INNOVATION STRATEGIES DIFFERENCES IN HOTEL CHAINS VS. INDEPENDENT HOTELS: ULTIMATE IMPACT ON SUSTAINABLE COMPETITIVE ADVANTAGE

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Abstract

Purpose – In the wake of COVID-19, the management of innovation has become of considerable interest, especially in tourism and hospitality. Belonging to a hotel chain is one of the variables that can be decisive in the management of hotel innovations, and which has not been studied extensively in academic literature. Furthermore, understanding the ultimate impact of these innovations on sustainable competitive advantage is also critical. explore the influence of dynamic capabilities on hotel innovations by understanding the role of the hotel chain, as well as the impact of innovations on sustainable competitive advantage.
Methodology – The hotel sector in Spain is a highly competitive industry that has been hit hard by COVID-19. We analyze data collected in a survey addressed to managers of 3- to 5-star hotels in Spain through structural equation modelling using SmartPLS.
Findings – Our empirical results point out the positive influence of dynamic capabilities on hotel innovations highlighting the positive influence of hotel chain membership. In addition, the positive and significant effect of hotel innovations on sustainable competitive advantage is demonstrated.
Originality of the research – This paper extends the existing literature, providing empirical evidence on how hotel innovations influence hotels' sustainable competitive advantages.
Keywords innovations strategies; sustainable competitive advantage; dynamic capabilities; hotel chain; hospitality.

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INTRODUCTION

Achieving a Sustainable Competitive Advantage (hereinafter, SCA) becomes difficult competing in a turbulent environment such as the tourism sector where the need to innovate is crucial. For this reason, academic research must address the current and real challenges for managers such as hospitality innovation strategies (Cao et al., 2022). In fact, So et al., (2023) has stated that innovations could profoundly alter competitive dynamics, economic systems and society. However, what can drive these innovations? Several authors have highlighted that dynamic capabilities act as a driver of hotel innovation (Den Hertog et al., 2010; Marco-Lajara et al., 2022). There remains, however, a need to understand how the development of these capabilities can influence innovations in the hospitality sector (Shin & Perdue, 2022).

Furthermore, are developed by the top management of companies (Easterby-Smith et al., 2009), which is why it is also important to consider the influence of hotel chain affiliation in the study of hotel innovation. One possible justification may be given, according to Pérez-Rodríguez and Acosta-González (2021), due to the greater access to new technologies in chain-affiliated hotels. Thus, better management capabilities would enhance dynamic capabilities' impact on innovations.

Based on general academic literature, innovation has been considered a necessary condition to survive in these turbulent environments (Kuo, 2024), and to do so in the long term and sustainably (Diviseker & Nguyen, 2018). Specifically, innovations have been identified as a key factor in gaining and maintaining long-term CA in hospitality industry (Tigu et al., 2013). However, few authors have researched how innovation influences the SCA of hotels distinguishing between CA of cost leadership or differentiation, despite innovation has been considered a critical source of SCA for all service businesses, including hospitality businesses (Gomezelj, 2016).

Furthermore, although some research (Anning-Dorson & Nyamekye, 2020; Hossain et al., 2021) has pointed out that one source of SCA in the hospitality industry is innovation, the ultimate innovations' value and how they influence companies is not clearly defined (Sharma et al., 2021), revealing a gap that researchers need to address. In fact, is has been recently emphasized the need for research exploring innovation strategies in the hotel industry, its drivers, and consequences (Chandran et al., 2023).

Therefore, it is crucial to clarify how innovation is carried out by hotels and the mechanisms that drive these practices to fill the gaps and concerns about if innovation may affect the SCA of hotels, considering the antecedents of innovative practices. Thus, the aim of this study is to analyze the drivers of hotel innovations strategies and their ultimate effect on hotels' SCA. This study addresses the next research questions: Do dynamic capabilities impact the hotel innovations influenced by hotel chain affiliation? Does innovation carry out by hotel companies' impact SCA in hotels with cost leadership and differentiation advantages?

