

A Methodological Approach for a Hospitality Industry-University Business Model Innovation Collaboration

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Abstract: Progressive hospitality organisations are constantly tested to grow market share through value propositions that appeal to multifaceted tourist behaviours, cognisant of organisational limitations, established operational practices and the organisational culture of employees. This search for sustainable competitive advantage has been challenged by increased global competition, intensification in technological progress, changes in consumer behaviours and exacerbated by recent crises such as COVID 19. In response, hospitality management scholars increasingly call upon Business Model Innovation (BMI) insights to assist detailed exploration of market realities and question established beliefs and practices. Specifically, the BMI concept requires organisations to engage cognitive processes to ensure strategic and entrepreneurial reasoning can be applied to create, capture and disseminate value following an input-output logic of its activities. This research explores the creation and development of a university-industry BMI hospitality focused lab in Türkiye. Specifically, it explores how emerging scholarly BMI research can be applied to ensure hospitality professionals effect value creation, value capture and delivery for their organisations based on the creation and application of a methodological approach to BMI canvas design. This research considers how such a methodology incorporates a multidisciplinary perspective to a specific industry and geographical context to foster the knowledge, skills and competencies of industry practitioners. As BMI is an emerging research theme in hospitality scholarship, this research explores how universities can become trusted partners and engage industry with practical, credible and systematic BMI approaches to value creation. Specifically, it introduces the methodology employed in the development of a hospitality focused BMI Lab in Bursa Uludağ University Türkiye, as part of a Horizon Europe project with partners in Atlantic Technological University Ireland and Universidad de Leon Spain.

Key words: Business Model Innovation, Hospitality, Collaboration, Trust, Value Creation

1. Introduction

The hospitality industry thrives on delivering exceptional customer experiences. The sector, however, is also inherently vulnerable to external shocks such as economic downturns, natural disasters, and most recently, global pandemics (Breier et al., 2021). In the face of these challenges, Business Model Innovation (BMI) emerges as a crucial tool for survival, adaptation, and long-term growth (Foss and Saebi, 2017). BMI allows hospitality firms to proactively respond to evolving market dynamics, meet changing customer needs, and seize new opportunities by reconfiguring how they create, deliver, and capture value (Dressler and Paunović, 2021).

This research introduces the methodology employed in the creation of a university-hospitality industry collaborative BMI Lab at Bursa Uludağ University (BUU), Türkiye, in partnership with Atlantic Technological University (ATU), Ireland, and Universidad de Leon (ULE), Spain. While this study explores the multifaceted role of BMI in the hospitality industry, examining its drivers, types, impact on other innovations, and significance in navigating crises, it begins by exploring how universities can become trusted partners in academia-industry collaboration.

2. Universities as Trusted Partners in and Hospitality Industry Collaboration

Collaboration between universities and the hospitality industry is crucial for the growth and sustainability of both sectors (Caloghirou et al., 2001). Research suggests that while there is a growing recognition of the importance of university-industry collaboration in hospitality, the level of engagement varies significantly (Griffin, 2022) as the potential for mutual benefits may not be realised (Alonso and O'Neill, 2011).

For universities such collaboration can realise access to real-world data and industry insights to enhance research (Schoffstall et al., 2013; Varnavas and Soteriou, 2002) boosting the universities reputation and credibility through industry partnerships (Caloghirou et al., 2001). For the hospitality industry, collaboration

provides access to cutting-edge research and innovative solutions to address industry challenges (Perkmann et al., 2021) and improves the recruitment pipeline (Alonso and O'Neill, 2011). Industry partners can also improve their brand image and reputation through association with reputable academic institutions (Tesone and Ricci, 2005).

Despite the potential benefits, several barriers hinder effective university-industry collaboration in the hospitality sector. Hospitality operators, particularly small organisations, often lack awareness of the potential ways universities can assist their businesses (Griffin, 2022). This can be compounded by miscommunication and a lack of understanding of each other's needs and priorities, thereby creating obstacles to collaboration. Small hospitality enterprises may also face resource constraints that limit their ability to engage in partnerships with universities (Nguyen and Nguyen, 2020). Crucially research suggests that a clear barrier to university-hospitality collaboration is the absence of trust between partners (Griffin, 2022). Building trust between universities and industry partners takes time and effort, and requires transparency, open communication, and a commitment to mutual benefit (Rybnicek and Königsgruber, 2019), therefore this study focuses on alleviating the barriers of risk to develop trust-based relationships between collaborators.

