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ESSAY ON HOSPITALITY INDUSTRY

Introduction

A wide and varied sector, the hospitality industry comprises establishments like hotels, restaurants, cafés, bars, and resorts. It has a huge impact on employment, gross domestic product, and international commerce, playing an essential function in the global economy. The sector is fiercely competitive and always changing as a result of shifting customer needs, new technology, and international trends. However, a variety of modern problems confront operators and managers in the hospitality industry and threaten the financial health and sustainability of their companies. Among other things, these problems include a lack of qualified workers, growing expenses, technological disruption, shifting consumer tastes, and greater competition.

This essay's goal is to recognise and critically assess three significant current concerns that are affecting hospitality businesses in the hotel sector in the UK marketplace. The use of pertinent hospitality management theories and ideas to assess the nature, consequences, and consequences of each issue is the main goal of this study. The aim of the research is to offer managers and operators in the hotel sector insightful information and suggestions.

Analysis

First issue:

Identify and explain the primary current challenge that the hotel industry is now dealing with in the UK market.

A *"labour shortage"* is one of the major modern problems the hotel sector is now facing in the UK market (Nain, 2018). Given how labour-intensive the hospitality sector is, finding talented and motivated employees is essential to the achievement of any business. The amount of domestic workers joining the hotel business, however, has significantly decreased in recent years, and Brexit has led to a dip in the number of EU employees who were once a crucial supply of employment for the United Kingdom hospitality industry.

The hotel business has suffered from a number of adverse effects of this workforce shortage. First off, because hotels had to fight for a lesser number of workers, wage expenses went up. Second, because it is difficult for hotels to maintain proper workforce levels, overworked employees and worse service standards have resulted from the labour deficit (Cameron and Marson, 2018). Last but not least, the labour deficit has made it challenging for hotels to grow and develop their companies since they lack the staff needed to embark on such initiatives.

This problem has important ramifications. Hotels could be compelled to raise their rates to offset the greater labour expenses, which might result in a decline in demand and a loss of business. Additionally, poor service quality might result in unfavourable reviews and reputational harm for hotels. Long-term, the lack of labour may also impede the expansion and growth of the UK hotel sector, which might have wider economic ramifications.

To investigate and assess the problem, use pertinent hotel management principles and theories.

Through the prism of several "*hospitality management theories and concepts*", the manpower deficit in the UK hotel business may be examined and assessed (Nailon, 1982). In the first place, the idea of the *"management of human resources"* (**HRM**) is extremely pertinent to this problem. HRM entails the efficient administration of a company's human resources, including hiring, training, and retention. Effective HRM may assist the hotel business recruit and keeping talented personnel, therefore solving the issue of a labour shortage (Cherkesova *et al*. 2015).

"*Service quality management*", which means the process of making sure that services offered by a hospitality firm meet or exceed client expectations, is another pertinent notion. As hotels may find it difficult to maintain suitable personnel levels, the manpower deficit might result in a reduction in service quality (Ryglová *et al*. 2013). Hotels may find their weak points and take action to strengthen them by investing in programmes for training and development that will help their present staff members grow professionally. This is done by adopting service quality management concepts.

The idea of the invention is also quite pertinent to this situation. For the purpose of attracting and keeping employees, hotels might explore novel and creative employment strategies, such as work schedules that are flexible. The use of new technology that can simplify staffing procedures and lessen the demand for physical work might also fall under this category (Autor, 2014).

Describe the problem's characteristics, how they affect the hotel sector, and what they mean for operators and managers.

A complicated problem, the personnel shortage in the UK's hotel sector has significant consequences for operators and management. *"Demographic, economic,* and *political variables"* work together to shape the problem's character. There is a severe lack of competent manpower in the business as a result of the fall in the number of domestic employees joining the field and the decrease in EU workers as a result of Brexit. This has made it harder for hotels

to find and keep employees, which has increased labour expenses and decreased service quality (Sinha, 2002).

This problem has had a major impact on the hotel sector. First of all, because hotels are compelled to pay greater rates to recruit and keep employees, labour scarcity has boosted labour expenses. Consumers now face increased pricing as a result, which might diminish demand and income. Second, since hotels attempt to maintain acceptable personnel levels, the manpower deficit has lowered service quality. This can result in unfavourable comments and reputational harm, which might further affect demand and sales. In addition, hotels have found it challenging to grow and develop their companies, which may eventually limit their capability to compete and flourish.

