

# THE INFLUENCE OF THE DIGITAL REVOLUTION ON STRATEGIC INNOVATION SUCCESS IN CHINESE HOTELS: A SYSTEMATIC EXAMINATION OF CORPORATE AGILITY IN THE DIGITAL ERA

**<sup>1</sup>Chen Jun Jun, <sup>2</sup>Srikrishna Banerjee**

*<sup>1,2</sup>Lincoln University College, Petaling jaya Selangor Malaysia*

**Corresponding Author:** Chen Jun Jun

**To Cite This Article:** Jun, C. J., & Banerjee , S. (2025). THE INFLUENCE OF THE DIGITAL REVOLUTION ON STRATEGIC INNOVATION SUCCESS IN CHINESE HOTELS: A SYSTEMATIC EXAMINATION OF CORPORATE AGILITY IN THE DIGITAL ERA. Journal of Advance Research in Applied Science (ISSN 2208-2352), 11(1), 106-111. <https://doi.org/10.61841/xq6p3j59>

## ABSTRACT

*Utilising the systematic review method, this piece examined how Chinese hotel strategic innovations' performance was affected by the rise of digital technologies. One unavoidable component toward staying one step ahead of the ever-increasing speed of technological advances was the need for organisational agility. The existing literature review scanned online databases for published studies from 2020–2025 that discussed digital evolution, creativity, and organisational agility among Chinese hotel firms. Ensure quality and relevancy, data was pulled from large databases and winnowed by the implementation of strict inclusion as well as exemption criteria. Get one step ahead better compared to the rest of the completion, Chinese hotels adopted statistical analysis, cell phones, as well as artificial intelligence (AI) functions. Corporate agility was revealed as one ingredient toward the success of the digital revolution. Chinese Hotels managed to cope with changing conditions from the market by introducing trendy technologies, satisfying their customers' demands better by implementing the value of agile organisational structures. Innovation was evidenced by leadership's commitment, employees' mastery, as well as digital culture according to the review. By means of adaptability as well as service differentiation, Chinese hotels possessing digital attitudes as well as leadership adaptability managed to outperform. Nevertheless, gaps continued to persist among small hotel training programmes alongside digital resources. Flexible administrating, digital spending, as well as continued education, are still required to innovate regularly during the digital age according to the systematic review. From the data compiled from Chinese hotel observations, the study was able to identify an intrinsic relationship among digital transformation, organisational agility, as well as the performance potentiality of innovate developments.*

**KEYWORDS:** *Digital revolution; Strategic innovation success; Chinese hotels; Corporate agility; Digital era.*

## INTRODUCTION

Chinese hotel operations and competition have been impacted by the revolution in technology. It has developed innovative technology that have enhanced productivity, and the quality-of-service customers get. With the use of digital technologies such as robotics, massive amounts of data, and artificial intelligence (AI), hotels were able to reach better judgements more quickly. The advancement of these technological advances paved the way for new approaches to administration, promotional activities, and operations. To cater to their customers' individual tastes, hotels in China started using online resources to collect data on their stays. Customers were more satisfied and loyal because of this change (Sungthong et al., 2025). Organisational cooperation and adaptability were also fostered by the digital revolution. In response to shifting consumer preferences, hotels become more flexible. The way that Chinese hotels employ digital transformation today determines the innovation performance of the hospitality business. Several Chinese hotels who were first to embrace digital technologies had a significant edge over their competitors. There is no denying the correlation between innovative success and digital advancement. With everything considered, the accomplishment of strategic innovation in Chinese hotels is largely attributable to the digital transformation. Agility for problem-solving as well as idea-integration will improve for companies with an agile approach. Chinese hotel success or failure today was associated with the pace they embraced change and altered their procedures to meet digital demands. Agility helped with goal-attainment, learning, as well as teamwork. Higher agility correlated with customers' satisfaction as well as hotel experiences that are inventive in China. Overall, Chinese hotel adaptational organisational designs assisted them to thrive even during the digital revolution, proof of their success during strategic innovations (Alnasser et al., 2025). To be effective during an increasingly changing industry, corporate agility during the digital era has been extremely crucial. Chinese hotel brands are facing fast digital changes, with the implication of leveraging technologies to complement customer interactions, simplify things, as well as serve changing demands. Innovative technologies like payment methods online, smart rooms, as well as reservations made through smartphones allow them to change fast. Prioritise customer demands, Chinese hotels make innovations, adaptive strategies, as well as data-based decisions key. They can cope with market disruptions, complementing service quality, as well as experiencing balanced growth during the turbulent digital economy tourism industry of China due to their ability to be agile.