While researchers debate a universally accepted definition of trust, studies suggest that trust is the anthesis of risk (Williams and Baláž, 2020). As trust is a psychological perception that an actors vulnerabilities will be reduced on the basis of positive expectations (Williams and Baláž, 2020), universities can become trusted collaboration partners by ensuring they adhere to common indicators of trustworthiness; Ability, Benevolence and Integrity (Mayer et al., 1995). *Ability* refers simply to the universities ability, and willingness, to do what they said they would do as credible knowledge sources and knowledge transfer partners (Becerra et al., 2008). *Benevolence* denotes an underpinning desire for the university to assist and support the collaborating partner and refrain from exercising episodic power in the relationship (Svare et al., 2020). Finally, *Integrity* describes the creation of a shared moral compass between trusting partners and denotes goodwill and joint common values (Weber et al., 2004). By establishing trust between partners, stronger university-industry collaborations can lead to the reimagination of existing operations and practices of a hotel based on BMI.

3. Defining Business Model Innovation in the Hospitality Context

A business model encompasses the logic and architecture of how a firm operates, outlining its value proposition, target market, key activities, resources, partnerships, and revenue streams (Souto, 2015). It represents the fundamental framework guiding a firm's operations and its approach to creating and delivering value to customers. BMI, therefore, involves a significant change in two or more of these elements, leading to a new and improved configuration of how the firm functions and interacts with its ecosystem (Boons and Lüdeke-Freund, 2013; Gassmann et al., 2014). In the hospitality industry, BMI can manifest in various ways, such as developing new service offerings (Dressler and Paunović, 2021), altering pricing strategies (Presenza et al., 2019), product/service enhancements (Foss and Saebi, 2017), process optimisation (Breier et al., 2021) or marketing and sales innovation (Presenza et al., 2019). Equally studies note radical innovations such as new service development can occur (Cheah et al., 2018). These can include leveraging technology (Langvinienė and Daunoravičiūtė, 2015) or building strategic partnerships (Hjalager and Madsen, 2018) to introduction and use of disruptive technologies such as artificial intelligence, blockchain, or the Internet of Things (Bogers and Jensen, 2017), or the adoption of new business models such as platform-driven ecosystems to unlock new growth avenues (Cosenz and Bivona, 2021). The success of both incremental and radical innovations often hinges on the ability of the firm to align its business model with these innovations depending on the specific challenges and opportunities faced by the firm (Souto, 2015).

4. Drivers of Business Model Innovation in Hospitality

The impetus for BMI often arises from a combination of internal and external pressures that necessitate a strategic response. Key drivers of BMI in the hospitality industry include environmental turbulence, where unpredictable circumstances force firms to adapt swiftly to survive and maintain relevance (Presenza et al., 2019). Innovation can also occur due to changing customer needs in response to the rise of the experience economy, digitalisation, personalisation expectations, and sustainability concerns (Breier et al., 2021). BMI may also be employed to address external competitive pressure where there is the constant need to innovate and enhance value propositions (Langvinienė and Daunoravičiūtė, 2015). Internal pressures such as declining profitability or operational inefficiencies can also drive firms to seek new and improved ways of doing business to optimise performance and achieve financial sustainability (Boons and Lüdeke-Freund, 2013). It is essential to

recognise that these drivers often operate in tandem, creating a complex and dynamic landscape that requires a holistic and adaptive approach to BMI (Chesbrough, 2010).

5. Business Model Innovation as a Catalyst for Other Innovations

BMI can act as a catalyst for fostering a culture of innovation and driving other forms of innovation within the firm including a fundamental shift in the underlying logic and perception of what the business is, and how it operates (Souto, 2015). This transformation can lead to the creation of entirely new value propositions, target markets, and competitive positioning (Jang and Ardichvili, 2020). The relationship between the fundamental review of the business concept and BMI is symbiotic. A new business concept often necessitates a corresponding change in the business model to translate the new logic into operational reality (Teece, 2010). Conversely, the process of innovating the business model can lead to the realisation of inherent flaws or limitations in the existing business concept, prompting a reassessment and potential innovation at the conceptual level (Souto, 2015).

For example, in the hospitality industry, business concept innovation can manifest as shifting from product-centric to experience-centric offerings (Dressler and Paunović, 2021). Contemporary hotels are also embracing sustainability as a core value, thereby integrating environmentally friendly practices, ethical sourcing, and community engagement into the business model to attract conscientious consumers and generate positive social impact (Presenza et al., 2019). Implementing these conceptual shifts effectively often requires corresponding changes to the firm's business model, leading to a more profound and sustainable transformation (Jang and Ardichvili, 2020).