This problem has important effects on managers and operators. To combat the labour shortage, hotels must be proactive and make investments in efficient service quality management, innovation and *HRM (human resource management)*. Failure to perform so can result in higher expenses, lower-quality services, and constrained future expansion (Hamilton, 2009). Hotels must also be able to adjust to changing market circumstances and economic considerations, such as shifts in the supply and demand for employees. In the end, tackling the shortage of labour in the UK hospitality sector necessitates a planned and proactive strategy that considers the complexity of the problem and its wider ramifications for the business.

Second issue:

Identify and describe the second key contemporary issue facing the hotel industry in the UK

"Sustainability" is the second important current challenge the UK hotel business is dealing with (Jones *et al*. 2014). Pressure on hotels to embrace environmentally friendly practices and lower their carbon footprint is rising as awareness of climate change and the degradation of the environment grows. For instance, according to a *"Greenview report"*, carbon dioxide emissions per occupancy rate in the hotel business in the UK were 23% higher in 2018 than the global average (Iorgulescu *et al*. 2019).

Energy efficiency is a key component of environmental sustainability in the hotel sector. Hotels have a substantial carbon footprint because of the energy they need for lighting, heating, and cooling. Hotels may solve this problem by using energy-saving techniques including the utilisation of energy from renewable sources, energy-efficient light bulbs, and intelligent air conditioning and heating systems. As an illustration, the *"Premier Inn hotel"* business in the

UK placed roofing solar panels on many of its buildings, lowering its carbon footprint and decreasing its expenditure on electricity (George, 2021).

Waste management is a further part of sustainability. Hotels produce a lot of trash, including food scraps, disposable plastics, and other things. Hotels may take measures to alleviate this problem, like composting food scraps, employing reusable toiletry dispensers, and putting recycling containers in guest rooms. For instance, "***Good Hotel London***" adopted a "***zero-waste policy***", which has improved its sustainability credentials and helped it have a less negative impact on the environment (Nurdiana *et al.* 2022).

Apply relevant hospitality management concepts and theories to analyse and evaluate the issue

The concept of sustainable tourism may be used to investigate and assess the problem of environmental degradation in the UK hotel business (Thomas, 2020). According to the "***World Tourism Organisation of the United Nations***" (2015), sustainable tourism is referred to as "tourism that fully accounts for its present as well as potential social, environmental, and economic impacts, satisfying the needs of tourists, the tourism sector, the natural world and host communities." This idea highlights the necessity of sustainable tourism in three crucial areas: the economy, society, and the environment.

- Regarding the economic side of long-term viability, hotels can employ eco-friendly practices that increase productivity and lower expenses. This might involve implementing energy-efficient technology, reducing waste, and encouraging environmentally friendly transportation choices for visitors. These procedures can assist hotels in lowering operational expenses, boosting profitability, and improving their competitive edge.

- Regarding the social component of sustainability, hotels might concentrate on enhancing the lives of nearby people and promoting their cultural heritage. This might involve recruiting local workers, buying goods from nearby farms, and marketing nearby events and attractions. Such actions can help hotels strengthen their ties to the neighbourhood, boost their reputation, and improve client happiness.

- When it comes to the social aspect of sustainability, hotels may focus on improving the lives of the local population and highlighting their cultural heritage (Nocca, 2017). This might entail hiring locals, purchasing products from farmers nearby, and promoting regional events and tourist destinations. Such initiatives may deepen a hotel's links to the community, enhance its reputation, and increase customer satisfaction.

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Discuss the nature of the issue, its effects on the hospitality sector, and its implications for operators and managers

The sustainability problem in the UK hotel business has substantial effects on both the sector and the larger society. This problem has several facets, including worries about energy use, trash disposal, and environmental effects.

- The need for more money to be invested in environmentally friendly methods and technology is one of the repercussions of this problem on the hotel industry. This necessitates large financial resources and could necessitate modifications to the way hotels run, such as the use of renewable energy sources, waste reduction efforts, and the promotion of sustainable transportation alternatives.

- The necessity of meeting shifting client expectations is another way that sustainability affects the hotel industry. When they travel, consumers are increasingly searching for sustainable solutions, and hotels that don't live up to these standards may find it difficult to draw and keep guests. Operators and managers are required to make investments in environmentally friendly procedures and technology, which may improve their brand's reputation and foster more consumer loyalty.

- There are substantial sustainability implications for managers and business owners in the hotel industry (Kirk, 1995). They must be conscious of the shifting client expectations and take action to satisfy them. This might entail large investments in environmentally friendly methods and technology, which would raise expenses and short-term profitability. However, the long-term advantages of sustainability, including elevated brand reputation and greater consumer loyalty, may exceed these expenses.

