

## Post-pandemic recovery strategies of Coastal hotels: Durban, South Africa

Sai-Risha Gareeb <sup>1\*</sup>, Erica São João <sup>2</sup>, Anisah Deen <sup>3</sup>

<sup>1,2,3</sup> School of Tourism & Hospitality, University of Johannesburg, South Africa

\*Corresponding Author: [sairishag@gmail.com](mailto:sairishag@gmail.com)

**Abstract:** The COVID-19 pandemic caused prevalent effects across multiple industries; the hotel industry in particular was impacted severely. However, Durban hotels derived innovative recovery strategies that could be implemented in most hospitality operations to alleviate financial disruptions. Furthermore, exemplifies the significance of hotel preparedness in times of crisis. This study aims to investigate the effects and recovery strategies post-COVID-19 in Durban hotels to present recommendations to sustain the industry through disastrous events. A qualitative methodology was applied in the primary data collection through semi-structured interviews with hotel general and senior managers. Qualitative computer-assisted software known as ATLAS.ti was used in the data analysis. The findings indicate that the measures taken by hotels resulted in sustainable strategies that aided their survival through the pandemic. Strategies included marketing campaigns, competition analysis, tactical spending, and evolved offerings among others. This paper provides achievable practices that can be used in times of crisis or financial challenges for hotels irrespective of status or size.

**Keywords:** COVID-19, hotels, recovery, South Africa, strategies

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### Introduction

There has been an increase in the number of COVID-19-related studies, but there are few that highlight the hotel industry's preparedness for and recovery from such crises. There are also limited studies of the impact of COVID-19 on Durban hotels, focussing on pandemic strategies to foster sustainability. Durban, located in Kwa-Zulu Natal, South Africa, is a popular coastal destination that is idyllically situated along the Indian Ocean. Durban boasts a significant collection of hotels, many of which play an essential role in the local community through charity contributions, employment, training, and grooming hospitality trainees. The tourism and hospitality sector was severely impacted by regulations as the industry was highlighted as a channel for the transmission of the virus (Lew et al., 2020). Hotels were the most affected because of the travel bans and lockdown restrictions, resulting in poor to no occupancies (Hao et al., 2020; Lee & Morling, 2020; Ozili & Arun 2020). The effects of the lockdowns and travel bans extended to all organizations and businesses related to tourism, including private, public, and non-government organizations; the trade restrictions affected both core and dependant industries within tourism and hospitality (Booyens et al., 2022). Hotels were forced to close during the lockdown and then restricted from operating at full capacity when allowed to reopen (Ncube et al., 2021). The stigma associated with hotels used as quarantine sites placed additional strain on hotels and employees (Japutra & Situmorang, 2022). Staff shortages resulted in staff being overworked and going beyond the scope of their employment (Sucheran, 2021). These factors, in addition to mass cancellations of bookings, and increased operating expenses were experienced because of the lack of willingness to travel (São João, 2021). Two historic Durban hotels closed as they could not cope with the financial impact of the pandemic, while another popular hotel undertook a business rescue. These were hotels in the 4- and 5-star category.

Natural disasters were the central focus of studies in crisis management in the tourism industry, however, recently the need to address and prepare for health-related crises has become

critical (Vong et al., 2021). The impact of health-related crises causes long-standing impacts that are difficult to recover from due to the indefinite timeframe and severity of such crises (Tsai et al., 2020). COVID-19 caused major disruptions to businesses and economies worldwide and the pandemic instigated prolonged effects on the hotel industry. Hotels needed immediate and future strategies to enhance resilience and preparedness for such crises (Booyens et al., 2022; Gursoy & Chi, 2020).

