

ASPECTS REGARDING THE DIVERSIFICATION OF SERVICES IN HOTELS AS A RESULT OF CHANGING CONSUMER BEHAVIOR POST 2020

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RESEARCH ARTICLE

Abstract

During the COVID-19 pandemic, with events and travel on hold, all sectors of the hospitality industry have been challenged to reimagine their business models to keep their businesses profitable, even by rethinking them towards sustainability. While there have been positive signs of recovery and increases in hotel bookings, the pandemic has dramatically changed consumer demands and expectations, forcing companies to adapt their offerings accordingly, so hotels have gotten creative over the past 2 years in repurposing and selling rooms and spaces for events, after the negative impact caused by the SARS COV 2 pandemic. The purpose of the paper is to highlight the actions undertaken by tourism operators in order to reinvent the services offered as a result of the pandemic.

Keywords: diversification, hotel services, post COVID-19 pandemic

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INTRODUCTION

The effects of the pandemic caused by COVID-19 are having impact on the development of tourism activities worldwide (Gössling et al., 2021). The coronavirus disease (COVID-19) has led to a primary concern about service safety and the transformation of service operations into a new mode of practices for increased separability and decreased contact (Berry et al., 2020). Similarly, COVID-19 has had a disruptive influence on the hospitality industry, which has caused significant changes in terms of offerings and operations to meet a new set of criteria in order to operate under the pandemic conditions. This means that the hotel business has been reshaped since the outbreak of COVID-19. Since the COVID-19 outbreak towards the end of 2019, the disruption of global flows and mobility has triggered economic loss to the tourism industry. (Noorashid, N., & Chin, W. L. 2021). A number of world authorities and organizations have published guidelines and recommendations for the use of accommodation spaces (CDC, 2020; WHO, 2020a). We thus recall, the World Health Organization, which provided operational considerations for the management of COVID-19 in hotels and suggested protective measures to ensure a safe and relaxing hotel stay for customers. The SARS COV 2 pandemic put

tourism in a difficult situation due to the restrictions imposed at European and national level, respectively, it practically completely blocked in the first quarter of 2020, which led to very high losses in the tourism and hospitality industry. Starting with March 16, 2020, when the State of Emergency was established in Romania, tourism went on vacation, but not one that would bring benefits. Since then, tourism consultants have predicted the collapse of the industry. (Chereji et al., 2021)

Hotel professionals have not only complied with these types of measures, but have also initiated various ways to ensure that hotels are safe from the coronavirus.

The European Commission through the document "COVID-19: EU guidance for the progressive resumption of tourism services and for health protocols in hospitality establishments" has established criteria and recommendations for the Member States on the conditions to lift the measures and restore free movement (European Commission, 2020)

The major shifts caused by the SARS-CoV-2 pandemic crisis in the hospitality industry have had the direct consequence of changing the consumption preferences of the population. (Popescu, D. 2022). Collaboration and

cooperation in various joint *actions have been enhanced, encouraging and* facilitating supervisory processes capable of providing safety to hospitality customers. (Robina-Ramírez et al, 2021). It is evident that the crisis has created a highly uncertain future, forcing the industry to reinvent itself to survive (Haywood, K.M. 2020)

Due to post-travel quarantine restrictions, going to a new location for a longer-than-usual stay has been appealing to those looking to indulge their wanderlust throughout the pandemic. With employees experiencing remote working (many for the first time), this has opened up a whole new world for those with the flexibility to uproot and work from new locations for months at a time. Hotels can see this as an opportunity and incentivize this group by offering discounts on extended stays. (Jonathan Morse, 2021)

Travel in 2022 was significantly different from what it was in 2021. While current challenges in the hospitality industry are affecting the way hotels operate, they are also affecting traveler trends and guest behavior which has also undergone changes as a result of the period traversed.