BMI can be used to build resilience and adaptability of hospitality businesses facing unforeseen challenges such as COVID-19 (Clauss et al., 2022). Hospitality firms that successfully implemented BMI during the pandemic evidenced agility and responsiveness by pivoting operations, adjusting service offerings, and implementing new safety protocols enabling them to meet changing customer needs and regulatory requirements (Breier et al., 2021). While BMI can support hotels through radical or incremental change in response to trends or crises, a key goal of this project necessitated the development of a trusted methodology for the BUU BMI Lab, therefore an adaptation of the established St Gallen Business Model Navigator (Gassmann et al., 2014) approach was adopted.

6. Academic Underpinning for BMI Lab Methodology

The St Gallen model pivots on a 'Magic Triangle' consisting of four dimensions which aims to provide a detailed understanding on the industry partners customer segments, value proposition, value chain and finally, revenue and profitability. By using such a model, the project design team aimed to enhance ability-based trust through communication and increased transparency between collaborators (Rybnicek and Königgruber, 2019) using a credible methodology backed by academic rigour (Nsanzumuhire and Groot, 2020).

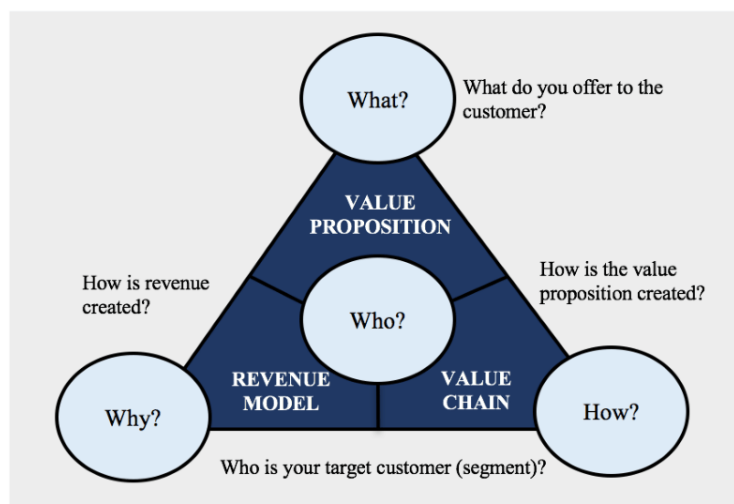


Figure 1: The magic triangle and the four dimensions of a BM (Gassmann, Frankenberger and Csik 2013)

The first dimension, Customer Segment (Who), requires clear identification of the target customers and definition of their needs, characteristics and behaviours. The second dimension, Value Proposition (What),

describes what products and services are offered to customers to firstly meet their needs, but secondly, ascertain the unique value or benefit that the business provides it's customers. The third dimension, Revenue Model (Why), explains how the business generates revenue and achieves financial viability by outlining revenue streams, pricing strategy and payment mechanisms. Based on Porters Value Chain Analysis, the final element, Value Chain (How), examines the processes, activities, competences, resources, channels and relationships with customers and partners required to deliver the value proposition. While the Business Model Triangle is a powerful means to explain the process of how to develop new business models, it remains conceptual necessitating a further tool to clearly collate and illustrate the organisations internal analysis (Reinhold et al., 2018). To bridge this gap, Osterwalder (2013) support the use of a Business Model Canvas (BMC).

7. Business Model Canvas

A BMC allows for the development of a diagrammatic representation on how an organisation creates, delivers and captures value by describing and structuring the key elements of a business model in nine interconnected blocks, see Fig 2. Based on an input-output model, the nine themes address the internal assets, customer segments and associated channels for each organisation, thereby capturing the unique context in which the hotels operate. Importantly, the BMC is forward not backward looking, and focuses on creating value from unearthing new or hidden customer needs, rather than benchmarking against competition (Osterwalder, 2013).