1. LITERATURE REVIEW

1.1. Dynamic capabilities and innovations strategies in hospitality

Dynamic capability framework is a relevant theory among management academics, despite the criticisms it has received, especially in its early days (Barreto, 2010). According to this framework, dynamic capabilities are company's abilities to renew its resources by trying to adapt to the changing environment from a dynamic perspective (Teece et al., 1997: 515). Very appropriate in the turbulent environment faced by hotels after exceptional situations such as the COVID-19 pandemic (Marco-Lajara et al., 2022). In addition, Teece (2007: 1319) states the desegregation of dynamic capabilities for analytical purposes as the company's ability to sense opportunities and threats —sensing; the ability to seize such opportunities —seizing—, and the ability to reconfigure the company's assets to maintain the company's competitiveness —reconfiguration.

According to Pavlou and Sawy (2011), Schumpeter's (1934) innovation would give rise to the view of dynamic capabilities whereby companies gain their SCA through the creative destruction of available resources and their subsequent recombination with new operational capabilities. While it is true that the relationship between technological and product innovation and dynamic capabilities has traditionally been studied, other authors have also addressed them with service innovation (Kindström et al., 2013). According to Teece (2007: 1320), the deployment of dynamic capabilities will drive the success of innovations assuming higher performance in the long run. This is due to the hard-to-replicate nature of dynamic capabilities that allows the company to seize turbulent environments to develop product, process or even business model innovations.

In this study, we state the innovation definition of Schumpeter used in service sectors such as tourism and hospitality (Carvalho & Costa, 2011): "implementation of a new or significantly improved product (good or service), process, new marketing method or new organizational method in business practice, workplace organization or external relations" (OECD, 2005: 46). It has been widely addressed despite the incomplete understanding of how these processes are carried out, as well as capabilities that underpin innovation (Hjalager, 2010). Indeed, the development of innovations in tourism organisations has resulted in the creation, consolidation and implementation of new products, services, or processes (Hall & Williams, 2018). This is how innovation in the hotel industry is considered here, as a construct that includes product, service and process innovation in hotels.

Previous authors (Kindström et al., 2013; Kelliher et al., 2018; Marco-Lajara et al., 2022) have pointed out the need to explore dynamic capabilities, which are considered as a construct of sensing, seizing and reconfiguring capabilities, in service innovations. Thus, considering dynamic capabilities as a mayor driver of tourism innovations (Jiang et al., 2021; Wang et al., 2020), we raise hypothesis 1:

H1. Dynamic capabilities positively influence hotels' innovations.

1.2. The effect of hotel chain affiliation on hotels' innovation

Reaching a consensus in the literature on the factors influencing innovation in service companies is challenging due to the diversity and idiosyncrasies of the various industries within this sector. Specifically, a notable characteristic of the hotel sector is the presence of both independent hotels and hotel chains. The latter has been identified as an influential factor in the propensity of hotels to innovate (Orfila-Sintes et al., 2005). Indeed, the management of independent hotels differs significantly from that of hotel chains (Ribaudo et al., 2020), and numerous authors have emphasized the necessity of considering the influence of hotel chains on management and innovation strategies (Orfila-Sintes et al., 2005). However, there seems to be a paucity of research on the distinct approaches related to the innovation of independent versus chain-affiliated hotels (Ottenbacher et al., 2006).

Certain authors, such as Lomanno (2010), argue that hotel chain managers, particularly in the United States, develop dynamic capabilities to better adapt to environmental changes, thereby having a more substantial impact on innovation compared to independent hotels. Similarly, Gil et al. (2001) identified chain affiliation as a key determinant in innovation decisions within the hotel industry, as discussed by Orfila-Sintes and Mattsson (2009). More recently, researchers like Pérez-Rodríguez and Acosta-González (2021) have pointed out that chain-affiliated hotels benefit from easier access to advanced technologies and superior management capabilities. For instance, the hotel chain Meliá Hotels International has made significant investments and developed powerful innovative technologies to adapt to changes in the environment. This includes the development of their "Stay Safe with Meliá" program, which incorporates advanced technologies to ensure the safety and well-being of guests during the pandemic. Additionally, the chain has implemented an artificial intelligence system called "Stay App" to enhance communication with customers and personalize their stay experience.

