

# Charting New Paths for the Tourism Industry and Post COVID-19 Adaptation Strategies in Hotel Operations

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## Abstract

The Coronavirus pandemic challenged businesses around the world, forcing everyone to review their business models and seek new adaptations for survival. The hospitality industry was one of the earliest industries affected as travel bans were imposed. Hotels and events centres were subsequently shut down. However, some hotels later re-emerged as quarantine centres and make-shift hospitals. Others adapted by providing food retail services amongst other innovations. The COVID-19 experience has had the cumulative effect of expanding the duty of care of hotels and imposing the need for more flexibility. These new realities are in turn likely to affect the hospitality market in such a way that hotels will increasingly become more 'hybridised' in the post-COVID-19 era. In contemplating new pathways for hotels in the post-COVID-19 era, this paper reviewed and re-interpreted the five stages of emergency preparedness for the hotel industry. The paper recommended that hotel owners/managers should consider the post-covid paths and embrace a more flexible approach to hospitality business, increase partnerships with hospitals, diversify to food retail services, take inspiration from the health spas and become more health oriented.

**Keywords:** Hospitality, COVID-19, Pandemic, Hotels, Health

## **Introduction**

Infectious diseases are fast becoming a global health concern in hotels and tourism related organisations. In 2003, incidents of Severe Acute Respiratory Syndrome and its effect on hotel performance were reported in several countries including Taiwan, Canada, Singapore and India (Tewet *al.*, 2008).

Despite the shocks and crises occasionally experienced by the tourism industry, reports indicate an overall resilience and continued developments that sustain tourism growth. The United Nations World Tourism Organization (UNWTO) showed that tourism experienced increased growth for ten (10) consecutive years since 2009 (UNWTO, 2019). However, in the first quarter of 2020, tourism faced an unprecedented decline in receipts due to COVID 19, further stressing the resilience of the industry.

As travelers returned from Asia to Europe after the Christmas and New Year holidays between December 2019 and January 2020, concerns rose about the spread of a viral, respiratory disease. By March 11, 2020, Coronavirus also known as COVID-19, had spread around the world and had become a global health concern, officially declared a global pandemic by the World Health Organization. Once COVID 19 was declared a pandemic, several countries responded by enacting various responses to prevent the spread of the virus.

Experts recommended entry restrictions, quarantines, physical distancing, isolation, improved hygiene (especially hand washing) and lockdown measures that included the closure of airlines, hotels, restaurants and in many cases, complete lockdown in some countries. The response to COVID 19 global health crisis soon became a disaster to hotels (Hao, Xiao, and Chon, 2020). Travelers were stranded or forced to cancel their travel plans leaving hotels with a sharp fall in performance evidenced by reduced occupancy rates and hotel revenue per room. Other service suppliers within the tourism and hospitality industry including airlines, destination management companies, local transport service providers and tour operators experienced cancellation of reservations and in some cases temporary shutdown of business operations (Gursoy and Chi, 2020).

International tourism is dominated by leisure and air travel. Since tourism is strongly dependent on travel, travel restrictions as a result of the COVID 19 pandemic were estimated to have put more than 100 million jobs at risk. There is a call across the tourism industry to forge the recovery of hotels from the effects of the pandemic.

While it is clear that many hotels, restaurants and transport service providers lost a lot of revenue during the lockdown (Gursoy and Chi, 2020), there is scarcity of data on the severity of the impact in Nigeria and other Sub-Saharan African countries.

At the same time, it is now clear that even when the COVID 19 pandemic is over, there is a need to prepare for future pandemics. This would require appropriate disaster management frameworks such as was done for SARS (Johnson Tew, Lu, Tolomiczenko, and Gellatly 2008). Besides, there are other natural disasters such as hurricanes, earthquakes, landslides, tsunamis as well as human disasters such as wars, which displace people from their homes. Therefore, the development of disaster management strategies that can accommodate tourism are important considerations to sustainable health and safety in our society.

