) are two of the most studied and dominant concepts in the tourism industry. They have enabled tourism managers to provide consumers with memorable experiences by understanding what consumers value and how they like to be treated and remain a "significant source of competitive advantage for tourism and hospitality businesses" (Shyju et al., 2021, p. 30). Since the quality of tourism and hospitality experiences is related to perceived value, satisfaction, and behavioral intentions (Shyju et al, 2021), it is important for tourism businesses to understand how to differentiate themselves in an experience-dominated market such as the hospitality industry (Cetin et al., 2014). Therefore, measuring service quality and tourist satisfaction is crucial for companies to understand if their service is creating value for them or if it is possible to do better. The first models to measure service quality were developed in the 1980s by several authors,

such as Christian Grönroos, Richard L. Oliver, and A. Parasuraman (1985) in the 1980s. On the other hand, industry researchers also introduced scientific methods to measure customer satisfaction, such as the holiday happiness curve, tourist satisfaction index, e-service quality (E-S-QUAL), Resort Hotel Service Performance (RESERV), DINESERV, Ruralqual (Loureiro and Miranda, 2009; Loureiro, 2014; Loureiro and Kastenholz, 2011), and Muslim Customer Perceived Value (MCPV) (Shyju et al, 2021).

METHODOLOGY

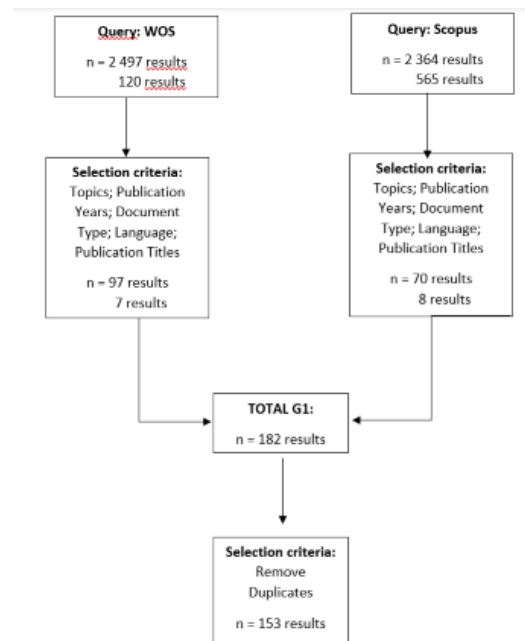
In order to develop a scale that can be used to measure sustainability, service quality, and customer satisfaction, it is necessary to understand which items need to be assessed and what is relevant to customers regarding the concepts, so it is necessary to search for the relevant literature to acknowledge. A collection of publications on the concepts and the industry was gathered from the online libraries of Web of Science and Scopus to select the most relevant material for this review and to identify the topics discussed. As the concepts changed from service quality and customer satisfaction to sustainability, two sets of queries were created. The first focused on service quality and customer satisfaction and the other on terms related to sustainability, corporate social responsibility, and sustainability. Table 1 shows the query terms used in each of the groups. VOSviewer was the software used to analyze the database resulting from the search and selection of articles. It is a free software that allows the creation of different map texts based on network data, bibliographic data, and text data.

Table 1 - Queries to select relevant papers

Group 1	("Service Quality" OR "Customer Satisfaction") AND Tourism ("Service Quality" OR "Customer Satisfaction") AND SME
Group 2	("Corporate Social Responsibility" OR Sustainability) AND Tourism ("Corporate Social Responsibility" OR Sustainability) AND SME

