

# Business Process Management in Tourism and Hospitality

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## **BUSINESS PROCESS MANAGEMENT IN TOURISM AND HOSPITALITY**

Hospitality is an activity that has closeness and connection with many sciences and activities, including economics, technology, geography, politics, sociology, etc. It also represents a complex market combination of related industries. Due to all the specifics, it can be said that process management in tourism is a systematic and coordinated adjustment of tourism policy and tourism strategy of the state at the local, regional, national and international levels, in order to create consumer satisfaction and make a profit. In this regard, some of the management systems used in this process will be proposed – CRM (Customer Relationship Management).

Tourism is a group of activities that meet the needs of tourists during their travel and temporary stay in the selected tourist destination, and its development has positive effects on the overall economic development of the country [1].

Generally speaking, tourism as a process rests on hospitality as an activity. Hospitality as a part of tourism is an activity that can be analyzed from several aspects, such as economic, social, technological and sociological. Further focus of consideration and research will be focused on the role and specifics of hospitality and processes created under the influence of Internet technologies.

The development of technique and technology, as well as marketing management in tourism and hospitality, requires the study and application of new modern concepts and approaches to the organization. Regardless of the size of the hotel, some modern business processes are applied, new achievements are used, especially the following: Business Process Reengineering (BPR) and Customer Relationship Management (CRM).

New processes in tourism and hospitality are aimed at the virtualization of tourism and hospitality products, because they cannot be digitized. In addition to the mentioned function, business processes supported by technology increase the efficiency of internal business entities in the market. This approach needs to be considered and implemented at the management level.

Business Process Management (BPM) is a method by which a hotel adapts business processes to its business strategy, which leads to the optimization of their overall business by improving specific business activities within individual

departments, throughout the hotel or between corporations. BPM can establish a model of automation, management and optimization of business processes throughout the hotel. It allows you to initiate minor changes, in just one or a few business processes, as well as expand optimization in a way that suits the organization. Some of the principles on which this approach is based are the following [2]:

1. Orientation towards guests - Output to the process consumer and the price he realizes enables a measurement scale for process structuring.

2. Cross-functional approach - A process, not an organizational unit, is an object of process management, which is in contrast to line management.

3. Teamwork - Process thinking means team thinking because the basis of the process approach - integration across functional boundaries, can only be achieved through cooperation.

4. Continuous improvement - Processes are not static structures but constant subjects of new changes due to environmental influences and market requirements. Involvement in processes requires adapting process goals, flows, and tools to these changes.

5. Clear competencies and responsibilities - In a matrix organizational structure, the notion of a process view is orthogonal to a traditional, functional organizational structure. Consequently, competencies and responsibilities should be clearly defined.

6. Operationalized goals - It is necessary to ensure a more objective level of business, which is achieved by the operationalization of goals. Such goals make improvements more visible and reduce resistance to change.

7. Goal Management - Process goals and employee goals should be linked.

8. Remuneration system - Salary should be based on performance or according to some other criterion that encourages and supports the achievement of goals.

9. Entrepreneurship - Processes are entities with independent responsibility for their results, in which employees can be largely organized according to the set goals.

As an example of an e-process from the world hotel industry, it is possible to mention the so-called "Call Shop" - a place for affordable internet calling in the hotel. This service offers benefits such as:

- generating additional earnings that do not arise from the core business of the business entity,

- attracting guests due to affordable telephone services,

- possibility of integration with the hotel business system,

- possibility of integration into the info kiosk at frequent tourist locations,

- fast implementation in apartments and camps,

Very fast return on investment (ROI) due to small investments and high profitability.

In addition to the above system, Internet technology supports a number of

other activities such as interactive television in hotels. As an example of a company that offers its services to hotels on the Croatian market, we should point out interactive television, which offers the following functions:

- Live TV programs
- subscriber TV programs (PayTV)
- recording TV content (Time Shifting, Pause / Continue)
- radio / music stations
- Video On Demand (VOD)
- WWW access (surfing, e-mail, ...)
- communication between users (Instant Messaging)
- customizing the user interface
- monitoring and managing user rights

In order for hotels to achieve business success, these systems need to be planned as part of BPM. In more advanced hotel systems, it is necessary to integrate another marketing process CRM (Customer Relationship Management). Hotels must develop good relationships with potential and already current guests (clients). However, good relationships with clients do not arise spontaneously - they require the application of appropriate methods and business processes by which the hotel will establish control, or through which they will be able to manage these relationships.

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