Unlike natural disasters, the pandemic caused internal damage to hotels. The financial impact was most crippling which resulted in numerous hotel closures, additionally, operational matters followed with the lack of income and employment instability (Booyens et al., 2022; São João, 2021). The regulations set by governments to limit the spread of the virus were most detrimental to hotels. Furthermore, these regulations caused a lack of willingness to travel, especially for leisure (Sucheran, 2021). With the lack of funds and staff, maintaining a hotel standards became a challenge (Japutra & Situmorang, 2022). The timeframe for recovery from COVID-19 would be longer in comparison to other global crises like 9/11 or the Gulf War (May-er, 2020). There are several studies on disasters affecting tourism (Oktari et al., 2020; Rossel-ló-Nadal et al., 2020) however, a limited number explores recovery from health-related crises like COVID-19 in developing and tourism-reliant countries such as South Africa, moreover limited focus on the financial impact (Gössling et al., 2020). Furthermore, COVID-19 consequences have influenced behaviors in a significant magnitude (Rogerson & Rogerson, 2021). Therefore, to fulfill this literature gap, the objective of this study is to investigate the effects and recovery strategies post-COVID-19 in Durban hotels (Rogerson & Rogerson, 2021) to present recommendations to sustain the industry through disastrous events.

### **Impact of COVID-19 on hotels**

Hotels were among the businesses ordered to shut down immediately at the start of the pandemic, decreasing GDP contribution by 58.5% and employment in the sector by 47.3% (Arndt et al., 2020). In South Africa, steady occupancy levels in hotels across the country dropped to 5% immediately upon the implementation of the Level 5 lockdown (Sucheran, 2021), resulting in hotel guests, especially foreigners left stranded (São João, 2021) and prompted an immediate surge of job losses globally (Villacé-Molinero et al., 2021). The South African tourism expenditure decreased by R748 million in 2020 with projected job losses of 600 000 in direct and permanent positions (Sucheran, 2021). Outlets that generated additional revenue for a hotel, like restaurants, coffee shops, and retail stores were closed indefinitely due to the restrictions, such as curfews and social distancing, as well as reducing labor and operational costs (Al-Fadly, 2020; Ncube et al., 2021). The income from room revenue was also impacted, especially when the hotel was not a quarantine site and restrictions only allowed restaurants to serve takeaways (Ncube et al., 2021). In addition, hotels had the option to apply to be a quarantine premise, however, it was necessary to be cautious of subsequential stigma to the brand or reputation damage (Japutra & Situmorang, 2022). Moreover, employment instability resulted in skilled and good-quality staff being lost, as staff may have left the industry indefinitely (Popa et al., 2023). Hao et al. (2020) state the consequences of the pandemic were little to no income and uncertain job security within hotels. Government regulations and characteristics of the virus caused a lack of willingness to travel, increasing cancellations, thus hindering expansion plans, such as new developments and renovations over and above the labor shortages (Sucheran, 2021). Cancellations for accommodation and events intensified the moment the lockdown was announced, resulting in mass refunds and stranded guests (São João, 2021). Due to the decline in disposable income during the lockdown and after, people were unable to spend on luxuries, like hotel stays. The ultimate effects related to a lack of customers, operational uncertainty, and socio-economic matters like poverty, and reduced financial sustainability, as owners and managers could not cope with the cost of operations (Alonso et al., 2020; Booyens et al., 2022).

Vigilia (2021) observed a notable impact of COVID-19 on the mental health of employees, including managers who were diagnosed with anxiety, depression, stress, and general physical and mental conditions affecting their livelihoods. Researchers also confirm that international travelers' expectations increased, and they demanded hotels implement new protocols to combat the virus or risk guests not returning (Villacé-Molinero et al., 2021). Conversely Huang et al.

(2020) mention hospitality establishments feared the legal repercussions of breaching COVID-19 mandated regulations. The pandemic impacted not only businesses but also employees, customers, and shareholders of hotels, tour operators, and airline companies (Bahar & Ilal, 2020; Demir, 2020; Škare et al., 2021). Those, directly and indirectly connected with hotels, such as businesses, institutions, and persons were affected as well (Demir et al., 2021). The South African hospitality sector saw a drastic decline in hotel reservations and ensuing desperate cost-cutting measures, like salary cuts and retrenchment, whilst several organizations entered the business administration or liquidation processes (Booyens et al., 2022; Dube, 2021). Ultimately, unemployment and poverty increased because of the disastrous effects of COVID-19 (Biwota, 2020). São João (2021) categorized the major effects of the pandemic as financial implications, human resource challenges, and an uncertain future for hotels. Considering the above, it was clear that strategies to promote the continued sustainability of hotels were necessary in preparation for future crises, thereby sanctioning the objective of this paper.