Studies comparing the management practices of chain hotels and independent hotels have reached a consensus that chain hotels are more equipped to innovate, given their greater resources and higher levels of experience and professionalism (Meira et al., 2019; Tigu et al., 2013). Authors such as O'Neill and Carlbäck (2011) have specifically highlighted that partnerships offer chain hotels various advantages, such as central reservation systems, revenue management programs, loyalty programs, global distribution systems, brand recognition, and enhanced sales and marketing activities, which independent hotels cannot match. Therefore, the second hypothesis is proposed:

H2. Dynamic capabilities in hotel chains drive innovation development to a greater extent than in independent hotels.

1.3. Innovation impact on hoteliers' sustainable competitive advantage (SCA)

The contemporary dynamic and volatile environment in the tourism sector has resulted in the hotel industry prioritizing the attainment and preservation of a SCA (Meira et al., 2019; Tajeddini & Trueman, 2012; Wu et al., 2010). A clear example has been the crisis generated by the pandemic, which has imposed innovation on many hotel companies as a way to maintain CA. In recent years many scholars (Anning-Dorson & Nyamekye, 2020; de Larrea et al., 2021; Sharma et al., 2021) have argued that research addressing sources of CA in service sectors such as tourism and hotels is a necessary and current line of research. Indeed, the consideration of innovations as enablers of organizational performance and CA has been a long-standing theme since the work of Barney (1991).

On the one hand, the possibility of imitation has cast doubt on the relationship between innovations in the service sector and SCA, even though this idea does not fit in all cases (Salunke et al., 2011). While it is true that in the financial sector this situation might be more common, delving into the impact of innovation on competitive strategies in the service sector is important (Salunke et al., 2011). Specifically, in the hotel sector this research is still inconclusive so recently authors such as Anning-Dorson and Nyamekye (2020), or Hossain et al. (2021) encourage this research.

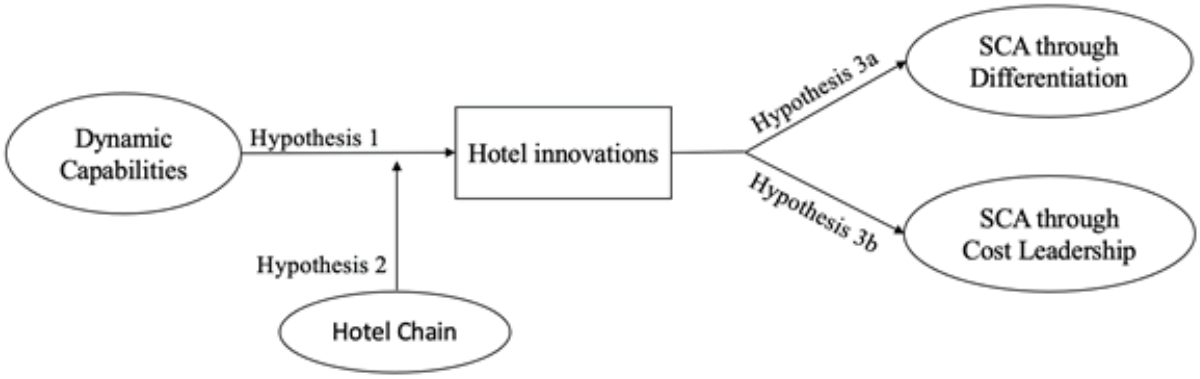
Considering innovation strategies are based on services, process and organizational innovations, it is crucial to justify the positive effect of all its types in SCA. Several authors have studied the positive impact of service innovation on the competitive position of companies (Anning-Dorson & Nyamekye, 2020). Likewise, process innovations, which are closely related to service innovations according to Orfila-Sintes et al. (2005), have been employed to help companies adapt to new requirements stemming from the COVID-19 crisis (Sharma et al., 2021). For example, by implementing new technologies to ensure a clean and safe stay, or innovations to maintain social distancing and reduce risks, all of which improved the competitive advantage of many hotels (Shin & Kang, 2020). Finally, as a result of the current crisis, many hotels have also introduced innovations related to human resource management or business practices (Sharma et al., 2021), to maintain their SCA. Indeed, such innovations have been considered essential for the adaptability of hospitality firms in the face of turbulent environments (Martín-Rios & Ciobanu, 2019). It is also a fact that these types of innovations are difficult to replicate and therefore impact on the SCA of hotels (Montalvan-Burbano et al., 2019). Moreover, innovations related to the commercial management of hotels allow them to strengthen their competitive strategy (Martín-Rios & Ciobanu, 2019).

