

THE MAIN ASPECTS OF UNDERSTANDING OF INNOVATION IN LEISURE SERVICES: A THEORETICAL APPROACH

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Abstract: Innovation is essential for understanding the productive and reproductive processes in the economic system. Recreational organizations do not create innovation, but rather integrate existing and proposed innovation on the base of the proposed new or improved existing services. The purpose of the article – to discuss the application of innovation and understanding the causes of leisure services. Theory of innovation in leisure services backs on four major principles: first – innovation could be caused by customer's internal or external factors, second – an opportunities of new activities renovates customer's interest. The third principle is related to customer's need to be exclusive and self-actualization this means that in order to meet exclusive customer's needs services must be changed in accordance to customer's perception and needs. The fourth principle of leisure services innovation emphasizes that met customers' needs affecting health, makes them more active vital and courageous. Innovative content of the system consists of vital indicators of leisure services, containing the following three elements as the whole: the market demand, technology and innovation efforts. Consumer perception and attitude towards innovation leisure services, has a multifunctional nature, where three fundamental issues are distinguished: cognitive, emotional and behavioural components.

Keywords: innovation, leisure services, innovation systems, types, consumer

1 Introduction

Leisure services could be defined as personal, social and public conditions that arises customer's interest and wish to become a participant of these services. These conditions also encourage positive interaction related to physical, social, cultural and organisation environment which creates perfect conditions for a customer to get the needed services.

Undoubtedly leisure services are activities organised by companies and organisations. For instance, these could be festivals, fairs organising companies, film making and showing companies, body training and sports clubs, computer games, design and architecture companies. Services could be analysed as essential business principles in services sector and also as essential marketing principles applied in production.

The influence of clusters on the competitiveness of business sectors and business firms possesses at least three dimensions: entrepreneurship (new businesses), productivity, and innovation. Clusters tend to make good incubators of innovative ideas, new companies, and new businesses. (Malakauskaite, Navickas, 2010).

The experience of recent decades show that the productivity on the service sector is on the rise. It also shows that the products and processes in services are innovatove and create jobs that require and develop special skills of employees. Trade in services is growing and it is exposed to intensifying competition, which is putting increased pressure on performance of producers. As a key performance factors can be consider growing productivity supported by investments in technology and non-tenchnology innovation, liberalization and growth of trade in services. (Kubičková, Benešová, 2011; Michalová, 2010).

Innovation plays a significant role in our economy, promotes the growth of business, creates competitiveness and, finally, improves life quality. Theory of innovation in leisure services backs on four major principles: first – innovation could be caused by customer's internal or external factors, second – an opportunities of new activities renovates customer's interest. The third principle is related to customer's need to be exclusive and self-

actualization this means that in order to meet exclusive customer's needs services must be changed in accordance to customer's perception and needs. The fourth principle of leisure services innovation emphasizes that met customers' needs affecting health, makes them more active vital and courageous. (Chai, Yap & Wang, 2011; Eisingerich, Rubera & Seifert, 2009; Hassanian, Dale, 2012; Hjalager, 2002, 2010; Hu, Horng & Sun, 2009; Salomo, Talke & Strecker, 2008).

Bearing in mind that innovations in leisure activities are developed in different forms and occur of various scopes and content, researchers pin their hopes to already existing innovation systems. Organisations try to cooperate within such systems on various levels and develop leisure product, services and processes (Alonso & Liu, 2012; Hu, Horng & Sun, 2009). Such activities supported by cooperation are vitally important as they strongly impact on customers' behaviour and market environment where leisure services organisations have to find successful manner of functioning (Lopez-Nicolas, Merono-Cerdan, 2011; Sakarya, 2014; Sundbo, Orfila-Sintes & Sørensen, 2007; Zach, 2012, 2013).

Many services providing organisations and companies constantly seeking integrate, imply characteristics of such innovations in their offered products and services (Liechty, Yarnal & Kerstetter, 2012; Ma, Tan & Ma, 2012; Masso & Vahter, 2012).

2 Theoretical background

2.1 Conception of innovation in leisure services

Innovations is the foundation for perception the essence of economic system production and reproduction (Janeiro, Proenca and Conceicao Goncalves, 2013; Raymore, 2002; Salomo, Talke & Strecker, 2008; Stebbins, 2006; Sundbo, Orfila-Sintes & Sørensen, 2007; Tajeddini, 2011; Trott, 2008; Wang & Wang, 2012). Both types of socio-economic processes are strongly influenced by dynamics of technical and technological progress connected with science, research and innovation (Kraft, Kraftova, 2012).