## BACKGROUND OF THE STUDY

Every industry on the planet has been affected by the digital revolution. It has revolutionised the hotel business in China, making it more customer-centric and tech-driven. Chinese Hotels now manage, contend, and develop differently because of the fast growth of digital platforms, AI, statistical analysis of data, and smartphone apps. Improved client relations streamlined processes and different kinds of businesses are the results of Chinese hotels' use of cutting-edge technology. Advantages and threats for strategic innovation and organisational agility have emerged because of this shift. The Chinese government's push for digitisation and innovative tourism has coincided with rapid digital expansion in the country's hotel sector. Customers in the nation are also demonstrating a high degree of digital acceptance. All hotels now accept digital payments, provide cashless services, and allow guests to make reservations digitally (Liu et al., 2024). Because of this, digital capacity is now one of the most important success factors. To be innovative over the long run, hotels need to change more than just their technology; they need to rethink their whole business model. Corporate agility is crucial to this method of operation. It denotes a company's capacity to adapt efficiently to shifting circumstances in the digital landscape. Responding to marketplace changes, customer demands, and technology upheavals is what Chinese hotels understand when they talk about agility. Chinese Hotels that are flexible in their use of digital techniques may boost their efficiency and delight their guests with innovative ideas. Digital transformation initiatives run the risk of falling short if agility is lacking. The effectiveness of strategic innovation depends on Chinese hotels' use of digital technology and adaptability in management (Li & Lv, 2021). Numerous smaller and mid-sized Chinese hotels suffer with technological expertise, costs associated with implementation, and resistance to transformation. However, huge Chinese hotel companies have made significant investments in robotics and digital administration. This uneven trend highlights the need to examine digital evolution, corporate agility, and successful innovation.

## PURPOSE OF THE RESEARCH

This study attempted to do just that by methodically review the literature on how corporate agility has performed in the modern digital age and how the digital revolution has affected the achievement of strategic innovations in Chinese hotels. With the goal to detect significant developments, developments, and inadequacies in the present investigation, the investigation intended to collect, evaluate, and synthesise results from peer-reviewed publications. Its goal was to learn how digital transformation projects in China's hotel sector affected innovative capacities and edge over competitors. The review proceeded even beyond, looking at how organisational agility mediated the relationship between technology upheavals and market shifts, making hotels more responsive. The study aimed to provide a thorough knowledge of the connection between digital advances, agility, and innovation results by combining knowledge from prior experimental and conceptual investigations. In addition to laying the groundwork for prospective strategic uses and experimental studies, this systematic review attempted to accomplish the same thing.

## LITERATURE REVIEW

There is a vast spectrum of businesses in the hospitality sector, from little individual businesses to massive multinational corporations that comprise integrated complexes. Several companies have proven quick to adopt emerging technologies, especially at the consumer interaction level, whereas some have been more sluggish to react, illustrating how similarly varied adoption and effect of digitalisation throughout the sector. Foster the high-quality growth of the tourist sector and

remodel its ecosystem, technological advancement has grown into a strategic decision. Defining the elements and mechanisms that motivate digital creativity in the travel sector is crucial in the emerging digital marketplace. The changing function of an Information Technology (IT) approach in the digitisation procedure was examined in a prior study that examined how digitalisation has impacted the tourism industry. The results showed that the IT strategies used by the organisations evaluated had a vastly different impact on the digital transformation process (Wynn & Lam, 2023). The following characteristics were determined via the examination of conversation materials as crucial for effective digitalisation: business agility, personnel flexibility, technological control, a transparent data environment, and guaranteed privacy and security. In addition to serving as an outline for senior IT experts in the field, the practical framework, and the recognition of critical features for effective digitalisation have helped facilitate the growth of associated concept. A prior study used literature reviews to develop a theoretical approach outlining the many elements that encourage digital innovation in the tourist sector (Chen et al., 2024). The findings demonstrated substantial differences in the degree of digital innovation patterns in the tourist sector throughout the 31 provinces of China that were chosen for this study. The primary elements propelling digital innovation in China's tourist sector include industry-to-industry enhancement, industry-to-industry rivalry, legislative backing, the setting for technological innovation, the country's financial stability, and the digital technology landscape. The sector's digital innovation is being propelled by variables such as the size of the marketplace, online shopping platforms, and connectivity to the internet. The internal logical structures of digital transformation in five-star and low-cost hotels were compared in previous research that employed an extensive qualitative method. The results showed that the level of digital change integration has been selected by top management, the level of involvement is determined by hotel businesses, and the degree of adoption is determined by technological interoperability (Yang et al., 2024). Customers' perception gaps, resulting from three ingestion shortages and avoiding products, were validated by the research as the road of digital transformation. As an empirical basis for unravelling the in-depth decisions and emotional interaction stages, ranging as well as other hotel settings under the micro viewpoint, this research presented an empirical paradigm for digital transformation dissemination.