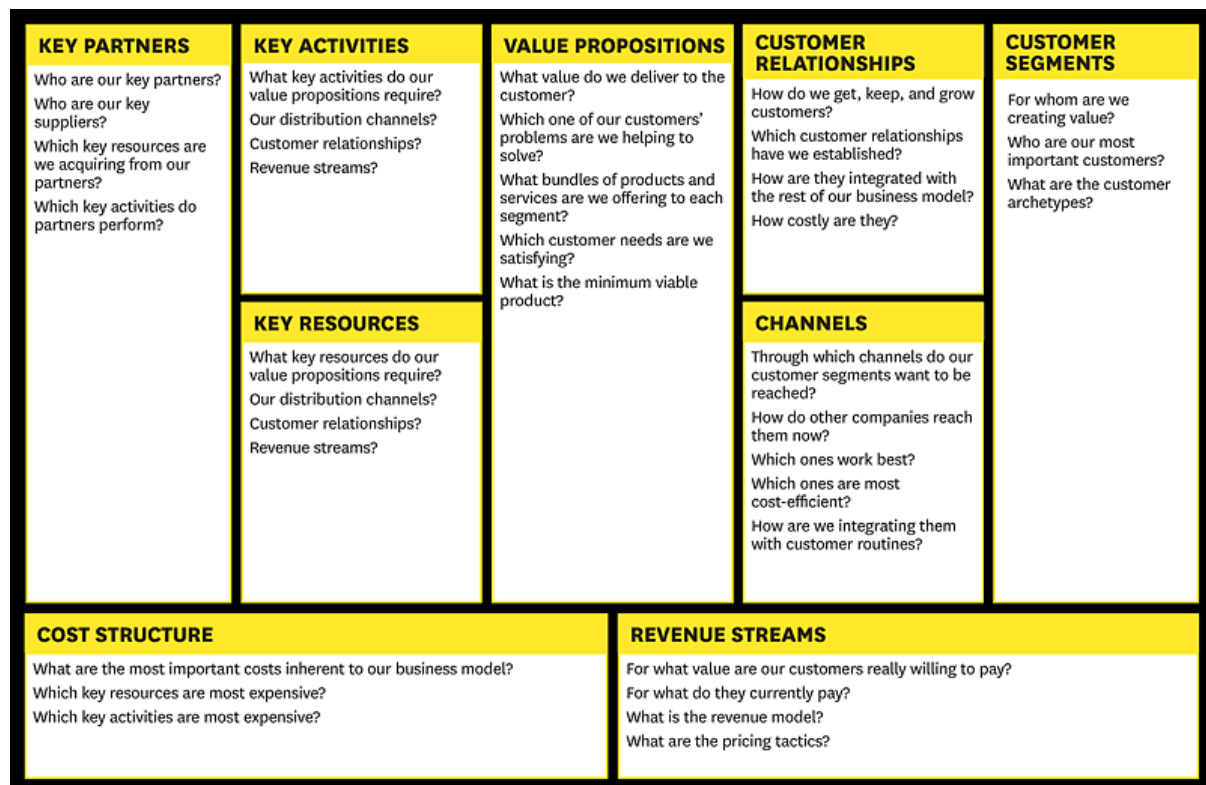


Figure 2: Sample Business Model Canvas (Osterwalder, 2013)

The BUU BMI Lab incorporated the BMC concept as the overall guiding framework to assess the coherence and effectiveness of an organisations existing business model, and uses the canvas to identify areas for improvement, innovation and cost optimisation (Foss and Saebi, 2017) under four distinct headings: Customers, Offering, Infrastructure and Finance.

The theme 'Customers' addresses three distinct yet inter-related elements: consumer segments, channels of distribution and customer relationships. Customer segmentation help to define the user experience of different groups of people or organisations an enterprise aims to reach and serve and typically includes mass market, niche market or markets segments e.g. geographical area, gender, age, interests and income and diversify (Keiningham et al., 2020). Channels describes how a company communicates (communication, distribution, and sales channels) with, and reaches, it's targeted customer segments to deliver a value proposition (Rachinger et al., 2018). Customer Relationships outline the types of relationships and interactions a company establishes with specific customer segments e.g. personal assistance, salespeople, self-service and online (Reinhold et al., 2018).

There are three key issues to be addressed: generating new customers, keeping existing customers and growing revenue from existing customers.

The second theme, Offering, refers specifically to the organisations value propositions which describes the products and services a business offers to meet the needs of, and create value for, a specific customer segment (Griffin, 2022). According to Osterwalder et al. (2015), https://en.wikipedia.org/wiki/Business_Model_Canvas a company's value proposition is what distinguishes it from its competitors. The value proposition therefore provides hotel guests value through various elements such as newness, performance, customisation, "getting the job done", design, brand/status, price, cost reduction, risk reduction, accessibility, and convenience/usability (Breier et al., 2021). Value propositions can be either quantitative (price and speed of service) or qualitative (customer experience or design) (Cheah et al., 2018).

The third theme, 'Infrastructure' or 'Value Chain' considers the most important activities needed to make the business model function cognisant of the inter-relationship between value proposition, service distribution channels, markets, customer relationships, and revenues (Hjalager and Madsen, 2018). This theme focuses hoteliers to create an efficient procurement and supply chain to achieve cost efficiency. To achieve this, key resources and partners are examined.

Key resources are necessary to create value for the customer and make the business model work. They are the assets that are needed to sustain and support the business including human, financial, physical and intellectual property (Andrianto et al., 2022). Resources and activities are inextricably linked, activities require resources to be delivered and underutilised resources are wasteful (Yang et al., 2017). Key partners must also be considered as they are the network of suppliers and partners that make the business model work. Companies create alliances to optimise their business models, reduce risk, or acquire resources (Hjalager and Madsen, 2018).

