The Effect of Food and Beverage Innovations and Trends on Guest Satisfaction in Hurghada City, Five-Star Resorts

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Abstract

Purpose: Egypt is a nation heavily dependent on the travel and tourism sectors. Keeping up with the latest advancements and trends is important for resort development. In this study, researchers examined innovations, problems, and trends at a sample of Hurghada City five-star resorts. The purpose of this research is to explore innovation at a few particular five-star resorts as well as the effects that innovations and creative practices have on resorts.

Methodology: In this study, qualitative research methods were applied. To gather primary data, three food and beverage managers from a particular five-star resort were interviewed in depth in English. The approach of observation was also utilized to illustrate the environments and designs of certain resorts. The majority of the secondary data were gathered from books, websites, papers, and journal articles. The study used content analysis and thematic analysis to present its findings.

Findings: Displayed innovative outputs that fall into three categories: administrative, service, and product innovation. The results also showed that resorts followed new trends and innovations by using both external and internal approaches. Furthermore, these innovative approaches enhanced guests’ satisfaction with the resorts.

Originality/value: Focusing on understanding the relation between the new innovations and its effect on guest satisfaction, the study expands the knowledge about the importance of food and beverage innovation in Hurghada City resorts.

Key words: Food and Beverage Trends; Food and Beverage Innovations; Egyptian Resort Hotels; Guest Satisfaction; Hurghada City.
1. Introduction

For businesses to survive, be competitive, and expand, innovation in the tourism and hospitality industries is essential (Ottenbacher, 2007; Sundbo et al., 2007; Orfila-Sintes and Mattsson, 2009). Its favorable effects on customer preference, service excellence, worker productivity, market value and share of businesses, and guest retention are well acknowledged (Hall and Williams, 2008; Hjalager, 2010; Gomezelj, 2016).

Innovation, albeit important, remains a significant barrier for the hospitality sector (Hjalager, 2002; Ottenbacher and Gnoth, 2005: Miralles, 2010). According to Sundbo (2009), the process of innovation in the service industry is typically less structured than in the manufacturing sector, less dependent on research, and more practice-driven. Orfila-Sintes and Mattsson (2009) noted that employee engagement and participation from both present and potential visitors are necessary for innovation in the hotel industry. Hjalager (2010) emphasizes in particular the paucity of quantitative studies examining innovation and its forms in the hotel sector.

Innovation is strongly related to the success of organizations (Calik et al., 2017). Regarding innovation in the service sector, the goal is to improve guest service and loyalty, increase productivity, reduce costs and create opportunities in the face of each challenge (Brooker and Joppe, 2014; Wikhamn, 2019). Innovation is often seen as a solution and as value creation in organizations. Therefore, use innovation to gain a competitive advantage and achieve excellence through continuous results, determining their long-term success (Lundvall and Nielsen, 2007). Innovation can be new for the world, new for the market or new for the organization, and is a critical success factor that can make a difference in various organizational contexts (Wikhamn, 2019).

In an effort to attract more guests, increase guest loyalty, and gain a competitive edge, resorts must make improvements in a number of areas. The purpose of this study was to identify novel developments and trends in a few five-star resorts located in Hurghada City, Egypt. The investigation was undertaken by the researcher in three stages. (1) It examined the causes and forces behind trends, innovations, problems, and innovations in a few Hurghada City five-star resorts. (2) It evaluated the results of innovation and recognized the useful inventions used in business. (3) It assessed how innovative business methods affected both the level of visitor pleasure and business performance. As a result, the following objectives are established in order to achieve the overall aim:

• To examine innovations, problems, and trends in a sample of Hurghada City five-star resorts.
• To investigate how resorts adapt to emerging ideas and trends.
• To identify new practices and results in five-star Hurghada city resorts.
• To gauge how innovations and creative practices impact business performance and guest pleasure in five-star resorts.
1. Literature Review

1.1 Service Innovation

Service is the fundamental component of the resort and hospitality industries, and as guests are the service recipients, service innovation is essential to meeting their expectations for novel experiences. According to Hackett & Melia (2012), contemporary resort visitors are looking for novel experiences, fresh challenges, and several forms of entertainment that combine emotion, action, and entertainment. Resorts need to have a thorough awareness of emerging trends, visitor preferences, and expectations. Resorts should focus on being more guest-friendly. In Hurghada City, Egypt, where practitioners are constantly concerned with tourist happiness, the resort industry has come to prominence as a new trend.