### Recovery strategies

It should be noted that the hospitality industry has experienced and recovered from prior pandemics and catastrophic events, like natural disasters, terrorism, and the Ebola epidemic, which should be studied to aid the industry's recovery. Natural disasters displayed the equivalent effect of COVID-19 on the hospitality sector, impacting hotels financially. These disastrous events can be examined to formulate similarities in responses that improve the status of hotels during times of concern. The tsunami that occurred in Thailand in 2004, had recovery strategies like offering flat hotel rates for a year, negotiating reduced airline tickets, and discounted packages on food and beverage offerings for those booking directly with hotels (Taecharungroj & Avraham, 2021). In addition, while measures were being implemented to increase the number of guests to the hotels, employees' salaries were cut and they were advised to take seven to fifteen days of unpaid leave until circumstances improved (Taecha-rungroj & Avraham, 2021). Although marketing campaigns were launched by the government portraying a safe environment, hotels did not initially benefit. Other campaigns included inviting global tour operators to visit the location themselves to witness the rehabilitation, as well as those hotels untouched by the devastation (Taecharungroj & Avraham, 2021).

In 2009, Swine Flu spread globally and was declared a pandemic resulting in countries closing borders and restricting flights to and from high-risk countries (Özbay et al., 2021). Countries like Brunei and Mexico focused on extensive marketing campaigns advertising a safe environment, additionally waived or reduced fees and taxes on flights and hotels, offering guests who booked within a specified timeframe free vaccination in efforts to remove the fear of traveling, as well as minimizing any feelings of uncertainty (Haque & Haque, 2018). The Ebola epidemic in 2014 affected mostly African countries and caused a decline in all tourism sectors and a stigma of traveling to the entire African continent, including countries not affected by the outbreak (Maphanga & Henama, 2019; Novelli et al., 2018). Strategies to recover from Ebola included efforts placed on contact tracing, thorough and precise communication from the government, eliminating false news and educating the masses (Mishra, 2020). The terrorist attack on the World Trade Centres in 2011, followed by an economic recession, exhibited similar effects to that of COVID-19; such as uncertainties for the hotel industry, a decline in occupancy levels, and the lack of willingness to travel to the United States. American hotels prioritized guests' safety while focusing on specific target markets and utilizing e-commerce platforms to reduce their marketing spend. Their strategies revolved around decreasing operational costs, increasing security, and sales to remove the fear of traveling while driving patriotism in the region (Geary, 2018).

While limiting labor costs through reduced working hours, salary cuts, retrenchments, and so forth may be essential to a hotel's survival in a crisis, it may lead to organizational disruptions and burden the country's socio-economic state (Japutra & Situmorang, 2022). Gursoy and Chi (2020) indicated that guests were willing to pay more for hotels and restaurants that took precautions to protect their patrons by practicing all government regulations, frequently sanitizing touchpoints, and conducting staff health and safety training. Japutra and Situmorang (2022) documented those hotels that created new packages and offerings with discounts on rates and

reduced services, which compromised the quality of ingredients and services and could diminish the hotels' reputation.

It is evident from the available literature that hotels were unprepared for a crisis like COVID-19 (Mishra, 2020). Furthermore, crisis management was not practiced in South African hotels (Booyens et al., 2022). Recent research advocates crisis management tactics, principles, and strategies are necessary to alleviate the effects of the COVID-19 pandemic (Booyens et al., 2022; Hao et al., 2020; Vigilia, 2021) and for similar crises that may follow. Hao et al. (2020) adopted a crisis management framework for the tourism and hospitality industry. The framework addresses six stages in the crisis management process, namely (1) pre-event, referring to when action can be taken to mitigate crisis or its' effects, (2) prodromal, when it is evident crisis is forthcoming, (3) emergency, the impact of the crisis has occurred and measures need to be taken to protect those affected, (4) intermediate, the period of short-term needs being addressed but normality is sought, (5) long-term recovery, an extension of the prior stage but aspects unmet are focussed on and (6) resolution, restoration of routine or improvement since the crisis (Hao et al., 2020). Whilst the framework is thorough for each stage of the crisis, it is a generic model that does not necessarily account for the size, various components, and resources of an organization. It would assist in uncovering the way an organization responds to different crises. Therefore, it needs to be tested on a case-by-case basis and refined accordingly (Hao et al., 2020). Given the recency, scale, and nature of COVID-19, it was difficult to act during the pre-event and prodromal stages, as it was an occurrence that was neither foreseen nor could be planned for (São João, 2021) as conveyed in the abovementioned framework. Moreover, the government implemented immediate responses that did not allow hotels sufficient time to respond. However, the framework could be used to assess and act in future health-related crises, thereby allowing hotels to plan, prepare, and implement measures for such occurrences that alleviate the impact on the organization.