On the other hand, in the tourism sector, innovation allows reducing costs and offering a more recognized service improving competitive selling in terms of cost leadership and differentiation (Yfantidou et al., 2019). The influence of hotel management strategies on these two forms of SCA has been addressed by different researchers (Molina-Azorín et al., 2015; Singjai et al., 2018). In particular, the positive impact of eco-innovation on these two forms of SCA has recently been demonstrated (Wang et al., 2020). Overall, hotel innovations serve both to reduce the costs of service delivery, i.e., making them more efficient, and to increase productivity and service quality (Iplik et al., 2014; Gomezelj, 2016), making their link with the competitive strategy of hotels indisputable (Hilman & Kaliappen, 2015). Thus, the last of our hypotheses are proposed:

H3a. Sustainable Competitive Advantage through Differentiation is positively affected by hotel innovations.

H3b. Sustainable Competitive Advantage through Cost Leadership is positively affected by hotel innovations.

Figure 1: **Research model and hypothesis**



2. METHOD

2.1. Data collection and analysis

This paper is based on the hotel sector, which has not been extensively researched at a scientific level (Hernández-Perlines et al., 2019) despite being the most important components in tourisms and its relevance in Spanish economy. The population is composed by hotels located in Spain, concretely those with 3 or more stars due to are the most suitable for analyzing dynamic capabilities (Nieves & Haller, 2014).

Using the Qualtrics system, a standardized questionnaire was distributed more than 7,000 times to the managers of hotels, considering repetitions, throughout the first half of 2020. The final sample was composed of 212 valid questionnaires. A pre-test was carried out with the participation of 4 hotel managers, 6 researchers and industry experts, which resulted in an improvement of the structure and part of the content of the questionnaire.

2.2. Variable measurement

The measurement of the variables used was based on Likert scales previously validated in the literature (being 1-strongly disagree and 7-totally agree), a practice widely used in recent research (Meira et al., 2019).

Hotel innovation: It was measured using a 15-item scale (see Appendix 1) previously validated by Nieves et al. (2014), which was adapted from the study by Nasution et al. (2011) and the contents of the Oslo Manual (OECD, 2005). This measure includes service, process, and management innovations.

Dynamic Capabilities (DC): In our study, we adopted Teece's (2007) definition, conceptualizing dynamic capabilities as a firm's ability to sense and seize opportunities and reconfigure its resources to adapt to a changing environment. Specifically, we considered the variable included as a first-order construct incorporating the 12 items (see Appendix 1) from the scale originally proposed by Wilden et al. (2013), which has also been validated in other studies such as Fainshmidt and Frazier (2017).