In a world of pandemics and natural/man-made disasters, adaptation for disaster management may be necessary for the tourism industry to continue to be a leading and resilient economic sector. We posit that the hospitality and tourism industry can expand their duty of care to accommodate visitors during an unprecedented health crisis. Strategies to assure visitors of their safety during global health scenarios such as COVID 19 should be factored into the standard duty of care of hotels. This will go a long way in assuring travelers of a safety net in cases of health emergencies.

The tourism industry is reputed to contribute significantly to employment by accounting for 1 out of every 10 jobs (UNWTO, 2020). The jobs cut across several sectors of the economy including transportation, food and beverage services, accommodation, maintenance and entertainment to mention a few. This means that the tourism industry is an important driver of the local economy and its waning relevance in the face of the ravaging COVID 18 pandemic calls for reflection on how to make the industry more resilient.

This study discusses an adaptive strategy that will allow the tourism and hospitality industry to remain relevant by suggesting a disaster management framework to adapt during a global health related crisis. This will ensure that a framework for action that can accommodate preparedness, response, recovery and resilience are available to foster economic growth in the hospitality and tourism industry.

This chapter discusses a framework for measuring the impact of the COVID-19 induced lockdown on the tourism and hospitality industry in Nigeria. Consideration was given to the slow path to recovery after the lockdown had been lifted and the implications of the experience, for the future of tourism and hospitality in Nigeria and beyond.

### **History of Commercial Hospitality**

The hospitality industry became a commercial enterprise based on the need for various categories of travelers who are in need of overnight lodging. Traders, pilgrims, businessmen and government officials began to demand for services that could cater for their needs away from home. As civilization evolved, the number of travelers increased as well as the variety of demand associated with travel away from home (O’Gorman, 2009). The history of hospitality showed that leisure travel contributed to the growth of the accommodation industry. Furthermore, in the wake of information and communication technology, the world is fast being recognized as a global village where people can interact across cultural borders and satisfy their needs as phased by Maslow. The motivation for travel may be specific to any of the five levels of need or cut across the categories of need. Hence, commercial hospitality comes in varied forms to support basic needs of food and shelter as well as higher needs of self-actualization.

### **Expanding the Duty of Care in Hotels**

The responsibilities of the hotel managers to the guest includes the provision of accommodation, safety of life and properties, provision of food and beverages, transport and mobility services as well as entertainment. However, in the hospitality industry the duty of care has been interpreted as ‘reasonable’ when the service provider provides an acceptable level of performance to ensure the safety and security of the guest. Although some services are viewed from the legal standpoint, accidents and unforeseen

circumstances cannot be completely prevented in hotel operations. Hence, it is the responsibility of hotel operators to absolve themselves of negligence of duty towards their guests by ensuring safety and security in their operations procedure (Cyril, 2020). In the wake of global health issues such as COVID 19, hotel operators have a duty to consider safe operating procedures to ensure that guests will continue to feel safe while enjoying the services of the hospitality industry.

One of the risks of the accommodation industry is attending to health emergencies. This is imperative given the link between travel and the hospitality industry. Despite the pandemic, consumer behavior continues to show that travel has come to stay as an important part of contemporary lifestyle. Hence, the hospitality industry is tasked with the challenge of providing innovative services to meet the changing demand of guests despite the public health crisis. The operations of the hotels must assure guests of a minimum standard of safety

### **Tourism and the SDGs**

The Sustainable Development Goals (SDG) were developed with 17 goals and 169 target areas to guide the activities of humans and the environment. The targets reflect the explicit pathways to ensure that the environment continues to sustain life on earth with the possible best quality. Several tourism scholars and researchers have identified the link between tourism and the SDGs. The goals have often been summarized into 5P's which captures people, planet, prosperity, peace and partnership. Indeed, the outbreak of COVID 19 has further emphasized the link between the goals as it is obvious now that collapse in one of the sections of the goals will have an adverse effect on the achievement of the overall goals.

For example, the highlight of the tourism industry as released by UNWTO for the year 2017 indicated that tourism provided 1 in 10 jobs and contributed up to 10 % of the world's gross domestic products. This has placed the tourism industry at the forefront of economic growth, development, peace and security as well as environmental and cultural preservation. The purpose of visit showed that leisure, recreation and holidays represented 55% of travels while 27% of travels was visit to friends and relatives (VFR) and 13% were for business and other professional travels (World Tourism Organization (UNWTO), 2018).

