**A. Introduction**

**A.1. Why the Qatar tourism sector?**
- The tourism sector was selected by the Qatari policymakers as one of the key sectors that is expected to play an important role in solving several upcoming challenges that encourage the Qatari economy such as:
  - Hosting the world cup 2022.
  - Economic diversification.
  - Achieving the Qatar National Vision 2030 (QNV, 2030).
- Qatar has heavily invested in hotels, transportations, and the infrastructure.
- To promote the demand in tourism, the country has offering a wide range of cultural and leisure events such as the Union Cyclist International (UCI) Road Cycling Championships 2018, Federation International Gymnastics, (FIG) World Gymnastics Championships 2018, and 2022 World Cup.
- Qatar expect to invest QAR15bn in 2028 which 4.2% of the total investment in 2028 in the hotel industry.
- Recently, to promote the tourism demand, Qatar has finalized a foreign policy overhaul by making 80 countries eligible for a visa waiver. Qatar is now the most open country in the region.

**A.2. Why innovation?**
- Innovation is considered as the main driver for the development of the tourism sector.
- Innovation can play a significant role in boosting the sector competition at national and international levels.
- Innovation is a key determinant in maintaining and improving hotel’s activities as well as improving their market share.
- Innovation reduces waste and environmental damage (Graham, 2008).

**B. Goal and Objectives**

**Goal:** This study aims to examine the impact of innovation on hotels performances in Qatar.

**Objectives:**
- Does a commitment to hotel innovation actually pay off?
- To what extent does innovation affect hotel performances in Qatar?
- What type of innovation has more effect on hotel performances?

**C. Materials and Methods**

**C.1. Data collection and preliminary analysis**

A self-administered 155 questionnaires were developed and sent to the top managers of all 3-5 stars hotels in Qatar. 130 usable questionnaires were returned with overall response rate of 83.8%. A summary of descriptive statistics of the hotels ranking, number of employees and the percentage of certified hotels are reported in Table 1.

<table>
<thead>
<tr>
<th>Sample</th>
<th>Venues</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stars</td>
<td>Hotels</td>
<td>Hotels</td>
</tr>
<tr>
<td>5 Stars</td>
<td>20</td>
<td>501</td>
</tr>
<tr>
<td>4 Stars</td>
<td>10</td>
<td>250</td>
</tr>
<tr>
<td>3 Stars</td>
<td>5</td>
<td>125</td>
</tr>
<tr>
<td>&lt; 3 Stars</td>
<td>5</td>
<td>125</td>
</tr>
<tr>
<td>Total employees</td>
<td>500</td>
<td>1550</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>875</td>
</tr>
<tr>
<td>Valid</td>
<td>30</td>
<td>85</td>
</tr>
<tr>
<td>Not indicated</td>
<td>5</td>
<td>15</td>
</tr>
<tr>
<td>Non-returned</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

A summary of the responded distribution by job title is reported in figure 1 below.

**C.2. Research Model**

The theoretical framework that has developed to examine the causal relationship between four types of innovations and five types of hotel performances is given by figure 2 below.

**D. Results and Conclusions**

The main findings of this study are:
- Existence of an innovativeness path beginning from organizational innovation leading to an improvement of the hotels’ financial performance.
- The findings support twelve out of the fifteen hypotheses examined in this study.
- The results show that organizational innovation is the stronger driver of service innovation.
- The results show that service innovations is the strongest determinant of innovations performance, and that market performance is the main driver of financial performance.
- The results also show that innovation process does not positively determine service innovation.
- The empirical findings show also that innovation performance does not has a positive significant impact on operational performance and that environmental performance does not have a significant impact on financial performance.

**E. Significance**

- Investigating innovation in hotels in Qatar, where the tourism sector plays an important role in country's economic diversification, particularly, the state is hosting the 2022 FIFA world cup. The event is expected to attract about one million visitors that travelled to Brazil for the most recent World Cup in 2014, where the hotel industry will be an important factor for event success. This would give Qatar a head start in being an inspiration to other region countries in terms of new researches and development.
- According to Diviskera and Nguyen (2018), the most of research on tourism innovation are descriptive and/or analytical and further empirical studies needed and quantitative analysis highly recommended.
- To the best of the authors’ knowledge, this study is the first study that have examined the impact of innovation in the hotel industry in the GCC or even in the MENA region. Therefore, by examining the case of the Qatar hotel industry we will open the door for new research studies not only in the hotel industry or the tourism sector but also in the service sector in the region.
- Including a new construct in the framework for the first time in such study which reflect the environmental effort made by the hotels in Qatar. The new construct used here and not yet used in previous studies should be adopted as a matter of course in such studies in the future.

**F. Recommendations**

- For the hotel managers:
  - Show them how they improve the performance of their hotels through innovations and which type of innovation is more efficient.
  - Bring the attention of hotel managers to analyze deeply the reasons why environmental performance does improve hotel financial performance. Hotels’ managers should pay particular attention to environmental innovations and review them in terms of their applicability and implementation. This can be done through well-specified incentives and increase awareness among hotels clients and training for hotel employees.

For Qatar’s policy-makers and planners of (QNV 2030)

Is to shed light on innovation in service sector, which may help to achieve their strategic plan’s goals and help in achieving economic diversification.

For the academic community

The findings provided in this study is the first source of information for future academic research that is interested in the GCC region in general and in Qatar in particular.

**Further Information**

- This paper is under revision at the event management journal (Scopus, Ranked A in ABS list).
- A more elaborated part of this paper that is policy oriented and designed for general public has been published at the Qu research magazine, Volume 12, 2020.

**Acknowledgments**

The authors gratefully acknowledge the QU research fund office, for funding this project. The authors thank seminar participants at The 35th Annual ANZAM Conference,* ANZAM, Cairns, Australia. (December 3, 2019 - December 6, 2019).