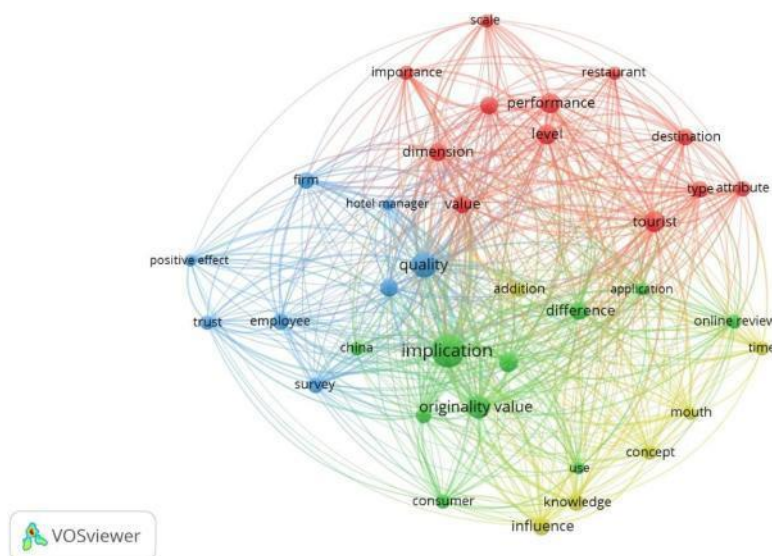
For **group 1**, a total of 2,617 results were obtained from Web of Science and 2,912 from the Scopus database. Looking at the results, it was possible to see some distribution of the papers in terms of different topics, so the query was restricted to business-related papers only. To further limit the scope of the research, the query was even more restricted: publication years of the papers, since 2019 in the first query and 2017 in the second query; articles were the only document type selected and no language other than English was accepted. With these selection criteria, the final number of articles was 104 from Web of Science and 78 from Scopus. The two databases were merged, and duplicates

were removed, resulting in a total of 153 results (Figure 1).



RESULTS

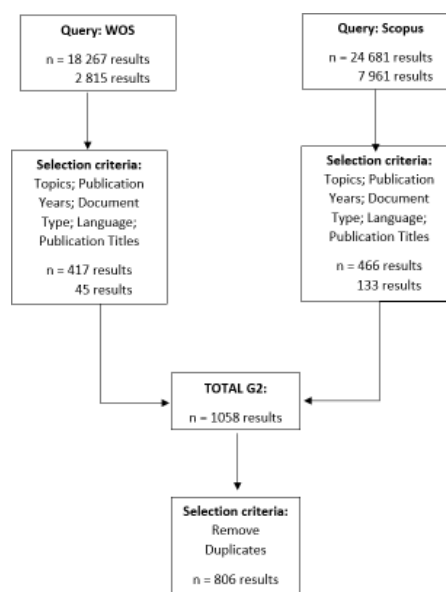
The preliminary results for each group as follows. For **Group 1** it was created a term co-occurrence map based on text data with minimum co-occurrence number of seven times (Figure 2).



It is possible to observe five groups of colors and terms, even though they are all connected between them. Quality is a central figure in this map, being connected to all the other terms, which shows the importance of the concept in the literature. It is possible to observe other terms that, besides not having as many occurrences as Quality, are at the heart of the map, such as Originality Value, Difference, and Value, which is in line with the literature recommending that tourism companies must focus on the experience and how to differentiate themselves. The scale has a strong relationship with Performance, Level, Quality, and Dimension, showing their relevance in evaluating the performance of companies.

In this **Group 1** dataset, 2019 is the year with more publications (55), followed by 2020 (47). The papers published in 2017 and 2018 are related to the second query used in this group, as the publication years were extended to collect more relevant articles. It is possible to observe a decreasing number of publications over the years, perhaps considering that concepts such as customer satisfaction and service quality are already widely discussed in the literature. In terms of the number of journal articles, the International Journal of Contemporary Hospitality Management (37), Tourism Management (36), and International Journal of Hospitality Management (34) were the most representative of this group.

Group 2 initially presented a larger number of papers: 21,082 papers from Web of Science and 32,642 from the Scopus online database. The query was narrowed using the same criteria as in Group 1. In the end, 462 articles from Web of Science and 599 from Scopus were combined, resulting in a total of 1058 articles, which, after removing the duplicates, resulted in 806 results (Figure 3).



