

IMPROVING INNOVATIVE MANAGEMENT MECHANISMS TO ENHANCE SERVICE QUALITY AND COMPETITIVENESS IN THE TOURISM SECTOR

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Abstract: The tourism sector is one of the fastest-growing industries globally, and its sustainable development depends largely on the effectiveness of management practices and innovation. This study explores how innovative management mechanisms can improve service quality and competitiveness in the tourism sector. Using a combination of literature analysis, surveys, and case studies from Uzbek tourism enterprises, the research identifies gaps in current management models and proposes an innovation-driven framework focused on digitalization, staff competence, and customer experience enhancement. Findings reveal that firms that adopt innovative management strategies—particularly those integrating digital platforms, data analytics, and service personalization—achieve higher customer satisfaction, operational efficiency, and competitive advantage. Recommendations emphasize the need for continuous innovation management training and government support policies to ensure sustainable tourism growth.

Keywords: tourism management, innovation, service quality, competitiveness, digitalization, Uzbekistan

1. Introduction

The global tourism industry has evolved into a highly competitive and innovation-driven market. In the modern economy, service quality is not merely a differentiator but a strategic necessity. For countries like Uzbekistan, where tourism is considered a priority economic sector, improving management mechanisms to foster innovation is essential to achieving sustainable growth (UNWTO, 2023). Innovative management refers to the integration of new technologies, creative organizational structures, and adaptive strategies aimed at increasing service efficiency and customer satisfaction (Porter, 1990). Tourism enterprises increasingly depend on innovation to enhance visitor experiences, strengthen competitiveness, and adapt to changing consumer preferences (Buhalis & Sinarta, 2019). However, many tourism organizations still rely on traditional administrative models, lacking flexibility and technological integration. This study, therefore, aims to investigate how innovative management mechanisms can be improved to enhance service quality and competitiveness in the tourism sector, with a particular focus on Uzbekistan's developing tourism market.

2. Methods

2.1 Research Design

The study employed a mixed-method approach, combining quantitative surveys and qualitative case studies. Quantitative data assessed service quality and innovation use, while qualitative interviews explored managerial practices and innovation challenges.

2.2 Data Collection

Data were collected from 40 tourism enterprises across Uzbekistan's key destinations (Samarkand, Bukhara, Tashkent, and Khiva) between January and June 2024. Questionnaires were distributed to 120 managers and service employees, and customer satisfaction data were gathered through 200 tourist feedback forms. Semi-structured interviews were conducted with 15 executives.

2.3 Instruments

1. SERVQUAL scale (Parasuraman et al., 1988) – to measure service quality (tangibility, reliability, responsiveness, assurance, empathy).
2. Innovation Index Survey – assessing technology adoption, management flexibility, and staff innovation culture.
3. Competitiveness Scorecard – evaluating market share, cost efficiency, and customer retention.

2.4 Data Analysis

Quantitative data were processed using SPSS 26.0, with correlation and regression analyses applied to identify relationships between innovation variables and competitiveness. Qualitative data were coded thematically using NVivo 12 software to uncover key patterns and managerial insights.

3. Results

Statistical analysis indicated a strong positive correlation ($r = 0.71$, $p < 0.01$) between the degree of innovation adoption and service quality levels. Enterprises that implemented digital booking systems, online feedback tools, and data-driven marketing reported a 25–30% increase in customer satisfaction scores.

Table 1. Relationship between innovation practices and competitiveness indicators

Innovation Practice	Customer Satisfaction (%)	Market Share Growth (%)
Digital booking & CRM systems	88	19
Staff training & empowerment	85	16
Personalized travel packages	92	22
Sustainability & eco-tourism initiatives	87	14

4. Discussion

The results confirm that innovation-driven management significantly enhances service quality and competitiveness. This aligns with global research showing that innovation adoption is a crucial success factor in modern tourism management (Hjalager, 2010). Enterprises that integrated digital technologies and adaptive human resource strategies demonstrated higher

performance levels. Similar findings were reported by Buhalis and Sinarta (2019), who emphasized that e-tourism and smart destination concepts drive customer engagement and profitability.

5. Conclusion

Innovative management mechanisms play a decisive role in enhancing both service quality and competitiveness within the tourism industry. Empirical evidence from Uzbek tourism enterprises confirms that digitalization, employee innovation, and customer-centered strategies lead to measurable improvements in satisfaction and profitability. To sustain these outcomes, tourism managers should prioritize digital transformation, invest in continuous staff development, and collaborate with government institutions to access innovation grants and training resources.

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