

An investigation on the use of Self-Service Technologies in Budget Hotels: the case of Bournemouth

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Abstract

Self Service Technologies (SSTs) have been implemented across all the service industries, including financial, transportation, retail and hospitality settings (Rosenbaum and Wong 2015). This type of smart technology can deliver services through a digital network in technological objects as well as engage real-time data collection, receive customer feedbacks and offer corrective calculation to customers (Wuenderlich et al. 2015). The hotel business in UK including budget hotels has been increasingly adopting self-service technologies both to enhance customer service and to create operational efficiencies (Gursoy 2018). Budget hotels offer lower price than traditional lodging properties as they typically provide basic needs in the room (Walker 2012). Besides providing guests with accommodation and basic services, budget hotels now are taking up SSTs with a view to increasing operational efficiencies, controlling human resources management and engaging guests in more intelligent service design (Davis et al. 2011). The adoption is believed to enhance guest service experience as well as improve competitive advantage among hotel industry. Previous studies mainly focused on users' perspectives in retail, airport and luxury segments and there is still a lack of research on the use of SSTs in the view of both hotel managers and guests in the budget hotel market.

The purpose of this study is to explore the implications of SSTs in budget hotels. The area of Bournemouth has been selected as a case study for this research, as one of the most popular resorts in the UK (Coffey 2019). This qualitative study employed 14

semi-structured interviews with budget hotel managers (6) and guests (8) who have used SSTs while staying in budget hotels in Bournemouth. The data collected in November and December 2019. Thematic analysis (TA) was employed in order to identify, organise, describe and report themes from the collected data in this study. TA was also considered as a flexible and effective method to present the various perspectives identified, particularly to distinguish the participants' differences and similarities regarding the use of SSTs (Braun et al. 2019).

The research findings suggest that there is positive feedback on the usage of SSTs in budget hotels in Bournemouth. The functionality of SSTs has provided operational flexibility and increased productivity for hotel managers and efficiency for guests. The findings also demonstrate the managers' preference on the use of SSTs over staff in budget hotels due to the fast and error-free services provided. SSTs location, design and offer packages, are prominent features recommended by guests. Guests expressed minimal interest regarding the need for personalisation in the budget hotel services. They also suggested that the substitution of SSTs for human interaction would not affect the choice of using budget hotels. On the other hand, although guests favoured the implementation of SSTs, there are remaining concerns about the overuse of technology, leading to the degradation of human interactions in hospitality settings. It is argued that this research provides a new insight in the use of SSTs in the budget accommodation sector. The authors conclude that advanced technologies such as Artificial Intelligence (AI) and Internet of Things (IoT) in conjunction with SSTs, will transform the hospitality industry in the near future.

Key Words: Hospitality industry; Budget hotels; Self-Service Technologies; Customer Experience; Human-Machine Interaction

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