## ➤ INCLUSION CRITERIA

**Geographic and Industry Focus:** To ensure relevance to the regional and industry-specific context, research only focused on literature works based on Chinese hotels, specifically one within the hospitality sector were selected.

**Key Concepts Covered:** The studies which investigated the correlation between digital transformation and the success of strategic innovation, emphasising the need for organisational flexibility in the digital age were chosen.

**Publication Type and Language:** To ensure scientific accuracy and contemporary validity, only peer-reviewed publications in journals, conference proceedings, and educational theses issued in English from 2020 to 2025 were considered.

## ➤ EXCLUSION CRITERIA

**Non-Hospitality Industries:** Studies focussing on other industries were excluded to maintain relevance to the hotel and hospitality sectors.

**Geographic Irrelevance:** To maintain contextual accuracy, studies not centred on Chinese hotels or undertaken outside of China were omitted.

**Lack of Core Focus:** Publications that did not explicitly discuss the digital evolution, strategic innovation success, and corporate agility were excluded, regardless of their relevance to Chinese hotels, to ensure consistency with the investigation's objective.

## RESEARCH QUESTION

- What is the impact of digital revolution on strategic innovation success in Chinese hotels considering corporate agility in the digital era?

## RESEARCH METHODOLOGY

A systematic review was conducted for the research.

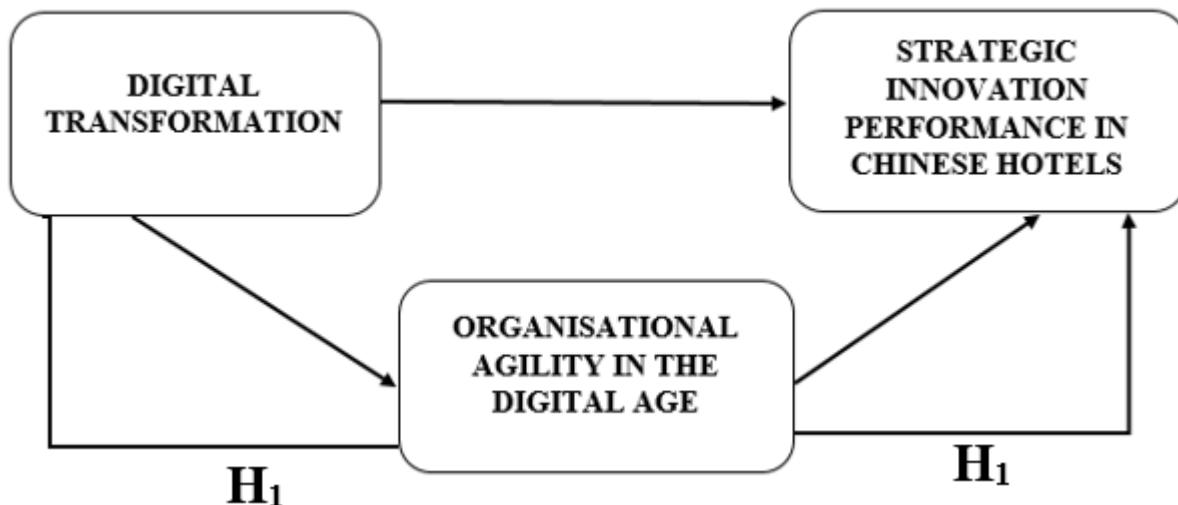
## RESEARCH DESIGN

The impact of the digital revolution on strategic innovation success in Chinese hotels was investigated using a systematic analytic technique, with a focus on the mediating function of digital-age corporate agility. From 2020 to 2025, resources such as Scopus and Web of Science were used to get peer-reviewed papers, web pages, and research articles. Methods such as systematic filtering, coding, and analysis were used to discover patterns, gaps, and theoretical frameworks in the study. This allowed for an in-depth comprehension of how digital agility affected the digital growth of China's hotel business.