Third issue:

Identify and describe the third key contemporary issue facing the hotel industry in the UK

The difficulty of adjusting to "*changing customer behaviour*" and "*advances in technology*" is one of the most pressing concerns now confronting the hotel sector in the UK (Viswanadham, 2018). "Online travel agencies", also known as OTAs, and alternative housing choices like "*Airbnb*" are challenging hotels as more people book travel and lodging through online channels. In light of the COVID-19 epidemic, which has expedited the transition towards online reservations and contactless services, the effect of this issue is very severe.

- Consumer expectations about the planning and management of hotel stays are one illustration of this problem. Consumers are searching for adaptability, ease, and

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individualised experiences more and more. They anticipate being able to make hotel reservations online, learn more about the facilities and services offered by the hotel, and communicate with the employees using digital platforms like social media and smartphone applications. In order to deliver these services and satisfy evolving consumer expectations, hotels must invest in technology (Berezina *et al*. 2016).

- The increasing competition between OTAs and other hotel choices is another illustration of this problem. Because of the growth of websites like Airbnb, hotels now compete more fiercely for guests and money. Hotels must thus set themselves apart from these online communities by providing distinctive amenities and services that are unavailable elsewhere.

Apply relevant hospitality management concepts and theories to analyse and evaluate the issue

Several hospitality management ideas and theories may be used to investigate and assess the problem of adapting to shifting customer behaviour and technology improvements in the UK hotel service.

- The "*Technology acceptance model*" (**TAM**), which contends that perceptions of the technology's utility and simplicity of use have an impact on adoption, is one pertinent hypothesis (Ibrahim *et al*. 2017). This implies that, in relation to the hospitality sector, hotels must make investments in technology that is regarded as practical and user-friendly by guests, such as mobile applications and online reservation systems. Hotels that don't use this technology may have trouble bringing in and keeping guests.

- "*Customer relationship management*" (**CRM**), a field that focuses on developing strong ties with clients by offering individualised experiences and services, is another pertinent topic. This implies that in the overall setting of the hospitality sector, hotels must make use of technology to collect information about their clients and customise their offerings to suit their requirements and preferences. Providing distinctive and tailored services can aid hotels in standing apart from OTAs and other types of housing (Mohammed and Rashid, 2012).

Discuss the nature of the issue, its effects on the hospitality sector, and its implications for operators and managers

For owners and managers, the challenge of adjusting to shifting customer behaviour and technology improvements in the UK hotel business has profound ramifications. Hotels are competing more fiercely for reservations and income as internet travel agencies and other types of accommodation grow in popularity. As a result, hotels now need to stand out from the

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competition by offering distinctive services and experiences. They also need to invest in technology that can offer individualised services and adapt to changing client expectations.

- The COVID-19 epidemic, which has expedited the transition towards bookings via the Internet and contactless services, has made this problem much more of an impact (Sigala, 2020). Failure to respond to these developments might cause hotels to lag behind their rivals and lose business.
- As a result, hotel owners, operators, and managers must always be on the lookout for ways to adjust to shifting consumer preferences and technology developments. They must make investments in customised service-delivery technologies, such as mobile applications and online booking systems, and utilise client data to customise their offerings to suit their requirements and preferences (Bilgihan *et al.* 2011). Additionally, they must concentrate on fostering long-lasting connections with clients and setting themselves apart by offering distinctive and customised services.

Conclusion

In conclusion, this article has recognised and examined three crucial contemporary concerns that the UK hotel business is now dealing with a workforce crisis, sustainability, and shifting consumer behaviour as a result of technological advancements. Operators and managers must make major investments in technology, personnel retention and development initiatives, and sustainable business practices. To remain competitive and fulfil the changing demands and expectations of customers, the hotel sector must comprehend and handle these concerns. Future factors to be taken into account include maintaining investments in technology and environmentally friendly practices, as well as adjusting to shifts in consumer behaviour and the employment market. The hotel sector can secure long-term prosperity and continued development by solving these problems.

Recommendations

Several suggestions may be made to solve the concerns of labour shortages, sustainability, changing consumer behaviour, and technological advancements in the UK hotel business.

- Hotels may engage in staff retention and development programmes, provide competitive pay and benefits, and enhance their workplace cultures to address the labour shortage.
- In order to be sustainable, hotels may use green practices including cutting back on waste and energy use and providing sustainable food and drink alternatives.

- Hotels may invest in technology that improves the guest experience, customises services to suit client preferences, and builds strong customer connections through individualised services and one-of-a-kind experiences to handle changing consumer habits and technological advancements.
- Additionally, in order to compete with online travel agents, hotels might concentrate on uniqueness through exclusive and customised services as well as different lodging options.

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