Frameworks presented by previous scholars have rarely been tested in an African context and were suited to natural disasters (Dayour et al., 2020) as opposed to the COVID-19 pandemic crisis. Moreover, plans that were in place focused on natural disaster recovery. In addition, none of the frameworks had been tested from a South African perspective making this study valuable for any upcoming research that would be conducted for coastal hotels and the hospitality industry in general, both in South Africa and further afield.

## Methodology

The study adopted a qualitative exploratory approach known for examining phenomena in their natural setting and is especially beneficial when there is little insight on a topic, furthermore, may enhance theory or generate hypotheses (Leedy & Ormrod, 2020). The approach was also used to make improvements or create change through collaboration with the participants (Creswell & Guetterman, 2021) from the semi-structured interviews conducted. An interview guide was used to guide interviews to ensure robust data collection and to prevent digression. Additionally, a field journal was kept noting key challenges, practices, and observations that pertain to the study such as COVID-19 protocols. Questions consisted of both open and closed-ended questions.

The study targeted 25 hotels along the Durban Golden Mile. The Golden Mile is a stretch of beachfront that has a variety of hotels, and restaurants and is an important tourist attraction in Durban. Participants were selected through non-probability, purposive, and convenience sampling with a focus on 3 and 4-star rated hotels as there were no 5-star hotels along the Durban Golden Mile at the time of the study.

**Table 1.** Reasons for hotel non-participation (Own research)

Number of hotels	Reasons for non-participation
3	Hotels closed because of COVID-19
5	Received no response from hotels
7	Unwilling to participate in the study (Breakdown below)
3	Unavailable due to being busy with high occupancy
1	Forwarded to head office
2	New staff at the hotel
1	No line manager or general manager is available
15	Total unwilling participants

Table 1 indicates the number of participants who did not participate in the study and their respective reasons. Thus, eight willing participants were interviewed until data saturation was achieved; however, two more participants were interviewed to confirm saturation.

### Ethical considerations

The study abided by all ethical guidelines set out by the University of Johannesburg. Upon approval and ethical clearance attained from the School of Tourism and Hospitality (22STH35), data collection of the study commenced. Informed consent comprised of explaining to the participants their role in the study and relayed feedback to them in the form of any publications by the researcher relating to their contribution. Participation was voluntary and permission was sought from participants before the study commenced in the form of a written, signed acknowledgment of an information letter and consent form. All personal information of the participants remains confidential and anonymous.

### Data collection

Participants, such as general managers, assistant general managers, and rooms division managers were contacted in person, telephonically, and via email to obtain their consent to participate in the study. Senior-level managers were sought who had been in their positions for at least three years before COVID-19. Thereafter, an appointment was made to hold the interview. A Cover letter and letter of information were sent to participants via email before the interview process.

Semi-structured interviews were conducted because it was best suited for this form of qualitative research (Larsson & Gustavsson, 2020) and provided a means to collect robust data (Bearman, 2019), ideal for probing answers based on a limited topic of research. Moreover, to achieve the objective of this study which is to investigate the effects and recovery strategies that hotels used which became sustainable recommendations through COVID-19.

Questions were open-ended to encourage in-depth reflective responses from participants and based on the most challenging, positive, and favorable outcomes of COVID-19. Individual interviews took place from 27 October 2022 to 17 November 2022 and from 20 April to 28 April 2023. Interviews were conducted in the work environment of the participants for about an hour and were audio recorded with a cell phone for transcription and accuracy purposes. Transcriptions were sent to participants for member checking. Additionally, a field journal for notes was used during and after interviews. No repeat interviews were conducted.