Service innovations are of two forms in scientific literature - the first and the major one frequently lacks background that innovations of all types can be considerably easier expressed in services rather than in production. The second one attempts to clear up the relation between innovations and services both from theoretical and practical sides. One time, research related to production domineered in scientific literature about innovations, however, currently scientists and practitioners having concluded the results of empirical and theoretical studies, assure that services, including leisure activities, imply totally different innovative characteristics comparing them with the ones in production which are completely different in their essence (Nimrod, 2008; Nimrod, Janke & Kleiber, 2009; Nimrod, Hutchinson, 2010; Liechty, Yarnal & Kerstetter, 2012).

Explanation of innovation problem in services embodies two parts. The first - innovation is a new research object. Linguistic boundaries, existing in Europe, suggest that certain time is required for emergence of new and generalised articles where various ideas have to be perceived, systemised and successfully developed in joint European researches. Linguistic boundaries, existing in Europe, suggest that certain time is required for emergence of new and generalised articles where various ideas have to be perceived, systemised and successfully developed in joint European researches. Linguistic constructors only partially explain differences arising in generalisations of researchers from different European countries. These conclusions are often related to economic differences in the European Union countries. (Alexander, Martin, 2013; Bercovitz, Feldman, 2007; Bryson & Monnoyer, 2010; Eisingerich, Rubera & Seifert, 2009;

Evangelista, 2002; Hassanién, Dale, 2012; Hjalager, 2010; Korotkov, McLean & Hamilton, 2011).

Naturally, an impression could be formed that everything and anything could be explained applying innovation concept. In particular, exactly this has become the problem of nowadays researchers. As numerous miscellaneous innovations occur, the research field itself is open to research and the problem itself related to types of innovations is unquestionable. The issue of this is essential for researchers as they could be trapped when analysing only innovations of clear evidence not paying attention to other forms which are hidden in some way. A significant statistics problem exists that might be helpful in analysing ways of innovation research. It could be that recent insufficient statistical assessment qualitative indexes of innovation could be more efficient in regions; while quantitative approach tends to focus to technical indexes of innovations (Alonso & Liu, 2012; Paget, Dimanche & Mounet, 2010; Podsakoff, MacKenzie & Podsakoff, 2012; Salomo, Talke & Strecker, 2008).

2.2 Theoretical possibilities of innovation concept and research

Sometimes the diapason of innovation definitions starts from radical, absolutely innovative (sometimes causing failure) and ranges to developing and improving (continuous) adaptation, that means creating with existing resources something more modern, exceptional and attractive to a customer. Thus, the researches carried out require identification of actions which could help promote and manage innovation process (Hjalager, 2002, 2010).

One of the most realistic opportunities to develop innovation research is referred to integration approach. Such an approach does not only provide an opportunity to explain the interaction between goods and services but also gives explanation on interaction between daily life, goods and services innovations; as a matter of fact, innovation, both in process and technical aspects impacts and alternates the existing experience of an individual (Alonso & Liu, 2012; Paget, Dimanche & Mounet, 2010).

On the other hand, it is rather problematic to define the concept of innovation, as this concept implies broad spectrum of different types of activities. Inaccuracy of concept definition is obvious – in leisure services innovations this definition ranges from business news activities to information technologies. It is obligatory to realise that the concept “innovation” is a wide scope of distinct and foreseen definitions, thus, “innovation” itself appears a chaotic conception, or even slightly “vague” – difficult to characterise or even identify. Thus, separate disciplines of science could apply this concept in different ways (Alexander, Martin, 2013; Hassanién, Dale, 2012; Hjalager, 2010; Korotkov, McLean & Hamilton, 2011).

Sometimes the diapason of innovation definitions starts from radical, absolutely innovative (sometimes causing failure) and ranges to developing and improving (continuous) adaptation, that means creating with existing resources something more modern, exceptional and attractive to a customer. (Hjalager, 2002, 2010). Thus, the researches carried out require identification of actions which could help promote and manage innovation process. A.M. Hjalager (2010) is the first who adapted Abernathy and Clark model and further on, introduced innovation categories, for instance, tourism as one of the constituents of leisure industry: the first one - new tourism products/services development for tourists; the second one - new attitudes to tourist management creating; the third - identification of innovations for organisation advantages development. Later on, additional categories were included: new business processes development and improvement, search of advanced ways for interior resources modernisation (human resources), institutional forms improvement managing tourists' flows and etc.