Sustainable Competitive Advantage (SCA): A 4-item scale (see Appendix 1) previously validated by Li et al. (2009) was used, which, in turn, was based on relevant previous studies such as Porter (1985). It included SCA through Differentiation, which identifies hotels that stand out for providing superior service with unique and innovative features, a strong brand name, and effective promotional programs, among others. In contrast, those establishments positioned towards low cost and SCA through Cost Leadership, which are characterized by "aggressive construction of efficient-scale facilities, vigorous pursuit of cost reductions... and cost minimization in [various] areas" (Porter, 1980: 35).

Finally, hotel chain affiliation was measured as a dichotomous variable that could take the value 0 if the hotel was independent, and the value 1 if it was affiliated to a chain.

3. RESULTS

The results should be divided into two phases according to Hair et al. (2022). First, we analysed individual indicators' reliability (factorial loadings exceeded 0.707, see Appendix 1), internal consistency (composite reliability index was higher than 0.7), and convergent validity with AVE results were up to 0.5 (see Table 1). Discriminant validity was analyzed through cross-loads, Fornell and Larcker criteria, and we present the result of HTMT of correlations (Table 2). It has also been verified that there are no indications of multicollinearity in our model. Following the criterion of Hair et al. (2014: 170), it was confirmed for each set of predictor constructs that the tolerance levels are ≤ 0.2 and the VIF levels are < 5 (see Table 3).

Table 1. Construct reliability and validity

	Cronbach's Alpha	**rho_A**	**Composite reliability**	**Average Variance Extracted (AVE)**
SCA through Differentiation	0.91	0.943	0.935	0.784
SCA through Cost Leadership	0.892	0.897	0.925	0.756
Dynamic Capabilities	0.945	0.952	0.952	0.624
Hotel Innovations	0.949	0.95	0.958	0.766

Table 2. Heterotrait-monotrait ratio of correlations (HTMT)

	SCA through Cost Leadership	Hotel Chain	SCA through Differentiation	Dynamic Capabilities	Innovations	Hotel Chain x Dynamic Capabilities
SCA through Cost Leadership						
Hotel chain	0.110					
SCA through Differentiation	0.390	0.309				
Dynamic Capabilities	0.177	0.258	0.526			
Innovations	0.360	0.286	0.825	0.510		
Hotel Chain x Dynamic Capabilities	0.200	0.206	0.474	0.645	0.486	

Table 3. Collinearity Analysis in the Model Using VIF Values

	HTMT
Hotel Chain → Innovations	1.075
Dynamic Capabilities → Innovations	1.713
Innovations → SCA through Cost Leadership	1.000
Innovations → SCA through Differentiation	1.000
Hotel Chain x Dynamic Capabilities → Innovations	1.669

Regarding structural model results, Table 4 shows values of the estimated regression coefficients based on nonparametric resampling procedure called Bootstrap (Hair et al., 2022).

Table 4. Results of structural model

Direct Relationship	**β estimated**	**T statistics**	**P-value**
Hotel Chain → Innovations	0.304***	2.241	0.025
Dynamic Capabilities → Innovations	0.302***	3.160	0.002
Innovations → SCA through Cost Leadership	0.357***	6.109	0.000
Innovations → SCA through Differentiation	0.767***	20.966	0.000
Hotel Chain x Dynamic Capabilities → Innovations	0.418***	2.771	0.006
R^2			
SCA through Cost Leadership	0.128***	2.996	0.003
SCA through Differentiation	0.589***	10.581	0.000
Innovations	0.314***	5.198	0.000
Q^2predict			
Innovations	0,236		
SCA through Differentiation	0,228		
SCA through Cost Leadership	0,027		
f^2			
Hotel Chain → Innovations	0.031	1.051	0.294
Dynamic Capabilities → Innovations	0.078	1.251	0.212
Innovations → SCA through Cost Leadership	0.146**	2.491	0.013
Innovations → SCA through Differentiation	1.431***	4.211	0.000
Hotel Chain x Dynamic Capabilities → Innovations	0.056	1.353	0.177

*p < .5, **p < .05; ***p < .01.