Global tourism statistics as reported by the United Nations World Tourism Organization (UNWTO) reports that international tourism could decline to about 70% for the most part of year 2020 due to travel restrictions (UNWTO, 2020). This implies that the impact of the pandemic on tourism businesses and communities are and will continue to be felt in the social, economic and environmental sectors of the society. China, origin of COVID 19 virus is reputed to have the highest outbound travel globally in terms of expenditure.

The outbreak of COVID 19 revealed that travel is a major activity responsible for the spread of the virus. Since international tourism through air travel also constitutes the most used mode of transport, the associated risk of an infectious disease such as COVID 19 becomes a threat to the operation and performance of hotels as most guests usually cover a considerable distance away from their homes to require overnight accommodation.

As the pandemic grounded air travel and shut down the global economy for several weeks, fears of an impending catastrophe in Africa spurred response initiatives that were mostly adopted from developed economies. Although partnership is one of the goals of the SDG that is necessary to address COVID 19 as a global health crisis, most of the measures were similar across nations. Researchers have criticized the adoption of general measures without regard for societal contexts and economic growth (Ozili, 2020; Siowet.al, 2020). Most of the measures adopted to curb the spread of the virus originated from the advanced economies. Low- and middle-income countries with different population dynamics and business environments adopted these measures which posed a significant threat to their economic stability. There is a need for a national response initiative that can address local issues. This will ensure that policies that can further widen the gap of inequalities are not adopted by developing nations. This is an important trajectory to achieving reduced inequality within and among countries (SDG 10).

Furthermore, as nations look inward to develop strategies to cope with the aftermath of COVID 19, the hospitality and tourism industry must also develop safe operational procedures and guidelines that will ensure the safety of guests, employees and other stakeholders in the industry. Using disaster management strategies, Haoet al. (2020) highlighted six anti-pandemic strategies across various domains namely leadership and

communication, human recourse, service provision, Corporate Social Responsibility (CSR), finance and review of standard operating procedures. The social responsibility of changing operating procedures, re-training employees to observe the new standard of hygiene requires to ensure safety and added cost of using disposable service equipment where necessary are actions that have been incorporated by hotels. The role of hotels in the smooth delivery of essential services during the lockdown phase of the pandemic was obvious to most of the front-line workers and essential service providers.

Media reports showed that some governments mandated airports around airports to be converted to quarantine centres, other hotels took up the role voluntarily. For example, the Economic Times reported that the government of India allocated some hotels to be used as quarantine centres (Singh, 2020). The ability of hotels to provide accommodation services at such a crucial stage of in the wave of the spread of COVID-19 as a global health crisis is perhaps one of the publicities that the hospitality industry needs to convince the public of their capacity to expand their operating procedures to ensure the safety of employees, guests and properties. Although fees were charged for the services provided by the hotels, the fees were capped in most cases. There are also reports of the 14 days free quarantine by some top brand hotels such as the Movenpick Resort and Spa Dead Sea in Jordan.

### **Incorporating Hotels in COVID-19 Pandemic Management**

A 2013 study of emergency preparedness in hotels looked at hotels as vulnerable soft targets for terrorists and thereby recommended measures for improving preparedness for such hazards that are targeted at hotels (Albattat and Som, 2013). The measures recommended included better preparation and improved safety and security measures. However, Albattat and Som's framework did not adequately consider the role of hotels as relief centres in cases such as pandemics. Crisis situations not only call for risk and innovative management to ensure survival and sustainability, but also provide an opportunity to display social responsibility to those most in need (Poria et al., 2014).

During national emergencies and disasters, there is a shortage of hospitals and health centres, leading to the construction of make shift health facilities, sometimes in open grounds. The management of COVID 19 in 2020 led to

the repurposing of public and commercial facilities including hotel rooms, hostels and chalets into quarantine facilities (Siowet.al, 2020). Similarly, to minimize the spread of disease, hotels near major international airports served as quarantine stations for inbound travelers (Haoet.al, 2020). From the foregoing, it can be deduced that COVID 19 has increased the care burden on hospitality establishments.