Needless to say, that innovation is related to creating something new, but it does not mean that that this should imply creativity - the change itself could be an innovation. From this point of

view, existing ambiguity and broad interpretation of concepts, evidence the existence of different approaches. These differences need to be understood and assessed before any other attempt is made to apply a unified innovation analysis system; versatility is very important in this case. Such a unified analysis system should conclude the various discussions among innovation researchers on research into the concept of innovation (Hassanién, Dale, 2012; Hjalager, 2002, 2010).

For instance, the research carried out in Spain shows that definition of innovation concept is related to „services which are innovative“, especially in tourism sector. Hence, technologies, especially those related to information systems (Internet), undoubtedly have enormous impact. Scientists from Germany related innovations themselves to innovative activities measurements. Italian researchers see innovations through relation of new technologies and service innovation, in other words, through innovations in services and innovations in other branches of economy. Norwegians for instance, focus more on technological innovation in small and middle size organisations activities and the manifestation of innovation activities themselves. French researchers describe innovation analysing associations which express themselves when implementing new technologies and alternations in innovative service processes, sometimes with extremely radical changes. It is important to note that innovations could manifest in services without any new technologies implementation to these services (Bryson, Monnoyer, 2010).

There exist at least three types of innovations: product, process and organisation (Bryson, Monnoyer, 2010).

Another very important factor is that modern organizations are learning organizations that encourage their members to be innovative. Thus, modern society and modern organizations are focused on constant change (Svagdiene, Jasinskas, Fominiene, Mikalauskas, 2013). Thus, an innovation occurs as the essential one in perception of production and reproduction processes in economy system.

Literature on services gives two forms of innovation. The first one is essential and often expressed on not grounded basis asserting that the essence of all types of innovations is transfer from processing industry to services. The other form reviewed in literature assures that theoretical ratio between service activities and innovation is of vital importance (Bryson, Monnoyer, 2010; Chai, Yap and Wang, 2011; Hjalager, 2002, 2010; Janeiro, Proenca and Conceicao Goncalves, 2013; Sakarya, 2014).

Mulej et al. (1997) identified 11 factors encouraging innovations. Nevertheless, the authors created such an equation which implies all obligatory factors for innovation occurrence:

$$\text{Innovation} = \text{invention} \times \text{entrepreneurship} \times \text{integrity} \times \text{management} \times \text{communication} \times \text{culture} \times \text{competitors} \times \text{consumers} \times \text{external factors} \times \text{environment} \times \text{coincidence}$$

Each of these factors could appear as an obstacle to innovation and each of them is impacted on the activity itself or implemented organisation policy (Mulej et al., 1997).

Naturally, leisure organisations do not create innovations related to new challenges but integrate proposed and existing innovations where new services are offered or the existing ones are developed. Frequently innovations are characterised as services, products or processes focused on customer's benefits or favour; they are new for an organisation itself and require new competences.

Theory of innovation in leisure services backs on four major principles. The first, when innovation is caused by various factors, this could be done relying on customer's interior factors or motivated by internal (i.e. changes in attitudes) or external (i.e. increased length of leisure time or increased income) factors. The second principle is related to new activities providing opportunities to a consumer's improvement,

renovation of former interests and reconstruction of such a consumer's identity. The third principle of innovation theory is related to a customer's wish to be exclusive in the same type of innovation – that means that every customer seeks new activities for perfecting himself or saving himself. Finally, the fourth innovation theory principle proves that occurrence of new types of activities strengthen consumers' health, makes customers' feel active, dynamic, vital and courageous (Nimrod & Kleiber, 2009).

The research proves that an innovation in leisure industry is not a rare phenomenon, as it was thought previously (Naranjo-Valencia, Jimenez-Jimenez & Sanz-Valle, 2011; Nimrod, 2008; Nimrod, Janke & Kleiber, 2009; Liechty, Yarnal & Kerstetter, 2012).

Many researchers assert that application of innovations in leisure services creates favourable conditions for the growth of every single individual, gives satisfaction and new knowledge. Besides, most of the researched confirm the first principle of innovation theory – internal motives determine appropriate choice of leisure activities, thus the researched eagerly seek active forms of leisure for their needs satisfaction (Naranjo-Valencia, Jimenez-Jimenez, & Sanz-Valle, 2011; Nimrod, Janke & Kleiber, 2009; Liechty, Yarnal & Kerstetter, 2012).