The final theme, Finances, focuses on revenue and costs. Revenue streams represent the value generated from selling hospitality products and services to each customer segment, thereby highlighting how customers will pay (Andrianto et al., 2022). A business model can involve two different types of revenue streams; transaction revenues resulting from one-time customer payments or recurring revenues resulting from ongoing payments to either deliver a value proposition to customers or provide post purchase customer support (Osterwalder et al., 2015). Finally, Cost structures are considered as they describe all costs, such as resources, activities and partners, incurred to operate a business model to deliver value propositions, create revenue streams, and maintaining customer relationships (Ambrož and Omerzel, 2017).

In summary, while tourism scholarship acknowledges the contribution of BMI to progressive hospitality organisations, the importance of integrating seminal and contemporary academic insights to illuminate how best to design the methodological approach for the BUU BMI Lab necessitated the merging and reconceptualisation of trusted previous insights to create a bespoke approach.

8. The BUU BMI Lab Methodology employed

A key requirement in the construction of the BUU BMI Canvas was to ensure it acts as an iterative process, involving the initial building, questioning, refining, and improving of the BMI Canvas. Based on previous studies, key steps were developed: Set the context; Construct the canvas; Analyse and evaluate; Optimise and iterate; and Implementation and monitoring. To this end, the BUU BMI Lab created context and sectoral specific eight-step methodology to analyse and innovate the business model, see Fig 3.

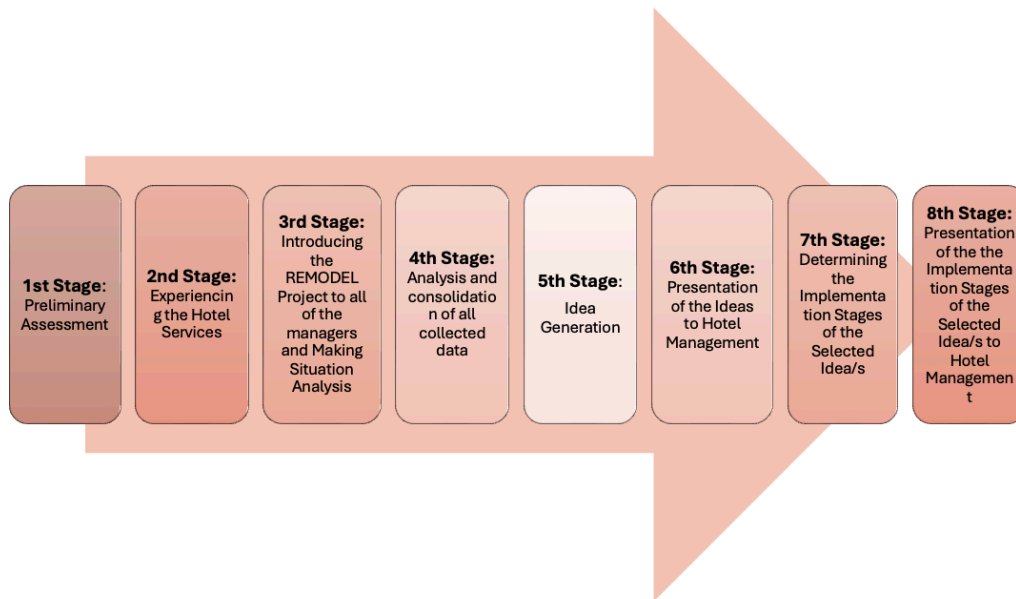


Figure 3: BUU BMI Lab Eight Stage Methodology

The aim of the first stage, Preliminary Assessment, is to analyse the general profile of the hotel and competitors based on completing tasks such as conducting reviews of the hotel's website and social media accounts. Triangulation of online presence is complemented by an internal analysis of comments and complaints via platforms such as Google and TripAdvisor and external assessment of key competitors. Stage two necessitates a visitation to the hotel by BUU BMI Lab staff to experience one-night's accommodation and record their observations by means of a service blueprint and thereby empathise and further understand the customer journey through key stages.

Stage three begins by introducing the REMODEL Project and BUU BMI Lab Methodology to the hotel's management team and presenting initial insights regarding the properties Situation Analysis and collecting feedback. Crucially, this stage aims to build role and category-based trust (Kramer, 1999) between collaborators. Here BUU as the university partner (Category-based trust) and the BMI Lab team as lecturers and researchers (Role-based trust) facilitates development of sufficient social capital (Martínez-Pérez et al., 2016) between industry and academia for all parties to be deemed competent and develop integrity-based trusting relationships (Chen et al., 2017). Such trust allows for development of an understanding of the expectations of the managers and mutual agreement when determining the work schedule. A second aim of this step is to collectively conduct a comprehensive Situation analysis. This is achieved through collection of qualitative data for SWOT analysis which contributes to the BMC.

