Comparison of approaches in the hotel industry: traditional versus modern

LINDA BALOBINA&JĀNIS FORSTS

IVETA KĀPOSTA, assistant professor, Dr. paed.,

SIVA College

Corresponding author’s e-mail: kiveta@tvnet.lv

Abstract.

Comparing aspects of traditional and modern approaches in the hotel industry from the perspective of a potential customer, the author/s conclude that following modern trends in hotel operations and development saves time, possibly saves customer funds, and creates a new standard of customer trust and confidence by relying on reviews from other online customers, but thus loses some of the traditional trust in the service quality standards set by the brand. At the same time, excessive reliance on these two types of assessment may not always meet the customer's needs or desires - in both approaches, there is a possibility of a decrease in the quality level for the sake of economy in traditional approach hotels or a mismatch of the service according to quantitative, qualitative, financial or other criteria with the advertised one in the case of a modern digital approach, while the possibilities of deception, including in the form of deliberately artificially created positive reviews, lower the overall level of service quality and customer trust.

Keywords*: artificial intelligence, development, hotel management, marketing, technology,.*

Introduction

The hotel industry has evolved significantly over the years, adapting to changing consumer preferences, technological advances and market dynamics. This evolution can be broadly divided into two approaches: traditional and modern. Each of them has its own unique characteristics, strengths and weaknesses. Understanding these differences is very important for stakeholders to make informed decisions about operations, marketing and customer service. This article will compare the modern and traditional approaches based on a literature review. The purpose of the article: to clarify the positive and negative aspects of each of the approaches – traditional and modern.

Traditional approach

The traditional approach in the hotel industry is characterized by practices and methods that have been implemented for decades, emphasizing direct interaction, manual processes and established hospitality standards. The traditional approach involves several factors.

- Personalized service.

*Staff are trained to provide personalized attention, often building personal relationships with repeat guests.*

- Loyalty programs.

*Many traditional hotels rely on loyalty programs that reward repeat customers, encouraging them to return.*

- Standardized operations.

*Traditional hotels often follow pre-established procedures to maintain consistency in service and quality.*

- Direct booking.

*Emphasis on direct bookings, often through physical travel agencies or hotel reservations.*

Advantages of this approach:

- Personalized attitude.

*Personalized service leads to higher customer satisfaction and trust.*

- Trust in the established brand.

*Long-standing hotels can enjoy a loyal customer base due to the trust and reputation they have established.*

- Experience.

*The knowledge and experience of the staff contribute to excellent service quality.*

At the same time, the traditional approach also has certain disadvantages (1)

- Slow adaptation.

*The traditional approach can be slow to adopt various innovations in the industry, including technological advances.*

- Higher costs.

*The cost of staff remuneration and training for personalized service can be higher than for modern operations, but without constant staff training, it is impossible to maintain an appropriate level of service.*

- Limited reach.

*Traditional marketing methods may not reach a wider audience compared to digital platforms.*

Modern approach

The modern approach emphasizes innovation, technology integration and changing customer expectations. In effect, a hotel database/s is created, where anyone can find the range of services they need based on many parameters or filters. This approach involves:

- Digital integration.

*The use of online booking systems, mobile apps and AI-driven customer service tools.*

- Data-driven strategies.

*The use of data analytics to understand customer expectations, predict endencies and adjust services accordingly.*

- Sustainability focus.

*Many modern hotels prioritize sustainability and eco-friendly practices, attracting eco-conscious consumers.*

- Social media marketing.

*Communicating with customers through social media platforms to increase brand awareness and attract new customers.*

This approach has several benefits:

- Improved convenience.

*Online booking and automated services offer customers greater convenience and flexibility.*

- Wider audience reach.

*Digital marketing strategies can effectively reach the widest possible, global audience.*

- - Cost efficiency.

*Technology can streamline operations and reduce overhead costs in certainComparison of approaches in the hotel industry: traditional versus modern* *in its areas*

*However, the modern approach also has several disadvantages.(2)*

- Loss of personalization.

*Reliance on technology can reduce the level of personalized service.*

- Customer dissatisfaction.

*Some customers may experience dissatisfaction with automated systems or online interactions.*

- Security issues.

*The digital approach can create risks related to data security and privacy.*

Comparison of approaches

When comparing the two approaches discussed above with each other according to 5 criteria: service style, marketing strategy, customer interaction, adaptability and cost structure (see Table 1), the main differences are visible. Both the traditional and modern approaches have their own benefits and challenges in the hotel industry, their own strengths and weaknesses. The traditional method stands out for providing personalized services and building trust, while the modern approach offers efficiency and wider reach thanks to the wide and diverse use of technological advances.

As the industry continues to evolve, a hybrid model that combines the strengths of both approaches is emerging, which can become a successful strategy that satisfies the desires of diverse customers while maintaining high service standards. Stakeholders must continuously evaluate market trends and customer feedback to effectively navigate these changing landscapes. Therefore, it is important to constantly study and evaluate market trends, analyze customer feedback, and follow innovations in the industry so that the hospitality company is successful and sustainable.(3)

Usually, when using hotel services, we each want a level of comfort that meets our desires and capabilities, which would simultaneously correspond to both the usual “feeling of home” and the opposite – the special illusion of the “most welcome guest” status, therefore, when developing hotel management strategies, we must take into account the target audience – those for whom this service is created in the first place

Comparison of traditional and modern approaches

 *Table 1*

|  |  |  |
| --- | --- | --- |
| Aspect | Traditional Approach | Modern Approach |
| Service Style | Personalized, face-to-face | Automated, tech-driven |
| Marketing Strategy | Direct booking, physical presence | Digital marketing and social media |
| Customer Interaction | High-touch, personal relationships | Digital interfaces, AI interaction |
| Adaptability | Slow to adapt to new trends | | Quickly adapts to market changes |
| Cost Structure | Higher staffing and training costs | Potential for reduced operational costs |

Conclusion

1. Comparing both approaches – classical and modern, it can be concluded that in both cases hotel management strategies are directed towards a common goal – offering the highest possible standard of service to potential customers, generating the highest possible revenue from it;

2. There are also clearly visible differences in both approaches, if in the classical variant the opportunity to modernize, grow and speed is sacrificed in the name of high standards, recognition and traditions, then the more modern approach risks reputation, quality and customer loyalty;

3. Taking into account the above, it can be concluded that both approaches have something to learn from each other and by combining traditions with innovations, both customers and hotel industry entrepreneurs themselves will benefit.

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