It is evident that the third principle of innovation theory proved that innovations in leisure provide opportunities to renovate former interests of a customer and reconstruct his identity. Research respondents relying on various active leisure innovations evaluated themselves as more „spontaneous“, „independent“, „competent“, „self-confident“, „adventurous“. The third principle of innovation theory is related to customer's determination to be exceptional in the same type of innovation – that means that every customer seeks new activities for perfecting himself or saving himself. The researched did not hesitate to use leisure innovations for self identification on a certain level of physical abilities, intellectual competences or community values. Other innovations are associated with new activities and opportunities. Disregarding the fact that research results absolutely justified this principle of innovation theory, many research participants confirmed both principles of active leisure innovations (Alexander, Martin, 2013; Hjalager, 2002, 2010; Liechty, Yarnal & Kerstetter, 2012).

Finally, research results obtained by G.Nimrod & S.Hutchinson (2010) approve the proposition that innovations meant to strengthen health could cause certain misunderstand, however, individuals always can find proper solutions. In other words, the results obtained create preconditions for further development of innovation theory and become the good basis for perception of the experience in existing leisure activities. The research results broaden innovation theory as innovation experience creates conditions for new innovation emergence. Accordingly, those who have experience in creating new leisure services feel more confident and could be more motivated in their activities.

On the other hand, the obtained results cannot summarise in detail the presented principles of innovation theory. Further analysis of innovation significance, its causes and results should be researched among different layers of population. It could show, for instance, how social factors impact on innovation applications in leisure services.

The presented innovation characteristics explain it from a mere change in its composition to service presentation on service lines, adding servicing components or differentiation of the service itself. Successful innovation which is also beneficial for very competitive leisure sector has to increase the value of such a service. Many leisure service providers participate in creating the content of such services and their experience. Such a situation requires vertical communication, as customer's qualitative assessment of such services depends on total perception of service quality. Innovation and management processes create favourable conditions for implementing such

innovations into practice (i.e. idea generation, service model application in practice). However, this often causes problems.

Recent research on leisure services (Eisingerich, Rubera & Seifert, 2009; Tajeddini, 2011) proved that obligation to develop connections between organisations have a positive effect retaining the significance of innovations in such organisations. When obtaining knowledge and ideas from partners such organisations identify potential innovation, improve solutions and effectively manage their own behaviour.

3 Methodology and research findings

Innovation plays a significant role in our economy, encouraging the growth of business, creating competitive advantages and finally, improving the quality of life (Eisingerich, Rubera & Seifert, 2009; Hjalager, 2002, 2010). Entrepreneurial organisations continuously search for innovations and innovative ways of doing business that provide a competitive advantage in the market. Leisure services embody activities organised by companies and organisations. For instance, these could be festivals, fairs organising companies, film making and showing companies, body training and sports clubs, computer games, design or architecture companies. Services could be analysed as essential principles in service sector, as essential principles in business services and also as essential marketing principles applied in production (Chai, Yap and Wang, 2011; Duobiene, Duoba, Kumpikaite-Valiuniene, Zickute, 2015; Liechty, Yarnal & Kerstetter, 2012). Bearing in mind that innovations in leisure activities are developed in different ways and are of different content and scope, researchers turn to the existing innovation systems. In such systems organizations try to cooperate on various levels aiming to develop leisure product, services and processes (Hu, Horng & Sun, 2009). Activities based on cooperation, are vitally important as they impact customer's behaviour, market environment where leisure service organisations have to function in a successful manner.

Considering the above, it is essential to background on systemised - the so called first and second service sectors. The first sector is formed of organisations having the major aim to produce services. The second sector consists of agricultural, production and services companies relying on experience which helps them to present services and marketing tools. Accordingly, innovation system is divided into two sectors.

In leisure services sector organisations are public and private. Most of public organisations, especially in culture sector, are of mixed composition. Public institutions such as museums, theatres, clubs, broadcasting companies etc. adapt their activities up to the market conditions. Public organisations – municipalities provide services as specific mechanisms. Aiming to perceive integral economy, it is necessary to focus on public institutions as to the “third sector” of the system (volunteers organisations and non-formal volunteer groups), and also on private firms. Innovations in public institutions and volunteer associations are also included into innovative systems (Alonso & Liu, 2012; Chai, Yap and Wang, 2011; Sakarya, 2014).