The obtained results support the first hypothesis which tests the positive relationship between dynamic capabilities and innovation in hotels. Furthermore, hypothesis 2 is also supported since the moderating effect of hotel chain affiliation turns out to be statistically significant. This implies that chain-affiliated hotels increase the positive relationship between dynamic capabilities and hotel innovations due to their routines and resources in order to manage dynamic capabilities its effects (Costa & Pereira, 2020; Ribaudo et al., 2020).

The third and last hypothesis is presented disaggregated into two options, according to the influence of innovations on the two forms of SCA (through Cost Leadership and Differentiation). In that context, hotel's innovations have a positive impact on SCA through Differentiation (hypothesis 3a is supported) as well as on SCA through Cost Leadership (hypothesis 3b is also supported) which implies a positive effect of innovations on SCA in hospitality.

Additionally, Table 4 presents the R^2 results, which show statistically significant values for the variables innovations, SCA through Differentiation, and SCA through Cost Leadership. The Q^2 predict values are also displayed, indicating the predictive relevance of the model, along with the f^2 values for each of the analyzed relationships. In this latter aspect, it is worth highlighting that only the relationships of innovations with the two forms of SCA achieve sufficiently high values to be statistically significant.

4. DISCUSSION

Innovation management literature should be approached from dynamic capabilities view (Den Hertog et al., 2010), as well as its impact on the CA of tourism companies (Gössling et al., 2021). Thus, the aim of this research was to identify dynamic capabilities, deployed by hotels in order to face to highly turbulent environments, as drivers of hotel innovation. In accordance with earlier work such as Marco-Lajara et al. (2022), we find empirical evidence of the positive influence that sensing, seizing, and reconfiguring capabilities exert on hotel innovations. Indeed, numerous innovations have been implemented in recent years due to experiences in a dynamic context such as the COVID-19 crisis, the emergence of Artificial Intelligence, and the pressures towards corporate sustainability, among others.

Moreover, in recent years, several studies have investigated the drivers of hotel innovation (Backman et al., 2017), with hotel chains playing a key role in business management (O' Neill and Carlbäckb, 2011; Ribaudo et al., 2020). Therefore, it is relevant to delve deeper into the positive effect exerted by hotel chain affiliation on the relationship between dynamic capabilities and hotel innovations. These findings provide answers to two of the research questions raised as a future research agenda by Shin and Perdue (2022). Hotel chains can leverage economies of scale, which allow them to invest in large-scale innovation. In this way, they can deploy new technologies and innovative practices across multiple properties simultaneously, reducing costs and improving operational efficiency. Furthermore, hotel chains typically have access to greater financial and human resources, enabling them to invest in R&D and develop specialized innovation departments to explore and develop new ideas and technologies. For example, the NH Hotel Group has implemented a sustainability strategy with its "NH Sustainable Business" program, which includes reducing energy and water consumption, waste management, and the use of renewable energy sources. Additionally, NH Collection, one of its premium brands, uses advanced technology to personalize the customer experience, such as room control systems through mobile applications.

All of the above allows us to link these innovative efforts to the subsequent achievement of SCA. We have also contrasted the positive effect of hotel innovations on its SCA in our study. On the one hand, it is observed that innovation have a positive impact on SCA through Differentiation which is in line with previous work indicating a positive relationship between innovation and an increase in the company's differentiation (Semuel et al., 2017) and, therefore, its enhancement vis-à-vis competitors (Yfantidou et al., 2019). On the other hand, the positive effect of innovations is positive but lower in SCA through Cost Leadership. This can be explained by the recent trend of hotels using innovations to enhance the customer experience and ensure their satisfaction and loyalty, which is more closely tied to SCA in Differentiation. However, a positive, albeit weaker, relationship between hotel innovations and SCA through Cost Leadership has also been demonstrated due to the possibility of improving the operational efficiency of activities and reducing costs through the recent innovations mentioned.