The economic slump, competition, and human resources are the three primary concerns that hoteliers should be aware of, according to Jayawardena et al. (2013a). According to Rayna & Striukova (2009), Sipe & Testa (2009), as well as Anthonisz (2014), competition in the hospitality industry is fierce, but it also puts pressure on businesses to adapt in order to differentiate themselves from the competitors. According to Anthonisz (2014), organizational culture and local brand ownership have a direct impact on innovation in resorts. Future tourists are expected to be more cultured, knowledgeable, and well-traveled, according to Jayawardena et al. (2013b), Anthonisz (2014), Hackett & Melia (2012), Sturman (2011), and Michelli (2011). They want more than just typical hospitality products; they also want better value for their money.

Hoteliers need to offer a product that appeals to today's value-conscious guests. Additionally, hoteliers must comprehend the concept of "value pricing," which calls on them to provide a broad range of high-quality items that go above and beyond what customers would expect (Hackett & Melia, 2012). According to Sturman (2011), Hospitality managers should figure out how to highlight the good experiences that customers have had, are experiencing, and have already had in order to make them feel more valued.

As to Michelli's (2011) findings, guests are willing to experience immense happiness and delight when they receive more value, attention, or enjoyment than what they had anticipated. Technological advancements and innovative technology are important trends in the travel and hospitality sectors (Rayna & Striukova, 2009; Jayawardena et al., 2013b; Anthonisz, 2014). Though it may be difficult to compete in the current hotel sector without embracing technology, Anthonisz (2014) and Rayna & Striukova (2009) contended that human interaction—which is typically more useful than impersonal technology is fundamental to the high-end resort company.
1.2 Defining Innovation

The Latin word "nova," which means "new," is where the word "innovation" originates. In the words of Altuntas and Donmez (2010), innovation is "the period in which knowledge gained commercial value through the modification, consolidation, or synthesis of information in the form of new source, product, process, service, management technique, or technology that creates original, correlated, unique solutions and value to fulfill organizational functions."

Innovation can be a process of introducing new value prepared first to customers, as the major driver of competitiveness, but it can also include stakeholders as beneficiaries, like the organization, shareholders, external partners, etc. (OECD, 2006). In this context, Nauwankas (2013) showed that innovation aims to make a positive change to make things better, so innovation is offering a new product, service, or process to customers. From another point of view, Ulwick (2005) identified that innovation is the process of finding solutions to develop the product or provide a new service in the market. Boycheva (2017) also clarified that innovation is the investment in knowledge development to provide new goods and services to customers.

1.3 Guest Satisfaction in the Hospitality Industry

According to Canny (2014) and Babia et al. (2023) guest satisfaction is defined as a factor that influences whether a post-purchase attitude reflects a favorable or unfavorable outcome dependent on individual guest experience. It is an answer to the public's demand (Zhong & Moon, 2020). According to Namkung and Jang (2008), there are three components to guest satisfaction: appropriateness of the gratification, willingness to recommend, and intention to repurchase.

While activities indicate the degree of conduct that can be witnessed with objectivity, repurchase intent shows guests' propensity to engage in future behaviors (Namkung & Jang, 2008). According to Wang and Yu (2016), it is defined as the customer's intention to repurchase goods or services in the future. Ferdinand is mentioned by (Saidani and Samsul, 2012) as saying that the four elements of guest retention are transactional, referential, preferred, and exploratory.

Guest satisfaction can reduce negative word of mouth There are a lot of negative word of guest mouth, who is disappointed with guest service provided, guest satisfaction is related to revenue and recurring Purchase. To eliminate bad word of guest mouth, resorts need to constantly measure guest satisfaction Keep tracking of changes in guest satisfaction will help business organization identify if their guests are actually happy with their product and service. (Razak and Nayan, 2020).