Thus, what constitutes the content of innovative system? Innovative services and factors, related to innovations? Essential indexes, embodying the integrity of these three elements are the following: market demand, innovative efforts and technology.

Successful development and application of innovations frequently relies on scientific research and modern technologies, thus, their specific trajectory has to be defined. Innovative system conception usually indicates instrument which could help a researcher to identify it and a practitioner, considering all economic capacity, to implement this innovation and strengthen his position on the market.

Position of innovation systems implies certain principal indications of innovations. Indications usually reflect some constitutional parts of innovations and direct further ways of their development. For instance, technical laboratory tools illustrate the type of innovation or idea, where people sitting by

computers create new computer games. This is an indication of innovation. The innovation itself has been improved until it is applied in practice; however, its developmental process is limited by tools. An indication in most cases is identified with tools and technical opportunities make a start for innovation process (Eisingerich, Rubera & Seifert, 2009; Hjalager, 2002, 2010).

Factors usually are technological, psychological, sociological, artistic and could be presented in the following way:

- Technological (technological opportunities)
- Artistic creative (individual creativity)
- Collective creative (problem solving)
- Entrepreneurship (to act or to go further with the activities started)
- Competences (management, projecting, work, application of competences)
- Perception (customers perception, further market developing systems) (Eisingerich, Rubera & Seifert, 2009; Hjalager, 2002, 2010).

It is absolutely evident that further growth of leisure services sector will depend to great extent on the level of economic development. Similarly, the society will demand certain tools which could strengthen the impact of innovations and equally the growth of sustainable economy. This could be successfully achieved with the existence of innovative systems (Nimrod, Janke & Kleiber, 2009; Liechty, Yarnal & Kerstetter, 2012).

Political interest prevails aiming to identify innovation. Innovation system conception shows a tool where a researcher could identify an innovation and a practitioner, considering its economic capacity, applied it seeking economic benefits. If the principles of sustainable economy are successfully developed further, a certain priority is obtained in innovation system implementation. However, we need to ask whether such an innovation system exists? Whether the concept of innovation system and appropriate theoretical principles exist when we are on the subject of sustainable economy? (Nimrod, Janke & Kleiber, 2009; Liechty, Yarnal & Kerstetter, 2012).

Innovation system conception - net even if it is objectively justified is a social construct. Such theoretical conception is developed and supported by scientists. Innovation system could be a certain object with very fragile walls. The phenomenon of innovation system embodies not only theoretical conception but something objective as well. The criteria of benefit usually does not mean objective existence of something, on the contrary, it is its applicability – research policy and production potential. Thus, the question could be specified a little: whether innovation system with appropriate tools could develop innovations and at the same time encourage the development of economy? (Bryson & Monnoyer, 2010; Sakarya, 2014).

When innovation research is carried out in leisure services, innovation systems are more difficult to identify, however, if it is done, it is done more free. Services are less actively impacted from technological point as production: services are often purely related to human behaviour. Services innovations very seldom rely on scientific research and developmental methods. That is why an innovation system has certain limitations when it is applied in services sector (Korotkov, McLean & Hamilton, 2011; Masso & Vahter, 2012; Naranjo-Valencia, Jime'nez-Jime'nez & Sanz-Valle, 2011).

In some cases in classical cultural surroundings, e.g. in the theatre we can observe an innovation system. That does not appear the same as in production, as every actor here contributes to general research and development program. Innovation system consists of the whole group of actors – actors themselves, directors, stage workers and other people who are temporary included into play, afterwards they act in another theatre, film or TV shows. They also spread new ideas. It could be asserted that application of innovation systems in leisure services has been rapidly developing. However, it needs further research for this

phenomenon application in a wide spectrum of leisure organisations management activities, as the scope of the research related to innovations is rather broad. Innovations in leisure services in many cases are likewise innovations in production but in some aspects they are different. Innovations in leisure services are less systematic than in production, seldom rely on research and prevailing developmental tendencies are more often focused on prompt practical ideas and employees and customers' participation. Service innovations tend to grow faster when they are improved, they are more integrated (product, process, presentation and market innovation) but they are less dependent on technologies (less of new behaviour). However, innovation process in services develops revolutionary and becomes more and more similar to production process (Masso & Vahter, 2012; Sundbo, Orfila-Sintes & Sørensen, 2007; Stebbins, 2006; Tajeddini, 2011).