### Pilot study

A pilot interview is usually conducted before the main study commences with a participant outside of the designated sample but related to the target population (Leedy & Ormrod, 2020). For this study a pilot was conducted to improve and test the measurement tool applied techniques for improved reliability and rigor of the study (Lowe, 2019). The pilot study was conducted outside the sample population to test the interview guide with a front office manager of a 4-star establishment. Modifications to the interview guide were implemented after the assessment of

the pilot study by amending the sequence of questions and eliminating repetitive questions, such as how your organization was impacted by COVID-19. And following with what were the consequences of the lockdown regulations imposed on the hotel? In addition, rhetorical questions were removed as the data was readily available from the hotel site or upon visiting the establishment, like the classification of the hotel or what was the manager's role. Finally, questions were refined, and additional prompts were added in case of vague answers. A revised interview guide was then developed with prompts for the pilot study.

### Trustworthiness

In quantitative research, validity and reliability are key measures for consistency, however, in qualitative research, there is a necessity to assess trustworthiness. Trustworthiness in research may be referred to as validity (Leedy & Ormrod, 2020). Therefore, qualitative studies consider credibility, transferability, dependability, and confirmability as measures to ensure rigour in studies (Creswell & Guetterman, 2021). See Table 2 for a further explanation of the criteria and application of each of these concepts in this study.

**Table 2.** Trustworthiness of the study (Own research)

Credibility	A pilot interview was conducted to test the instrument. After the interviews were transcribed, and these were reviewed by the participants for accuracy. Prolonged engagement with participants.
Transferability	A detailed description of the participants was provided, this included several years of working experience, direct quotes where applicable, and thorough documentation of processes. A sample target of 25 hotels along the Durban coastline were targeted to ensure relevance and meaningfulness. Hotels in various forms of ownership were included.
Dependability	An extensive explanation of the research design and methodology was given. The researcher referred to the organizations by using codes. For example, a specific hotel was coded as Hotel A. This ensured that participants and organizations were protected from any implications that may arise because of the study. The use of an interview guide aided dependability.
Confirmability	Self-reflection was used by noting the comments in the interpretations after the interviews. Credibility, transferability, and dependability strategies assist with confirmability. In addition, a comprehensive account of all data collection (recordings and transcriptions) and data analysis (content analysis) of the study will be stored securely with the researcher for up to five years.

### Data analysis

Qualitative data from interviews followed a thematic analysis where all the interviews were recorded and then transcribed into a Word document. The document was then sent to the participants to verify if the data had been accurately described (Bengtsson, 2016). The six phases of thematic analysis by Nowell et al. (2017) were carried out. These phases include Phase 1 familiarising oneself with the data; Phase 2 creating codes from the data sources; Phase 3 searching for themes; Phase 4 revising the themes; Phase 5 defining and naming the themes; and Phase 6 producing the report. The transcribed data were uploaded into ATLAS.ti, the software, which then populated, examined, and identified that led to meaningful conclusions (Leedy & Ormrod, 2020) to address the objectives of this study through 140 initial codes, thereafter, refined to 66 codes.

## Results and Discussions

### Results

Through the coding process of data on ATLAS.ti, patterns emerged that developed into themes and sub-themes. Three main themes emerged, namely, the effect of COVID-19 and the lockdown on the hotel, the business model changes and strategies that became sustainable recommendations.

**Table 3.** Demographic participant information (Own research)

Participant	Gender	Position	Industry experience in years	Age of hotel in years	COVID reopening dates
1	Female	Executive House-keeper	27	38	June 2020
2	Female	Assistant General Manager	18	52	July 2022
3	Female	General Manager	14	24 (hotel age) 120 (building age)	July 2020
4	Male	General Manager	22	26	Restaurant May 2020 Hotel September 2020
5	Male	Assistant General Manager	13	53	October 2020
6	Male	Food and Beverage /Conference Manager	27	110	Never closed
7	Male	Duty/Banqueting Manager	8	51	May 2020
8	Male	Director/General Manager	14	53	Mid-2021
9	Male	Director/General Manager	15	14	Never closed
10	Male	Director/General Manager	21	21 (hotel age) 119 (building age)	August/September 2020

Table 3 indicates the demographic information of the participants. Out of the ten participants, three were female and seven were male. Five of the ten (50%) participants were General Managers, two (20%) were Assistant General Managers and three (30%) were senior departmental managers. The average years of industry experience equated to 17.9 years respectively.