2. Methodology

3.1. Population and Sample

Three representatives from particular five-star resorts served as the study's target audience in order to gather primary data. The approach of observation was also utilized to
study the environments and designs of certain resorts. The primary sources of secondary data were books, websites, reports, and journal articles. The study used content analysis and thematic analysis to present its findings. In Hurghada City Resorts because to time and budgetary constraints. Similar to that, budgetary and temporal constraints led to the convenient sample selection for this investigation. As a result, the questionnaire was distributed and gathered directly. In this study, qualitative research methods were applied. To gather primary data, three Food and Beverage managers from particular five-star resorts were interviewed in-depth in English. The approach of observation was also utilized to study the environments and designs of certain resorts.

In order to investigate innovative developments and trends in a few Hurghada City five-star resorts, this study used a qualitative methodology. The use of a qualitative technique allowed for the meaningful and in-depth comprehension of informants. Research on leisure and tourism frequently employs qualitative methods (Veal, 2006).

The secondary data used in this study was first mostly gathered from books, reports, publications published in Emerald journals, and official travel websites. Three top resort administrators from Hurghada City's five-star resorts participated in an in-depth interview using semi-structured checklist questions to gather primary data. The interviewees were chosen using the purposive sample technique in accordance with their first communication, consent, availability, and mutual agreement to take part in the research.

All of the interviews were done under strict confidentiality. The research did not reveal the identities of the informants or resorts. Interviews took place in 2023 between July 15 and July 28. Information was gathered using a semi-structured checklist consisting of fifteen items. English-language half-hour interviews were conducted. Every interview was taped, followed by transcription.

The researcher used firsthand observation on the day of the interview to look at the design and décor of physically inventive spaces while doing research in a few resort properties. Informants who agreed to be interviewed arranged two resort trips. The primary innovations and trends in two chosen resorts were disclosed by the resort tours interviews. The data from in-depth interviews and observation were analyzed using thematic analysis and content analysis techniques. The interview notes and transcripts were all turned into Word files, and the researcher read the transcripts word for word to find out what the interviewees had to say. To evaluate data and draw conclusions, coding, categorization, abstraction, and summarization of raw data were used.

3.2 Findings

This study's initial phase is to evaluate the actual nature of innovation and identify the forces that give rise to it. The following encapsulates the innovations, problems, and trends:
3.2.1 New Trends in Five-star Resorts in Hurghada City

The thoughts of informants were coded, categorized, and abstracted into several codes and themes. Among a few chosen five-star resorts, there are four primary tendencies, which are: (1) The idea of sustainability and going green has already influenced industrial regulations about social responsibility. Hoteliers strive to use more green energy to consume fewer resources and to operate their resorts in a way that minimizes their carbon footprint and environmental impact.

In the interim, guests prefer to stay at resorts that support local communities, use organic food, and follow green policies. Conscientious visitors also take into account the green and sustainable concepts. The interviewees discussed the utilization of technology in the resort, including voice-activated guest rooms, mobile check-in, and high-tech conference rooms. Using this technology, visitors can receive clever and practical service that enhances their stay. (3) Resort managers need to consider their visitors’ needs, concentrating on the experience of visitors and doing study on their behavior, which forms a trend in resort management. Today’s resorts must reinvent themselves in order to provide its patrons with an unforgettable experience that meets their needs. Fourthly, the Middle Eastern countries—which are growing and prosperous—become the primary destinations for tourists as a result of the global economic downturn.

3.2.2 Challenges in Five-star Resorts in Hurghada City

There are three primary difficulties. Even though Hurghada City had tens of millions of foreign visitors annually at first, it is extremely challenging to draw visitors back to that particular resort and endure in such cutthroat competition. Local resort brands fight not only with other local resort brands but also with well-known international resort brands that are seen as formidable rivals. Gaining the loyalty of visitors while competing with resorts in the same area that provide comparable services at comparable costs is difficult.

Hoteliers should take operational space into consideration. While some resorts are in the city core, others are close to the beaches along the Red Sea. Some long-standing resorts require renovations to offer spacious rooms and areas for group eating, meetings, and check-in. Lastly, face-to-face interaction and human interaction are crucial in the tourism and hospitality sectors. Employee quality has an impact as well. The resort personnel have a significant impact on both the resort's reputation and the contentment of its patrons. This is vital to running a successful resort. Resorts need to focus on managing their human resources.

