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Thesis Title:

Strategic Management Approaches to Combat the Impact of COVID-19 on Urban and Rural Area Hotels: The Case of Tyrol, Austria

Abstract:

The outbreak of the COVID-19 pandemic has brought the world to a standstill. Among many affected industries, the tourism and hospitality industry is one that has experienced the impacts of COVID-19 at first hand. Hotels around the world had to close their business in these unprecedented times that mirrored uncertainty and unpredictability. The same was the case for Tyrol, Austria, region which is heavily dependent on hospitality and tourism and which became one of the epicenters of COVID-19 in February 2020. Consequently, this thesis examined what strategic management approaches were applied by urban and rural hoteliers, specifically focusing on Tyrol, Austria. A qualitative research approach was chosen and twelve interviews were conducted with urban and rural hoteliers.

The results reveal that the COVID-19 pandemic has been underestimated by all interviewees and adequate strategies were not in place, because a scenario as such was not expected. Hoteliers followed the regulations posed by the government, and due to unpredictability, strategies were developed according to the situation. Seasonal hotels experienced an advantage during the first lockdown, as they were familiar with the procedure on how to close a hotel and minimize costs compared to non-seasonal hotels, which have not had the need to close a hotel before. Furthermore, a clear differentiation in regard to strategies on a localization perspective (rural vs. urban) could not be observed, but rather on an individual and seasonal hotel level. To combat the impact of the pandemic and recover from it, hoteliers implemented strategies in concern of: security and hygiene, opening and closure, hotel offer, marketing and communication, employees, and liquidity and investments. Interviewees commonly agreed that COVID-19 has served as a catalyst for previous pressing trends. Moreover, it can also be concluded that trends which developed due to COVID-19 will shape the hotel products and their offers in the future.