The themes that emerged aligned with the framework by Hao et al. (2020) which evaluated the pre-, during, and post-crisis action. Although no pre-crisis action was taken by hotels, many expressed the need to be prepared and alerted before the crisis. The themes are discussed to address the purpose and objective of the study; to investigate the effects and recovery strategies that hotels used which became sustainable recommendations through COVID-19.

### Discussions

#### Effect of COVID-19 on hotel operations

To formulate recommendations and strategies, it was imperative to understand the effect of COVID-19 on hotel operations. Participants agreed that the most challenging effect of COVID-19 was the financial impact that crippled the very existence of the hotel. The cancellations of bookings, refunds, and credits were a daily challenge during the lockdown. Participants (70%) mentioned refunds and guests canceling their reservations and banqueting bookings when the initial and higher levels of lockdown and a surge of outbreaks occurred (São João, 2021). Additionally, the prolonged lack of guests in-house was a core issue among the responders. Participants pointed to the restriction on travel, fear of the virus, and guests having no disposable income to travel as the main contributors to the lack of guests in-house (Alonso et al., 2020; Hao

et al., 2020). Furthermore, the lack of attention from the government to drive business toward the City, for example, in the previous presidents' reigns; mining, tourism, and governmental conferences were held at the International Convention Centre regularly which promoted healthy occupancy levels in hotels and is now no longer the case. Likewise, hotels had incurred additional operating costs to comply with the regulations the government set such as Personal protective equipment (PPE), sanitizing stations, demarcations for social distancing, food and beverage protocols, and preventive screen barriers to making an income. Some hotels opted to stay closed because it was not feasible to open when the expenses exceeded the revenue, however, other hotels implied that they had to try to generate some revenue to combat the mounting costs. This indicates that while the hotel may have been empty, utilities and costs were still incurred, and debt accumulated. Furthermore, there are a significant number of Durban hotels housed in very old buildings (refer to Table 3) that need to be maintained regularly over and above the operating costs. Maintenance was essential to ensure the building would not deteriorate extensively by the time it would reopen to guests. Routine, preventive, scheduled, and emergency maintenance were some of the maintenances that occurred in the form of painting, plastering, plumbing, and electrical repairs.

The closure of revenue centers (departments that generate income for the hotel) added to the financial challenges. Some hotels opted to open their restaurants before selling guest rooms, this was a measure taken because restrictions did not allow for those outlets to operate freely such as capacity restrictions or allowing restaurants to operate on a takeaway basis only. Furthermore, the cost of running the outlets with minimal patrons was not feasible for some hotels. One hotel closed its' bar because of the alcohol ban and continued to keep it closed but renewed its liquor license to provide alcohol for banqueting functions, such as weddings which were previously their popular market, averaging 10 to 15 weddings per year. However, from 2020 to 2023, there had been no wedding bookings or banqueting function bookings. Moreover, the hotel decided to stop lunch and dinner service due to the disinterest from guests as it became a trend to order from third-party food delivery sites. Additionally, they closed their administrative divisions (Human Resources and Finance departments) and outsourced these functions to save costs. Hotels that thrived on conferencing, events, and high-end restaurants, no longer gained that clientele and sought new avenues to generate income. Before COVID-19, large-scale conferencing had been in demand and the resultant revenue was essential to Durban hotels (Makhaola & Proaches, 2017). This indicates that consequent trends from COVID-19 caused further detriment to hotel operations in an unspecified timeframe after the crisis. At the time of data collection, three hotels were completely shut down as fully functioning hotels; one was permanently closed, and no one was allowed on the premises. The other two were converted into residences, due to the inability of the hotel being able to pay rent.

Three years later, hotels had arrears that had accumulated during lockdown and up until reopening, as confirmed by Alonso et al. (2020) and Booyens et al. (2022). Durban Hotels gave the guests options to postpone or refund their reservations; most guests opted for the refunds. To cope with the drastic lack of income and guests, hotels resorted to extreme cost-cutting measures as in the case of other disasters (Booyens et al., 2022; Dube, 2021), such as reducing payroll costs through retrenchments, early retirements, dismissals, and reduced salaries. In addition, omitting multiple and luxurious amenities, minimizing expenses, new payment plans with suppliers, and canceling unnecessary licenses and subscriptions. Thus, affecting the value and service in the mind of the guest. Limiting contact with the guest took away the essence of hospitality; personal and excellent service became a challenge to achieve with the barriers altering the guest experience. Hotels had lengthy check-in and serving procedures to comply with government regulations that took longer being short-staffed. Most of the hotels did not have reserve or emergency funds and were not prepared for an unpredictable crisis like COVID-19 (São João, 2021) therefore there were no pre-event measures in place (Hao et al., 2020). All the participants displayed a lack of understanding of crisis management. Fifty percent of the participants stated that there were plans in place or were 'generally prepped'. The vagueness of their responses presented evidence that hotels lacked a focus on crisis management as they were unable to elaborate on what crisis management practices were in place. Managers were not aware of plans or actions to take in the event of a crisis. The other 50% of participants explicitly stated