In fact, the hotel sector has recently been experiencing a technological revolution that has allowed the development of key innovations that have saved costs in time and money in hotel processes (Meira et al., 2019). For example, the use of robotics in hotel operational processes has led to greater efficiency in practically all the hotels analyzed. Such innovations have been carried out in data collection and quality surveys at check in and check out, in the automated management of physical spaces to control capacity and avoid contact, or in cleaning with the use of artificial vision to check rooms. In fact, in the wake of the COVID-19 pandemic, hotels had to ensure hygiene and safety in their establishments (Shin & Kang, 2020) so they integrated innovations that facilitated social distancing and improved cleanliness.

CONCLUSION

Understanding what could drive innovations in hotels and their effect on SCA were the research questions posed in this study. Following the completion of this study, the influence of dynamic capabilities on hotel innovation has been observed, as well as the key role played by belonging to a chain. Additionally, the positive and significant effect of innovations on SCA has been evidenced, with a greater impact in the case of SCA through differentiation. Therefore, our paper fills the gaps in the literature and addresses the call of authors such as Kallmuenzer (2018) or Gössling et al. (2021) who highlighted the need to explore innovation in the hospitality industry to improve their SCA in a growing and turbulent market. Likewise, we advance the concern raised by Shin and Perdue (2022) using the dynamic capabilities framework to find out how dynamic capabilities affect innovation in hospitality companies by finding a moderating effect of hotel chain affiliation. This study settles and advances the theory of dynamic capabilities in order to know how these sensing, seizing and reconfiguring capabilities impact on hotel innovation. Accordingly, we have developed a model that combines the key theoretical and practical questions related to increased SCA of hotels and facilitates the design of urgent strategies for implementation by decision-makers.

This paper offers both theoretical and practical implications. About the former, the results contribute to the theory in three areas. Firstly, responding to the call of Hjalager (2010) for a study into the antecedents driving innovations in tourism enterprises, we have contributed to this topic which had only been marginally addressed. Furthermore, this paper has found that dynamic capabilities, understood such us the ability to sense, seize and reconfigure resources, act as drivers of hotel innovations. This point had already been qualitatively raised by Kindström et al. (2013), which has now been corroborated in the hospitality sector. Secondly, the paper goes a step further by considering that the influence of dynamic capabilities as antecedents to hotel innovation is moderated by hotel chain affiliation. We thus develop the conclusion proposed by Orfila-Sintes et al. (2005) regarding the chain's development of capabilities that are conducive to hotel innovation decisions. In fact, this study offers an answer to two of the research questions raised as a future research agenda by Shin and Perdue (2022) in the field of hospitality innovations, which implies a current theoretical contribution. Finally, we have proved the relationship between different kind of hotel innovation on SCA through Differentiation and SCA through Cost Leadership.

From a practical point of view, contributions are very interesting since services have been characterized for years as a key sector for boosting productivity, economic growth and employment in many developed countries (Drejer, 2004). In the current turbulent time, this paper could help managers to develop an integral strategic action plan to improve their SCA, starting with the deployment of dynamic capabilities, and continuing by putting into practice the innovation strategies provided in this report. Specifically, we propose the following recommendations to independent hotel managers, who currently do not take full advantage of dynamic capabilities and innovations to the same extent: focus on personalization, as they cannot leverage the scale advantages of large chains; adopt innovative technologies with smaller investments; create unique value propositions for the customer; promote sustainability; and utilize digital marketing strategies. In this way, hoteliers can attract and retain more guests, improve operational efficiency, and strengthen their market position. The key is to be attentive to trends (developing those dynamic capabilities—detecting and seizing opportunities and reconfiguring resources—) and to be willing to invest in changes that bring significant value to customers and hotel operations to achieve a greater SCA.