## DATA AND MEASUREMENT

For this study, researchers combed through peer-reviewed journal articles, business reports, and empirical studies published between 2020 and 2025 for the information that were needed. Notable features included digital transformation traits, corporate agility, and the success of strategic innovations in Chinese hotels. The papers were evaluated employing theme coding, evaluation of content, and frequency mapping. The selection of the research was based on the PRISMA standards. Because of this, they knew the literature they chose was solid, applicable, and uniform.

## CONCEPTUAL FRAMEWORK



## RESULT

### ❖ INDEPENDENT VARIABLE

- **DIGITAL REVOLUTION:**

When people talk about the "digital revolution," they are referring to the time when the financial system is no longer based on analogue methods but on technological advances. Computing, the web, and other forms of technological innovation really took off in the latter part of the twentieth century. With the advent of mobile devices, AI, cloud-based computing, and vast amounts of data, this transformation was expedited, leading to increased worldwide connectivity and easier accessibility to knowledge (Knell, 2021). Automation, internet banking, electronic commerce, and freelance employment were all made possible by the digital revolution, which increased productivity and opened new markets for businesses. The use of digital technology increased the provision of services and increased availability of knowledge in the fields of health and schooling. The way people communicate, and exchange thoughts internationally has been revolutionised by social media and technology for communication (Bauer et al., 2021). But there are also downsides to the digital revolution, including worries about confidentiality of information, risks related to cybersecurity, and the widening gap between industrialised and poor countries in terms of internet access. Regardless of these concerns, technology keeps influencing businesses and cultures, which in turn encourages creativity and opens new possibilities.

### ❖ MEDIATING VARIABLE

- **CORPORATE AGILITY IN THE DIGITAL ERA:**

The way quickly and efficiently a business can adapt to change is referred to as corporate agility. Because of the prevalence of digital media, this skill is crucial. Both markets and technological developments are changing at an incredible pace. Success and expansion depend on a company's ability to adapt. Businesses can respond more quickly with the use of digital technologies like machine learning, cloud-based computing, and AI (Salmela et al., 2022). In addition to facilitating creativity, they enhance interpersonal relationships and decision-making efficiency. Businesses that practise agility generate informed decisions and course corrections based on data. On top of that, they form groups where members collaborate and gain knowledge by doing. Technological innovation is simply one aspect of Corporate Agility. This is also about fostering an environment where people are eager to acquire knowledge and capable of thinking on their feet. It is essential for businesses to be adaptable and risk-taking. They should have executives that encourage creativity and give workers agency (Abood et al., 2024). Enterprises may maintain their edge over competitors in the current dynamic marketplace by demonstrating agility. They can adapt to changes, provide greater service to clients, and continue to develop despite the uncertainty of the circumstances. Companies that are agile adapt quickly. Because it knows what is coming, it can confidently adjust.

### ❖ DEPENDENT VARIABLE

- **STRATEGIC INNOVATION SUCCESS IN CHINESE HOTELS:**

In Chinese hotels, strategic innovation involves employing novel concepts and techniques to enhance guest experience. As a result, hotels are better able to adapt to the dynamic hospitality industry. The application of analysing information, innovative technology, and online resources has helped numerous Chinese hotels provide superior service to their guests. Moreover, innovation may be seen in newly developed company structures (Zhuofan & Nowalid, 2024). While certain hotels prioritise environmentally responsible procedures, other establishments use online resources to attract a larger number of clients. Innovation in leadership and the instruction of staff both contribute to an improvement in product and productivity. Administrative collaboration, and an awareness of the requirements of the target audience are essential to the achievement of strategic innovation. There is a competitive edge for hotels that can swiftly react to trends and make extensive use of technologies. Within the rapidly expanding hotel industry in China, innovation is not an option but rather

a need (Gu, 2023). Within a climate that is very intensely competitive, it assists hotels in developing strong companies, increasing profitability, and preserving the commitment of their customers.