To this end, Albattat and Som identified five stages of emergency preparedness for the hotel industry. These were the Pre-event; prodromal, emergency, intermediate, recovery and resolution stages (Albattat and Som, 2013). In contemplating new paths for hotels in times of disasters, these five stages come in handy but the COVID-19 experience have necessitated a re-interpretation of the five stages.

### **New Paths for Hotels During National Emergencies**

The services of the hospitality and tourism industry are highly perishable and inseparable. The characteristic of being highly perishable refers to experiences and service offering that cannot be stored. Similarly, hospitality operations are incomplete in the absence of the customer. This presents a picture of the threat global health crisis such as COVID-19 can pose to the tourism industry. Hence, the industry is expected to develop innovative services and experiences which are capable of attracting customers to the hospitality industry.

The hotel industry must renew services by deconstructing and reconstructing existing products, marketing strategy, distribution channels, delivery methods, and consumption points (Gallen, 2020). However, in the light of the COVID-19 pandemic, hotels need further guidance on new paths that can help them recover and become more resilient to face future challenges as highlighted in Table 1.

Some of the options that can be explored by hotels include:

- Maximizing their space and utilizing it for accommodation, catering, retail, and public activities as well as for the off-line demonstration of online shopping (Hao *et al.*, 2020). Drawing from one of the response strategies reported to have been used in a study related to the SARS outbreak that guest rooms were rented as commercial offices (Johnson Tew *et al.*, 2008), this study proposes



that hotels can develop strategic actions that can accurately respond to the needs of customers during an unprecedented health crisis.

- Commodity displays and e-commerce (SocialBeta, 2020 in Hao *et al.*, 2020).
- Setting up a food retail platform, which integrates the commercial scale production of classic dishes, an online sales system, and the cold chain logistics system (Hao *et al.*, 2020).
- Use of hotels as Quarantine centers and make-shift hospitals (Siow *et al.*, 2020; Hao *et al.*, 2020).

The hotel industry has often faced health risks ranging from SARS to swine flu and Ebola virus. These outbreaks have posed similar health challenges as COVID 19 in the past. Scholars have presented the impact and preparedness measures adopted by hotels over the period of these outbreaks in countries like Hong Kong, Taiwan and Canada (Chen, Jang and Kim, 2007; Johnson Tew *et al.*, 2008; Hung, *et al.*, 2018). One of the common conclusions of studies of health crisis or viral outbreaks as it involves the hotel industry has pointed to the need for collaboration between the health and tourism sectors of the economy.

With the outbreak of COVID 19, there is a heightened need to review the disaster preparedness procedure of the hotel industry since travel has come to stay as an integral part of our lives. The sudden outbreak of the virus and the decline in revenue has called for a review of disaster preparedness and crisis management (Hao *et al.*, 2020). Various strategies have been proposed to reduce the risk of disaster and better prepare for its consequences. General frameworks that can be adapted to specific disaster situations in disaster management process include pre-event, prodromal, emergency, intermediate, recovery, and resolution stages (Faulkner, 2001; Albattat and Som, 2013). This disaster management framework fits into health-related disasters and can be adapted by the hotel industry to ensure health and safety of people.

In the pre-event phase, an awareness of the impending global health issue is created when the first case is suspected. At the prodromal stage, a warning of the imminent threat associated with the health risk is communicated to the public. This is often followed by the emergency stage where service providers, institutions and individuals are informed of the safety measures that must be adhered to in order to mitigate the spread of the virus and ensure a healthy society. The intermediate phase refers to the

point where control of the spread of the virus has been achieved and some form of performance recovery is being recorded by hotels. Recovery is the stage where business activities begin to regain business activities. Oftentimes, there is a change in the usual operation such that the hotels have to devise new ways of doing business while the resolution phase requires an integration of the lessons and frameworks adopted during the disaster period into operational procedures.