3.2.3 Innovations Existed in Five-star Resorts in Hurghada City

The following are the key innovations that informants at Hurghada City's five-star resorts pointed out. First and foremost, technology advancements like electronic check-in and I Pads in guest rooms that provide visitors clever and practical control over amenities. Some state-of-the-art resorts also incorporate motion control technology. Another novelty at the resort is furnishing guest rooms with actual wooden floors and a kitchen, creating a
cozy and friendly ambiance. Furthermore, the creativity in presenting various themes, including health and campus, together with a variety of spa offerings, could serve as novel selling features for resorts. The resort is livelier and appealing as a result of these innovations.

3.3 Resorts Monitor New Trends and Innovations

Those in attendance whose primary responsibilities are operations primarily monitor trends and developments for local branches and subsidiaries. Additionally, local resort branches don't have as much influence over fashion and trends. The headquarters or regional offices often handle the research and design, and these individuals are in charge of these matters at the local resort.

3.4 Approaches to follow up the trends and innovations

Two categories of techniques emerged from the interviewees' responses. Following trends and innovations from the inside is one kind of strategy; following trends and innovations from the outside is another. Through internal meetings, businesses share knowledge and research innovations. Additionally, hoteliers can learn about emerging ideas and trends directly from their guests.

Information about what visitors is searching for can be obtained by observing their activity. Hoteliers need to expand their knowledge by studying outside of their industry because internal learning and thinking are insufficient. Expert viewpoints can be exchanged and new trends can be followed on well-organized workshops and seminars. A significant role for industry associations can be played in promoting and setting trends. Expert market research from the corporate office can help local resorts run more profitably. Hoteliers can stay up to date on the latest technologies and trends with the aid of both external and interior ways.

3.5 Outputs of innovation and inventiveness in selected five-star resorts

The categories of innovation outputs, according to Sipe & Testa (2009), can provide preliminary data for research on innovation in the hospitality and tourist industries. This typology provided professionals and scholars with a generally intelligible and useful classification.

Seven innovative outcomes have been identified in certain resorts, based on the interviews. In the hospitality sector, it is challenging to distinguish between product and service innovation. Level 6 contains three improvements from resorts A and B. Resorts need to take on novel, difficult, and even unachievable tasks. Three inventions were reviewed from Table 1 at level 5, in the meantime. Benchmarking is the process of finding out what other businesses are doing to improve their services. Examples of this include rules that can increase customer happiness and handicapped facilities, transparent glass barriers near eateries along riversides, and multinational personnel. The researcher provides an illustration of the implementation unit in the final column. Since three of the
seven innovations are only used at the corporate level, they are exclusive and distinctive qualities of those organizations.

One innovation is at the department level, specifying that this novel idea is exclusive to a certain department. Additional developments are at the industry level, demonstrating how these advancements are used on a standard basis in the travel and hospitality sector.

**Table 1. Innovation Outputs and Innovativeness in Selected Three Resorts in Hurghada City.**

<table>
<thead>
<tr>
<th>Description of innovation outputs</th>
<th>Type of innovation</th>
<th>Degree of innovativeness</th>
<th>Unit of implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel A Kitchen and utensils</td>
<td>Product/service</td>
<td>Level 6- Different</td>
<td>Company</td>
</tr>
<tr>
<td>Hotel A 25m Long table</td>
<td>Product/service</td>
<td>Level 6- Different</td>
<td>Company</td>
</tr>
<tr>
<td>Hotel B Campus concept</td>
<td>Service</td>
<td>Level 7- Impossible</td>
<td>Company</td>
</tr>
<tr>
<td>Hotel B Residential style</td>
<td>Service</td>
<td>Level 6- Different</td>
<td>Department</td>
</tr>
<tr>
<td>Hotel C Transparent barrier</td>
<td>Product/Service</td>
<td>Level 5- Copying</td>
<td>Industry</td>
</tr>
<tr>
<td>Hotel C Handicapped facility</td>
<td>Product/Service</td>
<td>Level 5- Copying</td>
<td>Industry</td>
</tr>
<tr>
<td>Hotel C International employees</td>
<td>Service</td>
<td>Level 5- Copying</td>
<td>Industry</td>
</tr>
</tbody>
</table>

3.6 Satisfaction of guests and business efficiency

Following the implementation of innovations and new techniques, corporate performance and visitor pleasure both increases. The interviewees stated that the most noteworthy outcome of innovations is the "improvement of guests' satisfaction." Future resort operations will be impacted by the improvements. Businesses that operate resorts must give visitors experiences that meet their needs. Certain innovations and ideas can draw in a particular kind of visitor; in fact, some people have come specifically to see the new ideas. Cutting edge concepts, services, and technology can be an effective way to draw tourists.