### • RELATIONSHIP BETWEEN DIGITAL REVOLUTION AND STRATEGIC INNOVATION SUCCESS IN CHINESE HOTELS CONSIDERING CORPORATE AGILITY IN THE DIGITAL ERA:

Chinese hotels now contend on a different level thanks to the digital revolution. It brought developed novel innovations that improved productivity and interaction with clients, such as mobile applications, massive data sets, and AI. With the use of these digital technologies, Chinese hotels may learn about their customers' tastes, tailor the experience to everyone, and simplify their processes (Xu et al., 2024). The effective use of these technological developments will determine the strategic innovation effectiveness of Chinese hotels. Increased visitor numbers and a better reputation for the business are attracted to Chinese hotels that use innovative technologies and online advertisements. Saving money while generating better decisions with knowledge from data are two more benefits of innovation. A crucial component of this procedure is the adaptability of the corporation. When it comes to emerging innovations and shifts in the industry, agile hotels can adjust fast. When compared to more conventional Chinese hotels, they are quicker to educate employees, change tactics, and adopt fresh concepts (Jasim et al., 2024). Consistent progress and lasting prosperity are fostered by this adaptability. Chinese hotels can successfully implement strategic innovations thanks to the digital revolution and the agility of their corporations. They can match the demands of contemporary guests and remain profitable as a result.

Considering the above discussion, the investigator has formulated a subsequent hypothesis to evaluate the relationship between digital revolution and strategic innovation success in Chinese hotels considering corporate agility in the digital era:

- *"H<sub>01</sub>: There is no significant relationship between digital revolution and strategic innovation success in Chinese hotels considering corporate agility in the digital era."*
- *"H<sub>1</sub>: There is a significant relationship between digital revolution and strategic innovation success in Chinese hotels considering corporate agility in the digital era."*

The systematic review identified an extremely strong positive correlation between Chinese hotel strategic innovation profitability and the digital revolution. The information testified that information-based decisions have been facilitated by digital technologies, operational efficiency enhanced, and the client satisfaction improved. The study determined that organisational agility was an intermediary that assisted Chinese hotels to react timely to changing dynamics within the market and technological issues. The researchers established that organisations whose management approach is more agile, whose methods are more adaptive, and whose adoption of the technological is greater were better placed to innovate and compete. The review also established that Chinese hotels whose digital technologies have an emphasis on focus as well as an adaptive environment were better placed to perform better with their desired process for the work. The need for the urgency to innovate is highlighted by the digital revolution, as is the need for the urgency for the process of the strategic decisions, the study established. The goal for the study was to provide an integrated overview of how digital transformation, facilitated by an agile firm process, assists Chinese hotels to compete better within the ever-changing tourism industry through strategic innovation.

The results of the systematic review determined that the "*H<sub>1</sub>: There is a significant relationship between digital revolution and strategic innovation success in Chinese hotels considering corporate agility in the digital era*" was accepted, and the null hypothesis was rejected.

## DISCUSSION

Research into the influence made by the digital revolution on Chinese hotel innovation strategy was the objective of the systematic review. The procedures and customer relations of the firm were transformed by digital technologies was found by the systematic review. Data analysis, smartphone programmes, and artificial intelligence are among the common uses by Chinese hotel organisations. The customer relations were made efficient, and the judgement was accelerated by the new technologies. The adoption by hotel organisations also enabled them to formulate news business strategies capable of matching the needs of modern tourists. The reformation appears to be prompted significantly by organisational agility. Hotels that had been more aggressive had been better positioned to take advantage of the changes made to the digital environment. They had been faster to react to shifts in consumer demand alongside market conditions. The experts were most likely to innovate and collaborate where management had employed the agile practices. Key success factors, according to the review, were knowledge about technology and dedication from management. According to the study, Chinese hotels that were able to adapt their tactics to digital changes reaped the most rewards. Their innovation outputs were more effective, and their client retention was greater. Still, there were several obstacles that the review found. Challenges that some hotels encountered included a lack of digital expertise, budgetary restrictions, and aversion to change. Investing in innovative technologies proved to be more challenging for small hotels. Innovations decreased down in several situations because employees were not professionally trained. Technology is essential, but it is not sufficient, as the review pointed out. Both the company's culture and the employees' preparedness were critical. Hotels that prioritised continuous learning and flexibility were better able to manage the digital revolution. According to the results, human and technology variables must collaborate for digital advancement in Chinese hotels.