The conception of sustainable economy has been developing recently alongside with increasing concern of scientists. Sustainable economy could be perceived as a new step in development of new dynamic sectors of economy. On the other hand, there could exist different theories extending the perception of „economic society“, starting from agriculture, industry, services and knowledge based society and ending with sustainable society. It is also worth bearing in mind that when a new economy sector emerges, the old one functions alongside as well (Kraft, Kraftova, 2012; Ma, Tan & Ma, 2012; Nimrod, 2008).

Innovation remains the essential subject in these sectors. However, innovations of product and innovation of services are different. Innovation process (the manner the innovation is developed) and crucial manner of innovation could be more or less similar. It is important to be aware how successfully innovation activities are organised in each sector where they seem to be quite similar comparing a new sector with an old one. Thus, naturally many questions arise (Chai, Yap & Wang, 2011; Hassani, Dale, 2012).

Why experience has become such a relevant issue and why innovation known in agriculture and industry has appeared so relevant in sustainability? Do some peculiarities exist in innovation experience distinguishing themselves from services innovations? Why exactly an innovation and other mechanisms of change e.g. critical art have become so essential to the society?

Shopping as one of active leisure forms follows certain experiences. The aim of service providing is customer's problems solving and sustainable industry has been looking for opportunities how to create such conditions for a customer that he could get appropriate service – sometimes it is named as trip for pleasure. „Sustainability“ embodies entertainment - the margins of which could be related to ignorance of reality or active efforts in sports. Examples of sustainable activities could be sports, art, culture (theatre, films, music, TV etc.), museums, tourism, cooking, design, architecture, computer games, entertainment with smart phones, advertising. Sustainable surroundings embody activities specified as cultures (Du Gay & Pryke, 2002) and creative industries (Caves, 2000) concepts.

Growing demand of sustainable services in the society urges for certain theoretical background. Here, traditional economy theory foundations could be backed up defining sustainable economy as offering services up to customers' needs and experience, therefore such market becomes marketable as prices reflect how much of such services are needed and how they interact with market offer. From functional and social point of view, sustainability is an indicator where society's needs are directed to its own integration, to a certain power system or other structure (Tajeddini, 2011; Trott, 2008; Wang & Wang, 2012; Zach, 2012; 2013).

The extent of consuming enables to differentiate or to identify with others. For instance, adventurous tourism will belong to one group and opera to another, while soap operas to completely

different group. However, from functional and historical point of view such essential and universal everlasting explanations automatically could not be weighty and predict the future. A simplified explanation is that modern man is boring as life does not require great efforts from him. Sustainability should reduce boredom. Such preposition emphasises innovation as the essential index of sustainable economy. It could happen that this phase of life busting and boredom suppression could be short. The next step will be looking for various activities and life meaning, shorter working hours, more environmentally safe products and services, much more informal interaction with family and relatives. From this point of view, organisations aiming to remain competitive will have to apply innovations actively in leisure services. It could be pointed out that greater demand for leisure activities is defined by several factors: social status, life meaning and psychological satisfaction when realising yourself. It is temporal as it is grounded on fundamental psychological needs and social factors of human's life (Alonso & Liu, 2012; Chai, Yap, and Wang, 2011; Hassanien, Dale, 2012; Hu, Horng & Sun, 2009; Lopez-Nicolas, Merono-Cerdan, 2011).

On the other hand, organisation's efforts to develop innovations are often related to its creativity in expressing actions. Here efforts of every single individual become essential. The real concern of the society manifests when sustainable development becomes concern of entrepreneurs themselves, in other words, an enormous effect is achieved when an innovation is massively organised and provided by many organisations, accordingly creativity becomes that distinctive indicator in innovation. Creativity is a provision implying various characteristics; it is an individual factor related to education and intelligence. Creativity was once analysed as organisational factor, collective process, more or less naturally functioning in an organisation when problems need solving; or as management object: beneficial factor which could be controlled. Creativity could be seen not only as functional organisation factor but also as a process creating meaningful feeling (Liechty, Yarnal & Kerstetter, 2012; Naranjo-Valencia, Jime'nez-Jime'nez & Sanz-Valle, 2011; LaPierre & Giroux, 2003).