Consumer preferences also shifted prominently from mass tourism towards less crowded touristic destinations, and in particular rural and nature tourism. Novel forms of alternative and more sustainable tourism, as well as wider territorial spread of tourists can accommodate these preferences and at the same time help address a number of adverse effects of mass tourism (in cities, touristic villages, famous natural destinations,...), even those not related to the covid-19 crisis (Marques Santos et al 2020)

Analyzing and acting on changes in these areas has been a constant effort for hoteliers in order to recover in a healthy way and to regain the trust of hotel guests during the pandemic, hospitality experts have been available to understand their needs in a space that respects all the necessary hygiene conditions,

MATERIAL AND METHOD

In order to answer the purpose of this paper, an analysis of the specialized literature was carried out, which approached the topic from several perspectives. So, after analyzing the

databases (Web of Science, Google Scholar, etc.), a special interest was observed in studying the effects of the SARS Cov 2 pandemic on the hotel industry, which was greatly affected as a result of all the restrictions imposed during it, but also on the aspects that lead to the revival and revival of the tourism sector. Thus, there was an interest in diversifying the services within the hotel units, precisely in order to respond to the most complex needs of potential tourists. The novelties proposed by the big hotel chains in order to use the hotel spaces as effectively as possible were also presented.

RESULTS AND DISCUSSIONS

It's only natural that in uncertain times, travelers want to stay closer to home, to the familiar. Concerns about travel safety have increased since the pandemic began, and the thought of something unexpected happening while tourists are away from home can be a worrying one. Border closures for limited periods of time have led to an increase in popularity for local, domestic travel and an upward trend in staycations. The data revealed that the need to explore and discover is one that can also be adapted to a more local approach, and review mentions of local travel and stay increased during the pandemic and immediately post-pandemic. (Laura Badiu, 2021)

Beyond the dramatic effects, the pandemic has revealed strong business responsiveness and new opportunities. (Zanetti, Barbara, 2022) In this context of constant change, and due to the impact of the COVID-19 pandemic, new challenges have emerged, which demand the development of strategies, products, and services that respond to the needs of specific market sections (Brandão, Filipa, 2021)

The last few years, prior to the COVID-19 pandemic, have been years of strong growth both in the number of hotel companies and in the number of available rooms. The hospitality industry has also been betting on diversification as well as on the quality of its services. (Lima Santos, 2021) Also, countries will need to create a "new normal" for the tourism industry. Diversifying, shifting to more sustainable tourism models and investing in new technologies could help to shape the recovery. (www.imf.org)

Hotels, in particular, have had to rethink their traditional business models and come up with creative ways to use existing spaces

combined with diversifying services to meet the diverse needs of tourists within the hotel.

Hotel managers have to use creative and efficient methods to attract more tourists. Offer diversification, customized packages, bonuses, price flexibility, high quality services, an intensified virtual promotion (web-site, social media) could attract more visitors and improve hotels performance.

Hotels have begun using their rooms as coworking spaces, offering private in-room dining packages and offering a variety of incentives to continue generating revenue throughout the pandemic. While these new revenue strategies have been utilized in the wake of COVID, guests will continue to look for unique experiences that hotels can offer that keep safety in mind to continue generating revenue throughout the pandemic. While these new revenue strategies have been employed in the wake of COVID, guests will continue to look

for unique experiences that hotels can offer with safety in mind. From boutique hotels to large hotel chains such as Hyatt Hotels & Resorts, this trend has been seen as an opportunity to meet the demands of travelers and bring some level of business back to their hotels in the process. What was initially launched by Hyatt in response to COVID has now become a staple offering for guests looking to escape the fun of home – whether for a single day or an extended stay. Offering this type of package is a great way to fill hotel rooms, resulting in revenue, while satisfying the need for guests looking for new jobs. Hotels opt for renting large spaces for small meetings. While traditionally companies would have reserved sizable meeting spaces for large conferences, hotels can now take advantage of these larger spaces as a way to meet in person while retaining larger spaces in terms of space organization use. (Jonathan Morse, 2021)

