

Session E3

Can the Digital Economy Promote Tourism Productivity? — Empirical Evidence from China - Qi Zhang

In recent years, major economies worldwide have been rolling out digital strategies in a bid to establish a competitive edge in the digital economy. It is commonly believed that the development of the digital economy, facilitated by new technologies, would foster increased productivity. However, in some economies, this phenomenon has not been observed, giving rise to the resurgence of the "Modern Productivity Paradox". The issue of relatively low productivity in the tourism and hospitality industry has long been acknowledged. One potential question is: can the digital economy become a new driver for total factor productivity (TFP) improvement in the tourism industry?

Despite some attempts to explore the above research question, the concept of digital economy is still not clear, the relationships among Information and communication technology (ICT), artificial intelligence and intangible capital need further investigation, and therefore existing research still cannot provide reliable evidence for the impact of the digital economy on TFP. In addition, existing research focused on micro-business management, examining the digitisation of tourism from the perspective of "transformational effects"; it has rarely discussed the issue from the regional economic perspective; there is a lack of empirical investigation of the impact of the digital economy on TFP. Finally, existing research presupposed that the development of the tourism industry depends entirely on the inherent attributes of the region itself, with the "spatial-temporal compression" and spatial relevance of the digital economy being overlooked; there is a lack of research on the impact of the digital economy on TFP from a spatial perspective.

This study aims to fill the above gaps in the literature by examining the relationship between the digital economy and tourism total factor productivity using the spatial econometric analytical framework based on a dataset of 30 provinces in China from 2010 to 2023. This study presents a novel exploration of the spillover effects and externalities of the digital economy on tourism productivity from the perspective of spatial spillover effects. The study will examine whether the presence of the "Modern Productivity Paradox" exists in the tourism field. The findings of the study will have important policy implications on how to improve tourism productivity.

Do Customer Feedbacks Affect the Innovative Behaviour Of Hotel Staff? - Weizheng Zhang and Bowen Yi

Online comments provided positive and negative evaluations on the service and products in the hospitality industry from customers (Guo et al., 2020). This has been indicated that it has an impact on the willingness to rebook hospitality products and service (Lu et al., 2013). On the other hand, online review comments help the hotel staff to reflect the past service and products and rethinking the future innovation. However, most of the research on online reviews are considering the customer and managerial perspectives, the understanding of the review comments from the hotel staff has not been well explored.

With the popularity of the online review comments, it transformed the customer's message to the hotel staff, more hotel companies are increasing their expenses on engaging and responding the online comments (Wan & Law, 2016). The most important step for staff is to review the comments and reflect on their service and then think of further innovation to generate better service rather than simply responding the comments (Anderson, 2012). Therefore, hotel staff should use the review comments to think about the innovation in the hotel service. Indeed, staff are not passive actors and are motivated by the review comments to make further changes, but the hoteliers also need to consider their own competence and how the online reviews influence the perceived competencies when hoteliers are aiming to develop better competitive strategies (de Souza Meira et al., 2021). Thus, review comments have impacts on the hoteliers' self-reflection on their competence, and innovation.

Positive and negative comments are taken different impacts on hoteliers. For example, it has been largely skewed towards positive reviews and most of the comments are encouraged to be uploaded (Racherla et al., 2013). Because of the negative comments are damaging the image of the services horrifically, hoteliers are encouraging customers to provide positive comments to diluting the damaging influence of the negative comments (Wan & Law, 2016; Melián-González et al., 2013). No previous research considered the difference in the impact of positive and negative feedbacks on hotelier's service innovation and this becomes more important when considering the factors of different staff's competence.

This study aims to take four scenario-based experiments to investigate the impact of customer online reviews on the innovation behaviour of hospitality staff by considering the mechanism of the employee perception of self-competence. Specifically, two types of reviews are segmented. Based on the content of reviews, the difference in the impact of product focused reviews and service-focused reviews is discussed. In addition, we consider the boundary conditions of different types and departments of hotels in the study. We compare the impact difference between five-star hotels and chain hotels; moreover, we conduct several experiments in the front desk, food and beverage service and housekeeping departments to increase the generalizability of our findings. This study not only theoretically enriches research on the influence of consumer reviews on hotel employees' innovative behaviour, it also provides differentiated suggestions for managers of different types of hotels to promote employee innovation at the practical level.

Forecasting Tourism Demand in Kazakhstan with Panel Data: The Role of Investment - Simeon Nanovsky and Ruslan Nurmatov

This research examines the impact of tourism infrastructure investment on tourism revenues and visitors for Kazakhstan. Results indicate that a 1% increase in investment increases revenues and visitors by roughly .05% in the short run. Further, tourism is forecasted for the Kazakh regions for five years. More broadly this research is within the scope of the tourism demand literature. However, instead of focusing on all factors that contribute to tourism demand it isolates the impact of investment by using panel data fixed effects with year dummies. This is done by focusing on the variation of tourism between many regions within the destination country rather than studying the more traditional variation of tourism from different origins to a single destination. Further, as investment may also contribute to the supply of tourism, this research studies the impact on the equilibrium rather than on the demand for tourism.