## CONCLUSION

The research concluded that the effectiveness of strategic developments in Chinese hotels was significantly influenced by the digital transformation. Digital technologies enhanced productivity and making choices, according to the systematic review. Quicker management of client demands and more imaginative designs for services were hallmarks of Chinese hotels that embraced digital platforms. The application of technology in both leadership and execution has boosted adaptability and decreased expenses. This change was greatly aided by organisational agility, according to the review. Quicker adaptation to digital innovations and marketplace upheavals was a hallmark of agile Chinese hotels. They demonstrated more robust innovation results and higher levels of satisfaction with clients. According to the findings, agility was a link between effective innovation and digital evolution. Adaptable Chinese hotel architecture fared better in the face of technology upheavals. The results showed that digital preparedness was improved with the help of management's backing and education for employees. The rate of invention was also enhanced via working together across departments. In the digital age, the research found that agility and digital innovation were the keys for accomplishment in China's hotel industry. Consistent investment in digital technologies and an environment of adaptation was highlighted as critical to long-term innovation success. The relation between the digital transformation, organisational agility, and tactical innovation effectiveness in Chinese hotels was shown in this systematic review, which provided both intellectual and practical support.

## REFERENCES

1. Abood, B., Al-khalidi, A., Abdulhasan, M., Thomas, S., Naqvi, S., & Radar, A. (2024). Corporate Agility and AI: Enhancing Adaptive Strategies for a Dynamic Technological Landscape. 1090-1094.
2. Alnasser, E., Alkhozaim, S., Alshiha, A., Al-Romeedy, B., & Khairy, H. (2025). Intellectual capital and organisational resilience in tourism and hotel businesses: do organisational agility and innovation matter? Current Issues in Tourism, 2649-2669.
3. Bauer, P., Dueben, P., Hoefler, T., Quintino, T., Schulthess, T., & Wedi, N. (2021). The digital revolution of Earth-system science. Nature Computational Science, 104-113.
4. Chen, X., Li, L., & Ling, X. (2024). Research on Driving Factors of Digital Innovation in the Tourism Industry. SAGE Open, 21582440241304537.
5. Gu, S. (2023). Green innovation; a way to enhance economic performance of Chinese hotels. International Journal of Innovation Science, 406-426.
6. Jasim, T., Khairy, H., Fayyad, S., & Al-Romeedy, B. (2024). Digital leadership and creative performance in tourism and hotel enterprises: leveraging strategic agility and organizational learning culture. Geo Journal of Tourism and Geosites, 872-884.
7. Knell, M. (2021). The digital revolution and digitalized network society. Review of Evolutionary Political Economy, 9-25.
8. Li, Y., & Lv, H. (2021). The Dilemma of Digital Transformation of China's Hotel Industry and the Construction of Technology Platform: a survey of hotels industry in China. Proceedings of the 4th International Conference on Information Management and Management Science, (pp. 13-18).
9. Liu, Y., Wu, M., Lai, K., Zhang, J., & Wang, J. (2024). Strategic responses to market uncertainty: performance value of strategic agility and online-to-offline platform adoption. Enterprise Information Systems, 2292983.
10. Salmela, H., Baiyere, A., Tapanainen, T., & Galliers, R. (2022). Digital agility: Conceptualizing agility for the digital era. Journal of the Association for Information Systems, 1080-1101.
11. Sungthong, S., Meesook, K., Agmapisarn, C., Abror, A., Imjai, N., & Aujsirapongpan, S. (2025). Influence of Digital Transformation and Strategic Learning on Agility and Performance of Thai Hotels.
12. Wynn, M., & Lam, C. (2023). Digitalisation and IT strategy in the hospitality industry. Systems, 501.
13. Xu, M., Zhang, Y., Sun, H., Tang, Y., & Li, J. (2024). How digital transformation enhances corporate innovation performance: The mediating roles of big data capabilities and organizational agility. Heliyon.
14. Yang, Y., Xiang, K., Zeng, J., Au, N., Han, B., & Li, J. (2024). Digital transformation paradigm involved in high-star hotels and budget hotels: Sensory and innovation diffusion perspective. Tourism Management Perspectives, 101274.
15. Zhuofan, Z., & Nowalid, W. (2024). The Impact of Strategic Innovation on Hotel Performance in Nanchang, Jiangxi, China. International Journal of Accounting, 107-119.