Information technologies (IT) generally provide plenty of opportunities for sustainability of new types and innovations in leisure activities. Such types are associated with IT net where various tools could become a massive product or service when systemising innovation process, making it more efficient. Some technologies are old fashioned like radio, films, TV technologies. Others are new - computer games technologies, i-Pods, Internet and technologies of smart phones. New technologies open the way to massive services providing - it is called an innovative effort (LaPierre & Giroux, 2003; Sundbo, Orfila-Sintes & Sørensen, 2007; Podsakoff, MacKenzie & Podsakoff, 2012; Trott, 2008; Wang & Wang, 2012).

Social aspects of IT possibilities have specific character in sustainable economy as IT are used for virtual reality creation. For instance, the Second Life is virtual economy world where people trade, create companies, organisations, consume. They have artificial money and market. It is not a free game as to form a company or an organisation you need money and artificial money could be changed to real money. This is an indication that technological opportunities could create conditions for new social practices. Besides, it evidences that innovations could have several sources. Most of reality innovations are implemented by consumer groups and are implemented into formal economics. Such innovations could be characterised as social constructions, however, they are dependable on technological opportunities (Paget, Dimanche, & Mounet, 2010; Podsakoff, MacKenzie, & Podsakoff, 2012).

Issues related to „services and innovations“ form a huge research field and undoubtedly that further research will obtain more and more significance here. That is the concern of European Commission and European Union countries.

While reading this article one can get an impression that everything and anything could be explained applying the definition of innovation. Particularly this has been a problem of nowadays researches. As plenty and variety of innovation types have been existed now, the research field is open for research and the problem related to various types of innovations has become even more evident. This evidence is fatal to researchers as they could be trapped when analysing innovations of clear evidence and ignoring other forms of innovations. A significant statistics problem exists that might be helpful in analysing ways of innovation research. It could be that recent insufficient statistical assessment of qualitative indexes would be effective in regions; while quantitative approach tends to focus on technical indexes of innovations (Hu, Horng, & Sun, 2009; Korotkov, McLean, & Hamilton, 2011; Kraft, Kraftova, 2012; LaPierre, & Giroux, 2003; Liechty, Yarnal, & Kerstetter, 2012; Masso, & Vahter, 2012; Nimrod, 2008; Nimrod, & Hutchinson, 2010; Sakarya, 2014; Salomo, Talke, & Strecker, 2008; Wang, & Wang, 2012).

One of the realistic opportunities to proper development of innovation research is related to integral approach. Such approach would not only be helpful in explaining an interaction between goods and services but also would provide an explanation on daily life and interaction between goods and services. Process innovation as well as technical innovation alternate and impact on current working experience of a customer.

Leisure service innovation is a new research object. Linguistic boundaries existing in Europe provide a background for emergence of new and generalised articles appearance where various ideas have to be perceived and successfully developed in joint European researches. Linguistic constructs partially explain differences arising in the conclusions of researchers from different European countries. These conclusions are often related to economic differences in the European Union countries.

In social sciences leisure services innovations imply some controversial features. It is not only a case – service innovation has established itself as a serious research field with its own theoretical and empirical literature. It is interesting to note that the most active scientists working in this field are Europeans and their scientific potential is effectively developed.

4 Conclusions

Innovation is essential in perceiving production and reproduction processes in economy. The essence of innovation is characterised backing up on of the following constituents: creation of new or improving of existing product or service, perception of new product creation processes, creation of new markets to offer and new markets to sell, organisation's reorganisation and/or restructure.

Content of innovation system is composed of essential indexes embodying the entirety of the three elements: market demand, innovation efforts and technologies. Innovation system conception indicates a tool that a researcher could identify and a practitioner, considering its economic capacity, implement it and at the same time strengthening his position in the market. The following six indicators of innovation systems are identified: technical laboratory, artistic laboratory, internal entrepreneurship, external entrepreneurship, social net and storytelling. Indicators reflect certain constituent parts of innovations and tools which could help to develop innovation. Indicators are usually identified with tools and technological opportunities start innovation process.

Sustainable economy provides offer on the market considering customers' needs and experience, that why such market becomes marketable, as the price reflects how much and what services are needed and how they interact with market offer. Here, organisations that want to remain competitive will have to apply innovations in leisure services. Extended demand for leisure

services is characterised by several factors: social status, life meaning, and psychological satisfaction in self-realisation.

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Primary Paper Section: A

Secondary Paper Section: AE