that there were no crisis management plans and even if there had been, some sort of crisis management, nothing equipped the hotels for COVID-19.

### *Sustainable recommendations*

The hotels that were still operational implemented changes and strategies unknowingly, to prevent the hotel from closing. These strategies worked well and may be used beyond the pandemic or to prepare and use in the event of future crises.

The government Temporary Employer/Employee Relief Scheme (TERS) funds were used for the staff that did not receive an income from the hotel. Hotels that paid staff for roughly three months into the lockdown, took funds from their savings or other companies in other industries that were under the same ownership, for example, property holding groups. In addition, when hotels reopened, they renegotiated salaries with employees; paying per hour worked with a cap on the maximum number of hours. In return, meals or accommodation were offered to alleviate financial strain on the employee. Hotels offered voluntary severance packages which older employees and those wanting to exit the industry took (Al-Fadly, 2020; Japutra & Situmorang, 2022; Ncube et al., 2021).

Cross-utilization of staff was widely followed to enable the hotel to operate with minimal staff onsite and acquire some income or upkeep of the property. Cross-utilisation aided management in understanding how they could use their staff advantageously, as found by Popely and Krause (2021). Staff benefitted from having employment and learning new skills while managers limited their payroll costs and gained a versatile worker. Ninety percent of the participants did this. Furthermore, chain hotels moved employees to properties that needed additional staff. Some functions of the hotel were no longer performed by hotel employees and were outsourced to reduce costs and focus on core business. These functions were human resources, finance, and housekeeping. Furthermore, positions in the Food and Beverage department and Banqueting became casual-based by employing people when needed. Hotels also used students from local hotel schools to upkeep the property and work with no pay, however, contributing to the students' experiential learning in qualifying.

All hotels conducted staff training at the time of COVID-19 that focused on cleaning, health, hygiene, and government regulations. In addition, hotels encouraged staff to be vaccinated when the vaccination campaigns commenced as per the government. Hotels found that having loyal staff resulted in a quality workforce. Furthermore, hotels that showed concern for staff members' well-being contributed significantly to their retention and loyalty. Moreover, employee morale increased through the acknowledgment and promotion of dedicated staff during the lockdown. The result was staff did not mind working longer hours or performing beyond expectation.

Management of operational costs is a significant consideration as the arrears during the lockdown in 2020 created debt that hotels have battled to pay to date. Minimizing and Managing costs became a key focus to avoid bankruptcy and closure. Expenses like rent, lights, water, maintenance, and security, were among the fixed expenses that accumulated. Hotels could have approached landlords and the municipality for relief, however, the municipality assisted by offering a payment plan with interest. A hospitality association successfully negotiated with the main broadcast supplier to offer discounts or reduced rates that benefited hotels across the city. The Association's influence should be used as an example of relief to hotels. Costs were scrutinized to find savings; managers not only reduced payroll costs but also reviewed every expense the hotel had, for example, one hotel paid R10,000 for the switchboard rental and upon seeking alternatives, implemented a WiFi-based switchboard, which now costs R1,000. The participant agreed that were it not for the lockdown, that cost would have stayed at R10,000. Other costs were analyzed as critical or not, such as maintenance of the equipment and building. Furthermore, according to the accommodation rates charged, surplus amenities and luxury items were removed from rooms and no longer purchased. All suppliers of out-sourced functions were reconsidered for competitive rates, such as housekeeping and security, stock, laundry services, and linen. This worked well in chain hotels, as Hotel 1 would call sister Hotel 2 and compare their suppliers and rates then negotiate or switch suppliers. Managers also evaluated expenses and income daily. Cancellations were refunded only if and when requested. Hotels offered credit to guests to use their booking later. Timeshare properties had an advantage because guests wanted

to use their timeshare immediately when travel restrictions eased. In addition, the self-catering setup attracted guests because they wanted to cook for themselves to limit contact with staff.