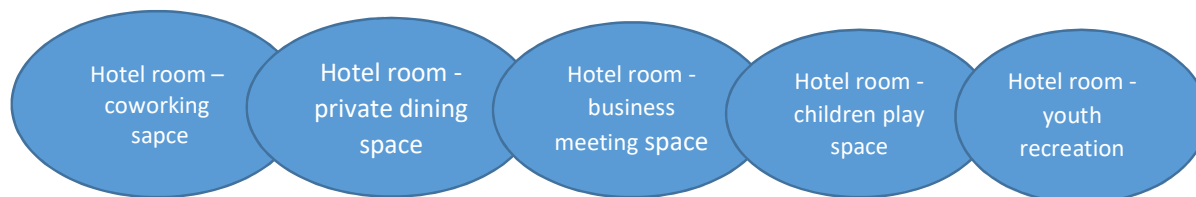


Figure 1. **Own representation - use of a hotel room as a diversification of its function post Sars Cov 2**

There is a rethinking of the use of room-type spaces with the function of accommodation in spaces to support various other requests from customers as a result of the Sars Cov 2 pandemic (Figure 1)

Reimagining private dining

Creating unique and memorable guest experiences is a cornerstone to developing a steady stream of returning clientele. Using hotel rooms as private dining rooms is a great way to create an unforgettable experience. This concept must be understood, and that private dining in a hotel room means much more than bringing a table next to the typical hotel bed, it has been taken to the next level by hotels. (Jonathan Morse, 2021)

A concrete example of this is the Hewing Hotel in the North Loop of Minneapolis. The hotel began by removing beds from a small number of rooms and placed beautifully decorated tables. What started as a trial

operation with a few rooms quickly sold out on the first weekend, proving that there is a clear demand for unique and intimate experiences that can be executed in a way that makes guests feel safe. Since its initial launch, the hotel now offers 14 private dining rooms four nights a week. Additionally, hotels that have a restaurant have partnered with their staff to offer takeout meals for their guests or for those in the local area who are interested in grabbing a quick meal. Hotels have introduced marketplaces for transportation, pickup, meal kits, and partnerships with delivery apps to bring in dining revenue. (Jonathan Morse, 2021)

After the resumption of air transport to the main source markets (business and leisure tourism), airlines operated an extremely limited number of flights per week (e.g. before the pandemic there were many daily flights and extremely many connection options with other airports regional). A change was observed regarding the segment of business tourists who did not opt for hotel accommodation due to the existence of many options to return to the

country of origin on the same day, so they will form a new demand segment on the market. Even the crews of these airlines spent 1-3 nights in Romania, in Bucharest or in other cities in the country. (<https://www.trendshrb.ro>)

The MICE (Meetings, Incentives, Conventions, Exhibitions) segment in 2020 had an 85% contraction compared to 2019. Events continued to take place (social events, company trainings, professional training programs financed by European funds) with 20 -30 participants per event and who have kept social distancing rules. Hotels with large capacities of conference spaces (e.g. event halls of 100-500 sqm) and generous outdoor spaces were the most advantageous. (<https://www.trendshrb.ro>)

Beyond the indisputable usefulness of the Covid-19 protection and prevention measures, it is important that the tourists' perception of the tourist reception spaces is not irreparably affected, so that a hotel-hospital association is formed. The hospitality industry must keep the notion of comfort - smile - relaxation and not fear in all its forms intangible", say the specialists. (<https://www.trendshrb.ro>)

The perceived importance of hotel selection attributes varies considerably depending on various factors. One of the known environmental factors is the crisis of an epidemic, which directly affects the travel behavior of individuals (Mao et al., 2010). For example, cleanliness and hygiene were critical to the success of hotel operations after the 2003 SARS outbreak (Kim et al., 2005), and studies show that individuals are influenced by these conditions when making hotel selection decisions (Chien and Law). , 2003; Choe et al., 2020; Henderson and Ng, 2004). Since the outbreak of the COVID-19 epidemic, new regulations have been proposed and implemented to combat the virus. For example, the New South Wales Government has encouraged business entities to have a comprehensive COVID-19 safety plan, and these businesses and organizations are recognized with a blue tick for use at their premises or online (NSW Government, 2020). The Centers for Disease Control and Prevention recommended maintaining social distancing in hotels by minimizing indoor traffic and using technology solutions where possible to reduce person-to-person interactions (CDC, 2020). In

addition, hotels are promoting a new set of hotel attributes to attract customers, and customers have valued different attributes after the COVID-19 outbreak.