According to the informants, the three most important terms for improving business performance as a result of innovations are "bringing more revenue," "attracting more guests," and "profit unique selling point." Interviewees' responses indicate that there is no precise numerical comparison of firm success between pre- and post-innovation. However, every informant asserted that innovations improve resort operations, whether through increased market share or resort profit. When an invention is successful, both new and returning guests are even more excited about the new idea.

3. Discussion

The findings demonstrate that Hurghada City's five-star resorts are adopting common trends in green and sustainable practices, technology, and guest demands awareness. These results are consistent with those of Jayawardena et al. (2013b), Hackett & Melia (2012), and Anthonisz (2014), who found that modern resorts need to use technology and be mindful of the environment. Second, Hurghada City's five-star resorts primarily cater to visitors from European nations including Germany, England, Poland, and Russia. The
findings were corroborated by a study by Jayawardena et al. (2013b), which claimed that Egypt will be a major influence in the future of the global hospitality sector.

Thirdly, five-star establishments in Hurghada City may find that their foreign staff offers a differentiator. This result is consistent with that of Jayawardena et al. (2013a) and Hackett & Melia (2012), who found that staff members must possess specialized knowledge in areas like marketing, IT, and languages. In addition, there are other tendencies that were not covered in earlier studies, such as repeat visitors and lone female tourists.

One of the obstacles that resorts encounter is competition. According to research by Jayawardena et al. (2013a), Rayna & Striukova (2009), and Anthonisz (2014), fierce competition amongst companies and even from other nations is a significant obstacle in the tourist and hospitality sectors. The hotel sector still values human interaction, therefore maintaining and developing staff members is essential. This result is consistent with that of Jayawardena et al. (2013a), who found that successful resort management depends on resort employees behaving and thinking like the brand. Furthermore, innovative decisions made in resorts are also influenced by company culture. Likewise, Anthonisz (2014) and Sturman (2011) found that the innovation within the resort is directly linked to the organizational culture and ownership of the brand.

Since the majority of Hurghada City's five-star resorts lack an R&D department, they must adhere to corporate design guidelines. Occasionally, the budget and schedule are also past due. An analysis by Anthonisz (2014), who said that innovation has to be at the top of the agenda especially in a place where competition is fierce—supports the outcome.

The study discovered that in the travel and hospitality sector, it is challenging to distinguish between product and service innovation. Significant innovations fall into three categories: level 5-Copying, level 6-Different, and level 7-Impossible in a few Hurghada City resorts. The majority of innovations were applied at the business and sector levels. Sipe & Testa's (2009) study, which claimed that a classification framework offers a common phrase to discuss the nebulous concept of innovation and innovativeness degree, supported the outcome.

The novelty and originality of innovations and innovative methods enhanced guests' experiences and increased their level of pleasure. Innovations help businesses become more efficient administratively, gain a larger market share, and perform better financially. According to Jayawardena et al. (2013a), Rayna & Striukova (2009), Hackett & Melia (2012), and Anthonisz (2014), the hospitality sector has also introduced a significant number of innovations aimed at enhancing the visitor experience, boosting operational effectiveness, and creating more environmentally friendly business practices.
4. Conclusions

Results demonstrated the primary Food and Beverage trends in Hurghada City's resort hotels include high technology, eco-friendly and sustainable practices, guest-centered thinking, and European visitors. Hoteliers have three primary challenges: competitiveness and branding, operational space in resorts, and human resources. Numerous innovation outputs that fall under the categories of administrative, service, and product innovation were all covered in the study. The results also showed that resorts used a variety of external and internal strategies to keep up with emerging trends and innovations. Furthermore, these innovations and innovative practices have improved guests’ satisfaction and business performance for the resorts.

For guests, innovations practices contribute to the satisfaction of the guest and improves the experience. In terms of tourist destinations, innovations practices contribute to achieving sustainable development.

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