**Table 1: New paths for hotels during national/ global health emergencies**

Situation	Pre COVID-19 Response Path	Post COVID-19 Response Path	Implications of Post COVID-19 Paths for Renaissance, Recovery and Resilience
	Safety & prevention measures limited to security checks and guest profiling	Safety and security measures now include temperature checks, washing of hands, regular disinfection and use of nose masks.	RENAISSANCE: Though they may not be called "health spas", the post COVID-19 era will witness a rebirth of hospitality outfits that pays special attention to health concerns. This will be reminiscent of the health spa era in the hospitality industry.
<b>Prodromal</b>	Calls to police, ambulances and other emergency response agencies	Calls to police, ambulances as well as activating emergency response /quarantine rooms	Such hospitality outfits will be slower to shut down in the face of epidemics as they will tend to take more, local restorative action. Closer affiliations with actual hospitals and/or health insurance packages linked with hotel stays may emerge.
<b>Emergency</b>	Hands over to security experts /health experts etc as the case may be	Hands over to security experts/health experts etc and/or takes charge of the situation in the local emergency response room as the case may require.	
<b>Intermediate</b>	Waits for clearance from security/health authorities, to restore services.	Provides alternate services while waiting for clearance for general services	RECOVERY The more diversified nature of post covid hospitality business means increased adaptability to the point where disaster management is likely to become a viable hospitality business. This will shorten recovery time and ensure that the tourism industry remains on the path of sustaining economic growth as highlighted in the target of SDG 8. Coordination and partnership with relevant institutions to ensure health and safety. The coordination of efforts to help build capacity that is necessary to develop early warning signals and ensure risk reduction. Furthermore, concerted efforts to handle global health crises such as COVID 19 will be developed. This helps to accomplish Target 3(9d) of SDG goal 3.
<b>Long Term Recovery</b>	Repair and re-invest	Repair and re-invest with special attention to diversification and provision of alternate services. Review disaster management framework and mainstream improvements into the standard of care to be provided by the establishment	
<b>Resolution</b>	Return to pre-disaster normal state	Return to a post-disaster, new normal.	RESILIENCE Post disaster hospitality outfits are highly adaptable, much more sustainable hybrid organisations that can withstand a lot more shocks than previously imagined. Since disaster reduction is paramount to achieving the SDG goals, disaster management frameworks can be developed and implemented to ensure safe, resilient and sustainable cities. At this stage, SDG 11 (7b) is more accomplished than ever before.

### **COVID-19: Lessons in Disaster Management**

When disasters such as the COVID-19 pandemic occur, hotels in Nigeria typically shut down while hospitals remain open and even get overcrowded. The COVID 19 experience showed that hotels can expand their duty of care to include certain elements/aspects of healthcare and disaster management. This will require a new framework to guide the actions of hotels and other hospitality/tourism service providers in times of disaster. Aspects of the proposed framework naturally have to cater for pre-disaster events running through the prodromal stage, the emergency stage, the intermediate stage on to the long-term recovery and resolution stage. Thereby, the framework takes care of the renaissance of hotels as alternative health centres in the form of health spas, the recovery of hotels that suffer from the consequences of disastrous events and also helps to build resilience to ensure that hotels can survive more sustainably.

### **Conclusion and Recommendations**

The Coronavirus pandemic challenged businesses around the world, forcing everyone to review their business model and seek new adaptations for survival. The hospitality industry was one of the earliest affected industries as travel was perhaps the first business to be halted. Hotels were subsequently shut down but eventually, many hotels became part of the disaster management process as they served as quarantine centres and make-shift hospitals. Others adapted by providing food retail services amongst other innovations. The COVID-19 experience has had the cumulative effect of expanding the duty of care of hotels and imposing the need for more flexibility. These new realities are in turn likely to affect the hospitality market in such a way that hotels will increasingly become more 'hybridised' along the post-covid paths described in this paper.

From the foregoing, it becomes imperative for hotel owners/managers to consider the post-COVID-19 paths and embrace a more flexible approach to hospitality business, increase partnerships with hospitals, diversify to food retail services, take inspiration from the health spas and become more health oriented.

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