The need for contactless solutions is a trend that will most likely become the new norm in travel and hospitality, as well as many other businesses. Keeping a safe distance while being able to stay connected is a must these days - and when you use the right tools to communicate with guests and hotel staff, contactless engagement can be even more beneficial and time-efficient than face-to-face interactions face to face . There was an increase in the number of on-site reviews during the pandemic months, which shows the importance of instant communication.

COVID-19 disrupted the daily routine, which included every aspect of consumer behavior, such as hotel selection. However, few findings exist in academia. (Yu et al. 2021) examined people's perception of the hygiene attributes of a hotel during the outbreak of COVID-19 and proposed that the hygiene of the space used by the customer, the personal hygiene of the staff and the hygiene of the work space as the basic dimensions of the hygiene attributes of a hotel. This implies that the hotel selection attributes are reconstituted during the coronavirus pandemic, and the important customer-perceived attributes of a hotel selection have changed before and after the COVID-19 outbreak. In addition, numerous studies have determined that the focus on operating hotels has changed due to COVID-19 (Hao et al., 2020; Jiang and Wen, 2020). Hotels are relying more than ever on restoring customer confidence in the safety of their accommodations because they recognize that today's consumers are largely prevention-focused.

Last but not least, the areas for renting individual apartments in apartment blocks in big cities were strongly affected, and tourists turned to other accommodation structures (hotels, hotel-apartment, etc.), because the perception of how sanitizing the spaces was not favorable and tourists did not want to take any more risks. (<https://www.trendshrb.ro>)

With so much that has changed in the last 2 years, so many rules and regulations, restricted areas or unavailable services, it's hard to keep track of what's happening now, especially in an unfamiliar place like a hotel or destination. What

was relevant just a few months ago may not be the same today. At the same time, the things that mattered most to travelers in the past may be different from what they consider important now.

This is why online guest reviews are digested differently by travelers. In order to make a safe and informed booking decision, they need to know the current situation of a particular hotel and what guests are currently saying about it.

While the digital revolution is on the rise, travelers now need more care and empathy than ever before. Showing genuine care is a trend that will never go out of style, and especially when it comes to an industry as personal as hospitality, you need to make sure your guests are well looked after and feel heard and appreciated.

Remember that booking a hotel in today's circumstances involves a high level of trust - your guests trust you to provide them with a safe and satisfying stay and seek reassurance about all their questions and concerns. In this case, the human touch can make a huge difference in how travelers come to perceive their hotel experience and ultimately rate it online.

CONCLUSIONS

During the COVID-19 pandemic, the hospitality industry learned that anything can happen, at any time, so it is essential to allow hotel guests to cancel their reservation at any time and without cost.

Starting with the year 2022, the hospitality industry has given definite signs of a comeback, people have started to feel safe, and have resumed their old habits regarding travel, but a change in their behavior has been observed regarding the services that can be used within the facility of accommodation. Practically, the creativity of the managers of the accommodation units was necessary to support the wishes of the tourists.

Accommodation units must comply with high hygiene standards. However, due to Covid-19, laborious hygiene processes were required in all areas of the facility. From the lobby to the elevators, from the rooms to the common areas, everything required constant sanitization.

COVID-19 disrupted the daily routine, which included every aspect of consumer behavior, such as hotel selection.

Hotels and focused their main efforts not only to comply with official standard cleaning measures, but also to go the extra mile and communicate with guests about this issue in the most effective way.

The modification of some spaces inside the hotels in order to support potential customers, by reorganizing them and offering the most diversified services is one of the solutions for the relaunch of hotel units in order to form a new portfolio of post-covid customers, along with the old customers who were looking for to return to the places they frequented as tourists before the pandemic.

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