Stage four requires analysis and consolidation of all collected data aims to consolidate necessary BMI tools to include visualisations of SWOT analysis, Value Proposition and BMC. The fifth stage, Idea Generation, aims to generate innovative/transformational ideas based on the data analysed. Key tasks during this fifth stage include brainstorming to generate innovative/transformational ideas, placement of ideas in the Innovation Matrix and evaluation of ideas.

Based on the graphic representations of above, the sixth stage focuses on developing implementable actions for the property. Following regular meetings and communication, academic credibility emerges, encouraging shared understanding and mutual support bonds between academia and practitioners. Mimicking Kelliher et al.'s (2018) insights on bridging, building and bonding, trust emerges as a key asset at this critical phase. Here the key aim is for BMI Lab members to employ these established trust-ties with hotel partners and support them to conceptualise and debate alternative visions of their organisation's business model. Importantly, this stage encourages the hotel to consider the positive effects of each potential option and based on data and feedback from within the management team, a shared short-listing of the alternative ideas emerges.

Stage seven, Implementation, tasks the hotel management team, with the support of the BMI Lab team, to define the elements that need to be changed or transformed in the hotel to implement the selected ideas. Finally, stage eight, Presentation, requires the collective hotel management team to present and explain the

implementation stages of the proposed BMC with accompanying evaluation of the implementation stages with senior hotel management and owner, where appropriate.

9. Pilot Test: Tools, Techniques and Frameworks Used in Data Collection

As the BUU BMI Lab team endeavoured to become trusted partners during the eight-stage process innovation process, it was deemed necessary to conduct a pilot of the methodology with three test case properties to ascertain the desirability, feasibility, viability and sustainability of the methodology (Hjalager and Madsen, 2018). Three properties were recruited based on such variables as location, scale, rating and ownership model, see Table 1.

Table 1: Overview of properties chosen for pilot

	Ownership	Location	Number Rooms	Hotel Type	Target Segment	Current Performance	Current Challenges
Hotel A	Family owned	Mountain Region of Bursa called Uludağ (40 km from Bursa city centre)	66	4 Star	Families Business	Low	Fluctuating demand (Demand is high in winter)
Hotel B	Family owned	Town of Bursa called Keles (50 km from Bursa city centre)	11	3 Star	Families	Low	Fluctuating demand (Demand is irregular in whole year)
Hotel C	Family owned	Centre of Bursa City	70	3 Star	Families Business	Low	Adopting low-price competition strategy

Acknowledging that BMI concepts and canvases are not commonly used aids to business analysis and planning by hotels in the region, the BMI Lab team developed supporting tools, techniques and frameworks that can be used to assist building and development of a BMI Canvas. Such supports were deemed necessary as studies suggest that collaborating industry partners typically lack the tacit knowledge to actively contribute to the BMI design process (Cavusgil et al., 2003). Equally, while the overarching concept may be novel, key to the development of a revised BMI dictated that industry partners were comfortable and competent in utilising established tools and frameworks required to gather robust data by using, for example, interviews, observation and surveys. Such tools were contextually designed to facilitate communication and development of visualisations, collaboration and internalisation of processes (Souto, 2015). The following section overviews three such tools and accompanying rationale for each stage of the collaboration.

9.1 General Business Background and External Environment questionnaire

Firstly, the overall external context that the business operates is explored, specifically the external factors that impact the BMI canvas. Such data pertains to market forces, social trends, competitors and relative competitive advantage, the macroeconomic and political context of the business. These insights are collated using the BUU BMI Lab ‘General Business Background and External Environment’ questionnaire. Consisting of nine sections, over ninety questions address such themes as consumer segments, channels, customer relationships, value proposition, key activities, key resources, key partners (excluding customers), revenue streams and cost structures. The questionnaire is used for two clear purposes. Firstly, the questionnaire acts as a data gathering tool but importantly, a second benefit of completion, is the assessment of internal cohesion within the existing management team. Prompts are provided for each question to facilitate internal and external communication, see for example Figure 4.



2. Channels

Some questions that will consider possible channels (communication, distribution, and sales channels) – all events that try to reach the target audience and promote the hotel services e.g., rooms, conferences, restaurants.