Some hotels changed or adapted their business model according to the business they attracted at the time. This was done to refine operations and focus on the core business. For example, one hotel changed to a Bed and Breakfast rather than running full hotel operations. Additionally, menu changes to suit the guest market and new offerings were among the adaptations to the business model that 60% of the hotels made.

Two hotels found their insurance covered them for communicable diseases; they claimed in the early stages of lockdown and received payouts. During this time, the insurance companies changed their clauses to eliminate paying further claims. Should hotels have insurance against a disaster, it would be advisable to claim at the soonest to avoid policy changes by the insurer.

The most challenging aspect of the pandemic for hotels was trying to make an income to pay the mounting costs therefore increasing revenue and guest count was the central goal for Durban hotels. The cost-cutting measures that affected guests were communicated to the guests before their arrival to manage the guests' expectations and eliminate complaints. Additionally, the following strategies were identified in this study and were used by Durban hotels to increase occupancy and limit spending in hotels:

Discounted room and conference rates, especially during low occupancy, and long stay discounts. These enticed guests to take advantage of special rates and stays. Package deals for families increased guest count and attracted family stays. Competition analysis to maintain a competitive position involves knowing what the competing hotels offer and at what rates. Consistent contact and preferential offers for loyal guests, encouraging the return of loyal guests. Accommodating permanent guests ensured a steady level of room revenue. Networking for new businesses, like cruise liners, essential services (doctors, nurses, police, government) shipping, and airline crews. Application for quarantine premises allowed hotels to operate during intense lockdowns and guaranteed income through medical schemes whereby hotels were not impacted by said stigma (Japutra & Situmorang, 2022). Use of Online Travel Agencies and Standard Tour Operators to market the hotel and its offerings supplemented marketing efforts and drove attention to the hotel. Partnerships with local attractions, such as Ushaka Marine World provided added value to the guest stay and rate. Social media marketing for last-minute and special occasion deals worked very well for example Valentine's Day or low occupancy weekends. Innovative offerings suited to new local target markets visiting the hotel, such as authentic African cuisine whereby hotels evaluated their menus and offerings to suit the market and demographic visiting the hotel which resulted in strengthening that market. One hotel bought a motorized bike offering food deliveries and handed out pamphlets to residential apartments neighboring the hotel, this was done during the most intense lockdowns when only takeaways were allowed, however, the hotel continued as it was beneficial.

### Limitations

The study was limited to Durban, looking at coastal hotels, specifically 3 and 4-star rated. Furthermore, participants were general managers and departmental managers. It would be beneficial to have included guests and employees at the time of the study, however, given the time constraints and accessibility to personal information of guests and employees, this was not possible. Additionally, a greater sample size of hotels throughout the city. Because of the effects of the pandemic and subsequent changes in the industry and hotels, many of the managers did not meet the criteria of the study which was having occupied a managerial position for at least three years before and two years during COVID-19 and still employed within the same hotel or group. Some participants were reluctant to participate because of confidentiality matters and changes in the Protection of Personal Information (POPI) Act. Therefore, participants may have withheld true information.

### Conclusions

There are limited studies of this nature that have been conducted and in addition, none had been tested from a South African perspective, making this study a valuable contribution to crisis management literature as well for any upcoming research local to South Africa and abroad

that would be conducted for coastal hotels and the hospitality industry. The practical implications generate the following recommendations for hotels in their attempts to develop recovery strategies going forward. Changes in hotel policies and procedures that enable sustainable daily practices to minimize the impact of crises on hotels such as mindful spending. The study promotes the encouragement of crisis planning in the modern-day world for new types of crises such as COVID-19. Moreover, the development of crisis marketing campaigns and efforts to increase occupancies and revenue. Strategies could be used during financial constraints when the hotel is not performing optimally. Further studies could focus on specific areas of resources in times of crisis, such as communication with employees, training, and expenditure patterns. Hotels should drive strategic use of labor and discourage overstaffing or redundant positions thus eliminating the need for cross-training at times of crisis.

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