For Group 2, it was created a term co-occurrence map based on text data with a minimum co-occurrence number of ten times (Figure 4).

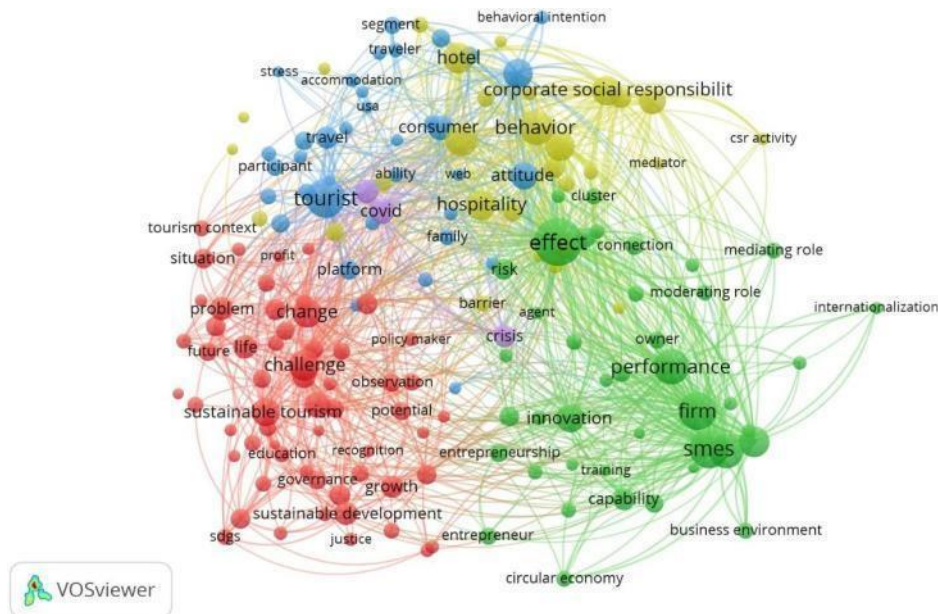


Figure 4 - Co-occurrence map text Group 2

Contrary to what was observed in Group 1, there is no clear separation between the concept groups, except for the red and green groups, all other concepts are correlated with each other. Terms such as effect, performance, company, and SME present a high number of occurrences, in line with the keywords used in the research and with the sustainability effect in the performance of companies. Indeed, according to what was presented before, the relationship between terms such as challenge, change, policymakers, sustainable tourism, education, governance, and sustainable development, shows the importance of policymakers for SMEs to make progress in sustainable development. Researchers focusing on concepts such as consumer and behavior show that the relevance of sustainability does not end in the environmental or financial area, but that today is highly considered in the decision-making process of customers.

In this **Group 2** dataset, 2022 is the year with the most publications (202), followed by 2021 (183). Since 2019, there have been more than 150 articles published each year that were found to be relevant to this database. It is noteworthy that the number of publications has increased in recent years, showing the growing importance of sustainability in the literature. Relative to the number of articles by journal, the Journal of Sustainable Tourism (294) is undoubtedly the journal with the most articles, followed by Tourism Management (90) and the International Journal of Contemporary Hospitality Management (76). Hospitality Management (76).

CONCLUSIONS AND IMPLICATIONS

This preliminary study gave us the tools to continue to pursue the major objectives, that is, to create a scale to measure service quality adapted to SMEs of the service tourism and above all to propose a scale to measure the self-diagnostic of sustainability for SMEs of the service tourism.

This research can provide substantial contributions to both academics and practitioners. Academic because the scales can add to the theory of quality and sustainability, particularly the last one, since as far as we know there is any comprehensive scale published. Regarding the practical implications, the scales will be used first by the SMEs involved in the European Project and then open to other SMEs.

Next step, we are going to conduct interviews and focus groups with SMEs to create the pool of items based on literature and on the findings of the qualitative step (interviews and focus group). After that the process of refining and validating the scales

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