<p>Q18 What channels do you use to serve your customers?</p> <p>For example:</p> <ul style="list-style-type: none"> • Traditional advertising e.g. radio/television, print, and radio, to reach its target customers. • Online marketing. The nature and quality of online presence well-designed website and social media accounts uses search engine optimization. • Public relations. Uses public relations to generate positive media coverage and build brand awareness and sales campaigns. • Loyalty program e.g., free nights, room upgrades, and discounts

Figure 4: Sample question from ‘General Business Background and External Environment’ questionnaire

Where required, the BUU BMI Lab team aim to facilitate data collection and debate among industry partners by using context specific prompt cards when addressing specific topics. For example, when conducting external analysis, cards overviewing industry trends and sources of disruption are available to assist collation of degree of importance and responsiveness to contextual themes and challenges faced by industry practitioners, see Figure 5.

Trend card prompts		
TRENDS	<p>Digital Transformation</p> <p>Description: Integration of digital technology, including mobile apps and self-check-in kiosks, to streamline operations and enhance customer experience.</p> <p>Impact: Improved guest convenience, remote check-in/out, and access to hotel services.</p>	<p>Robotics</p> <p>Description: Utilization of robotics to address ongoing staff shortages in hotel operations, performing tasks such as cleaning, room service, and cooking.</p> <p>Impact: Increased operational efficiency and improved guest services.</p>
TRENDS	<p>Sustainability</p> <p>Description: Adoption of eco-friendly practices in hotels and restaurants, including the use of renewable energy, reducing food waste, and minimizing single-use plastics.</p> <p>Impact: Reduced carbon footprint and enhanced environmental responsibility advantage?</p>	TRENDS
Disruption card prompts		
DISRUPTION	<p>Unexpected Global Event</p> <p>Scenario: A sudden global event significantly impacts travel and tourism.</p> <p>Challenge: Respond to the crisis and adapt your business model to the new normal.</p> <p>Questions to Consider: How can you reassure customers and ensure their safety during uncertain times? How can you enhance customer loyalty and prevent migration to the new entrant?</p>	<p>Competitor Disruption</p> <p>Scenario: A major competitor enters your market with a disruptive innovation.</p> <p>Challenge: Differentiate your business and stay competitive.</p> <p>Questions to Consider: What unique value proposition can set you apart from the new competitor? How can you enhance customer loyalty and prevent migration to the new entrant?</p>
DISRUPTION	<p>Natural Disaster Response</p> <p>Scenario: Your business faces the aftermath of a natural disaster.</p> <p>Challenge: Rebuild and reshape your business model.</p> <p>Questions to Consider: How can your business contribute to recovery efforts? What adjustments are needed to address changes in local infrastructure and demand?</p>	DISRUPTION

Figure 5: Sample prompt cards

9.2 Persona Profiles

To assist further understanding of each segment, particularly their needs and wishes, the hotel team are obliged to create a persona profile for each customer segment. The use of such personas is established in tourism and hospitality research for three main reasons. Firstly, each persona acts as the embodiment of a distinct segment, secondly, the persona sets expectations of the company from that segment and finally the persona informs the qualities and values of the firm that resonate positively with the consumer segment (Dion and Arnould, 2016).

9.3 Value Proposition Canvas

To examine how the products and services offered meet the needs of the target customer segment, the BUU BMI Lab Questionnaire includes appropriate questions related to targeted segments with accompanying Ecosystem Analysis exploring stakeholders in product and service provision. Such data can be visualised via a Value Proposition Canvas, see figure 6, to ensure hotels attune their offer to the wishes and needs of their identified segments and completed customer persona profiles.

