

Getting Fit to Innovate: TUI's InnOlympics

Graham Miller and Caroline Scarles

Contact: g.miller@surrey.ac.uk c.scarles@surrey.ac.uk

Introduction

Tether (2003) describes innovation within service industries as having a Cinderella status – marginal and neglected. The traditional approach to thinking about innovation has been to concentrate on manufacturing and within that, the role of research and development to produce technological invention that can lead to product innovation (Miles 2005). However, the slow recognition that services occupy an increasingly important part of the world's economic development has forced researchers into considering how innovation works outside manufacturing (von Tunzelmann and Acha, 2005). Jacob, Tinoré, Guilo, Bravo and Ulet (2003) argue there is a need for in-depth, exploratory and qualitative studies to help build the research base within service innovation. This paper attends to this call using the results of face to face interviews with senior managers to introduce TUI AG's innovation programme, the 'InnOlympics'. TUI AG describes itself as an innovative tourism group, whilst also being the world's largest tour operator, with a turnover of more than €14.1 billion; it owns approximately 3,300 travel agencies, 100 aircraft, 35 incoming agencies and 300 hotels with over 165,000 beds in 30 countries. TUI operates in more than 70 countries with over 5,000 travel reps (TUI AG 2007). With the OECD (Kruger 2004) believing that sustainability offers a key opportunity for innovation within the tourism industry, this paper presents lessons to be learned from TUI AG's programme for innovation for other tour operators wishing to become more innovative within the field of sustainable tourism.