Finally, a series of limitations arising from the work carried out are presented, from which future lines of research can be derived. First, we highlight the use of latent variable measures with first-order constructs. It would be advisable to segregate the effect of each of the dynamic capabilities on the different types of innovation that a hotel can undertake. This approach would allow for understanding the impact of dynamic capabilities on various forms of innovation separately and testing the ultimate effect of these innovations on hotels' sustainable competitive advantages (SCA). Secondly, the possibility of employing qualitative methodologies is noted, to engage with hotel managers in discussions about the innovations they are implementing in a personalized manner, as well as the mechanisms they have in place and the outcomes they are observing in both the short and long term. This approach underscores the necessity of considering these investigations from a longitudinal perspective, to incorporate the effect of time into the research.

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APPENDIX 1. Items used in measurement model and factor loadings.

Hotel innovations: Please indicate your level of agreement or disagreement with the following statements related to Innovation Capability in your hotel over the past 3 years (where 1 = strongly disagree; 7 = strongly agree):

	Factor loading
Item 1: Our hotel has increased and/or modified the services offered in the market.	0.709
Item 2: Our hotel constantly seeks new services to offer consumers.	0.780
Item 3: We have incorporated a greater variety of services than our competitors.	0.807
Item 4: The new services offered have caused significant changes in the sector.	0.830
Item 5: We frequently compare our operating systems with high-level international companies to stay updated.	0.865
Item 6: We frequently update the way we provide services to improve productivity.	0.833
Item 7: We often incorporate technologies to become more efficient and improve the quality of our service.	0.820
Item 8: We train our staff in new technologies relevant to our sector.	0.843
Item 9: We are dynamic in developing and using new sales channels and/or promotional techniques.	0.819
Item 10: Our competitors use our marketing methods as a benchmark.	0.849
Item 11: The new marketing methods we have incorporated have been innovative in the sector.	0.861
Item 12: We frequently introduce organizational changes to improve the division of responsibilities and decision-making (decentralization, departmental restructuring, etc.).	0.795
Item 13: We frequently introduce new methods to manage external relationships with other companies or public institutions (new alliances, new forms of cooperation, etc.).	0.831
Item 14: We often introduce new practices in work organization or company procedures (new quality management practices, new information and knowledge management systems, etc.).	0.872
Item 15: The new organizational methods we have incorporated have been pioneering in the sector.	0.819

Dynamic Capabilities: Please indicate your level of agreement or disagreement with the following statements related to the management routines of your hotel (where 1 = strongly disagree; 7 = strongly agree):

	Factor loading
Item 1: Our employees are in contact with professional associations.	0.725
Item 2: We use specific processes to identify market niches and changes in customer needs.	0.816
Item 3: We observe and analyze best practices in the industry (benchmarking).	0.819
Item 4: We collect economic information about our market operations.	0.783
Item 5: We allocate resources to finding solutions for our customers.	0.790
Item 6: We incorporate industry best practices in our hotel.	0.839
Item 7: We address problems identified by our employees.	0.736
Item 8: We attend to our customers' improvement suggestions.	0.727
Item 9: Frequently incorporation of new management methods.	0.791
Item 10: Frequently introduction or modification of marketing strategies.	0.725
Item 11: Substantial renewal of business processes.	0.831
Item 12: Substantial modification of our business objectives.	0.815

SCA: Please indicate your level of agreement or disagreement with the following statements related to the sustainable competitive strategy of your hotel (where 1 = strongly disagree; 7 = strongly agree):

	Factor loading
Item 1: We strive to create a strong, difficult-to-copy brand.	0.901
Item 2: We successfully differentiate ourselves from our competitors through effective promotions and advertising campaigns.	0.888
Item 3: Our services offer greater benefits to customers than those of our competitors.	0.883
Item 4: Our services are unique; only our company can offer them.	0.803
Item 5: Our costs are lower than those of our competitors.	0.842
Item 6: Our management system allows us to reduce the cost of our services.	0.882
Item 7: Economies of scale enable us to achieve a cost advantage.	0.913
Item 8: We have achieved a cost leadership position in our sector.	0.905