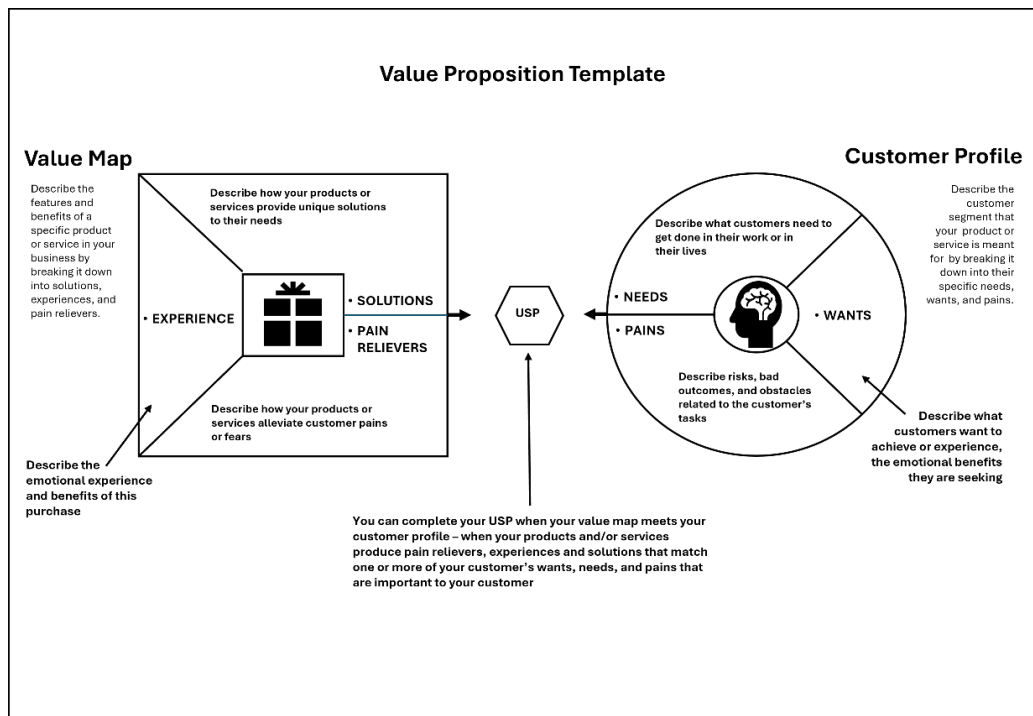


Figure 6: Value Proposition Template (Source: (Osterwalder et al., 2015))

This value chain explores how the product or service is delivered and considers the value proposition created. Such insights are also considered in the BUU BMI Lab Questionnaire with sections and questions specifically examining the processes, activities, resources and competences required to deliver the products or services.

By using such tools, frameworks and prompts to explore and understand each hotel, the BMI Lab methodology aims to encourage ability and benevolence-based trust (Mayer et al., 1995) and become a trusted partner, able to conduct themselves in a supportive manner, constantly empathising with challenges and constraints faced the hotel management team. Culmutavely the supports and methodology contribute to the preperation of a SWOT analysis, and BMC identifying the revised BMI, with accompanying reflective evaluation defining the problems, challenges and opportunities presented. In summary, by developing the BMI Lab methodology in a scientifically structured manner, and through the use of suitable tools and frameworks to support the creation of a BMC that adequately captures and visualises both the context and intent of each unique hotel, BUU become trusted, credible and respected partners in academia-industry collaborations.

10. The Future of Business Model Innovation in Hospitality

The dynamic nature of the hospitality industry, accelerating technological advancements, evolving consumer expectations, and the increasing importance of sustainability, suggests BMI can address emerging trends shaping the future of hospitality (Souto, 2015). Firstly, personalisation through data-driven guest preference insights to

create hyper-personalised experiences tailored to individual needs is increasingly an expectation (Ibrahim and Islam, 2024). Secondly, hotel operations are increasingly impacted by the rise of the sharing economy where integrating platform-based services and peer-to-peer interactions create new value propositions and revenue streams (Sánchez-Pérez et al., 2021). Thirdly, as hotels increasingly consider sustainability a core value, the BMI must go beyond compliance and embrace sustainability as a core value proposition that attracts environmentally conscious consumers (Presenza et al., 2019). Finally, as traditional boundaries of hospitality become blurred, the BMI must consider inputs from such entities as technology providers and experience designers to create innovative offerings (Souto, 2015). To thrive in this evolving landscape, hospitality firms must adopt a proactive approach to BMI, fostering a culture of innovation, experimentation, and leveraging data-driven insights to anticipate and respond to emerging trends.

11. Conclusion

Business model innovation is not simply a strategic option for hospitality businesses; it is an imperative for survival, adaptation, and sustainable growth. The ability to reconfigure how value is created, delivered, and captured enables firms to navigate turbulent environments, meet changing customer needs, and seize new opportunities. By embracing a holistic and continuous approach to BMI, fostering a culture of innovation, and prioritising customer-centricity, hospitality businesses can enhance their resilience, competitiveness, and ability to thrive in an ever-evolving market. While hotels can address the challenges of BMI independent of external support, universities as regional and sectoral partners, are increasingly recognised as facilitators and enablers of change. Therefore, the narrative of the entrepreneurial university embraces the challenge of ensuring sectoral partners engage in innovative strategic planning practices thereby encouraging sustainable economic growth in their regions.

By embedding trust-based relationships between industry practitioners and university-academic partners, this research presents a comprehensive methodology for navigating the turbulent BMI process that is both objectively introspective and ambitiously entrepreneurial by nature. The approach recognises that ability, benevolence and integrity-based trust facilitates deconstruction and analysis of all constituent elements of the hotels internal and external environment for the purpose of redefining how the property creates value for existing and potential customers.

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Ethics Declaration

Ethical approval for this study was obtained from Atlantic Technological University

AI Declaration

No AI tool or technology was used in this study

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