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Niramol Promnil [1,*] and **Maythawin Polnyotee** [2,*]

1   Unit of Excellence in Tourism and Hotel, University of Phayao, Phayao 56000, Thailand
2   Department of Tourism Innovation Management, Faculty of Business Administration and Accountancy, Khon Kaen University, Khon Kean 40002, Thailand
*   Correspondence: niramolpr@gmail.com (N.P.); maytpo@kku.ac.th (M.P.);
    Tel.: +66-937159198 (N.P.); +66-981017447 (M.P.)

Abstract: The COVID-19 crisis has created serious and complex challenges for the hospitality industry. A body of literature has identified crisis management practices in the hotel industry at different phases of the crisis. However, the existing literature mainly includes research on large and leading hotels, and knowledge of crisis management practices for small and medium-sized (SME) hotels, particularly at the recovery stage of the crisis, is limited. This paper explores the post-COVID recovery strategies of 386 SME hotels in the upper northern part of Thailand. Structural equation modeling (SEM) was used to test the proposed hypothesis. The results indicate that customer relations (CR)-related and service provision (SV)-related strategies significantly affect SME hotel recovery. Meanwhile, cost-saving (CS) and revenue management (RM) strategies do not have a direct effect but are associated with CR and SV in facilitating SME hotel recovery. This paper provides useful information to assist SME hotel owners and managers in managing how to recover from the pandemic.

Keywords: crisis management; recovery; strategy; SME hotel; COVID-19

1. Introduction

The COVID-19 outbreak has affected every economic sector, particularly the tourism and hospitality industries due to the implementation of travel and social distancing restrictions globally [1]. Thailand's hotel industry has suffered a significant financial crisis, which has caused the closure of 45–50% of hotel businesses located in 20 tourist cities, especially smaller and mid-sized hotels [2,3]. Hotels that are still running are being operated with limited inventory or were subject to government requisition during the pandemic [3]. Indeed, crisis management practices and strategies are required for hoteliers as useful tools that can help them to minimize the negative impact and enable a fast recovery from the crisis [4].

Thailand's government started to loosen travel restrictions and international entry rules, for example, by implementing the Test and Go, Sandbox, and Alternative Quarantine programs, and prepared to downgrade the COVID-19 pandemic to endemic disease as of 1 April 2022 [5]. The progressive reopening led to a recovery in international arrivals in 2022, which reached 4.4 million at the end of August 2022. This is a remarkable rebound compared with the arrival of around 380,000 tourists in 2021 [5]. This reinforces the essential need to support the recovery of Thailand's hotel industry.

The hospitality sector has experienced numerous health catastrophes in recent years, including SARS in 2003, Ebola in 2014, and MERS in 2015 [6]. The body of literature that emerged investigated how such crises can be managed, including the SARS crisis in Hong Kong [7] and the Niagara region [8], and the H1N1 pandemic in Mexico [9]. There are also several studies on Ebola crisis management [10,11]. These studies provide valuable knowledge and guidelines for the hotel industry to cope with such epidemic crises. However, it may be difficult to apply them to the COVID-19 pandemic, since every crisis is unique [12]. According to Hidalgo et al. [6], there are four key distinctions between this

crisis and others: intensity, geographical scope, duration, and degree of uncertainty. Thus, this crisis requires specific practices and strategies in response.

Recent studies on crisis management in the hotel industry in response to the COVID-19 pandemic have examined two levels of strategies: business-level and functional-level strategies. The research examining the business level [13–16] has identified crisis strategies in different stages of the COVID-19 pandemic. Many studies focusing on functional strategies [14,16,17] appear to borrow from the work of Israeli et al. [4], who investigated crisis management in hospitality using luxury hotels in India as an example and introduced four categories of practices: human resources, marketing, maintenance, and government assistance. In response to the COVID-19 pandemic, Lai and Wong [14] established the category of epidemic prevention, which covers sanitation and prevention methods. In addition, Pavlatos et al. [17] expanded on their investigation of crisis management in the Greek hotel business by adding the operational category, which includes investing in new technologies, creating crisis management teams, and implementing new service protocols. Some studies [15,18–20] argue that strategies in response to a pandemic should not be used only in one particular phase, but can be flexibly used in the uncertain post-pandemic time [21].

The existing literature on crisis management in the hotel industry during COVID-19 has advanced our understanding of the practices and strategies adopted in different stages of the pandemic [6,13–15]. Some scholars [22–24] have provided valuable information on characteristics such as the starred rating of hotels [17,22,23], hotel location [17,24], hotel size [15], and the use of crisis management practices. Such studies are dominated by research undertaken with large and leading hotel units that are typically owned and operated by big organizations that are better equipped and have a proven record of management experience and stronger financial support [25] than smaller hotels. Thus, there is a lack of knowledge and information on crisis management practices for SME hotels, which is the main issue affecting their ability to face a crisis [26]. Therefore, research examining crisis management strategies and practices in response to the COVID-19 pandemic focusing on SME hotels is urgently required.

Therefore, the aim of this research was to explore the post-COVID-19 recovery strategies of SME hotels. By doing so, the paper contributes to enhancing our knowledge about contingencies in crisis management for SME hotels. Additionally, it provides specific crisis management guidelines for governments and SME stakeholders to recover from the crisis phase.

2. Literature Review

This section discusses post-COVID-19 recovery strategies and measures, from which several hypotheses are proposed.

2.1. Cost-Saving (CS)-Related Strategy

It is acknowledged that a cost-saving (CS) strategy was the most common hotel practice used in the pre-event and early pandemic phases. A cost-saving related strategy aims to ensure cash flow when revenue is decreased in an emergency or a crisis and to ensure that the cash flow compensates for future revenue and profit loss [15,27,28]. It is also important for SME hotels to continue with a saving strategy in the recovery phase of the crisis [15].

Hotels tend to reduce their labor costs by reducing the labor force, such as by laying off employees, offering unpaid vacations, reducing the number of hours/workdays per week, reducing outsourcing contracts, and reducing wages [29,30]. The study of Israeli et al. [4] on hospitality crisis management at luxury hotels in India introduces a saving strategy mainly used by small and medium-sized hotels. This strategy includes freeing up working capital, increasing business efficiency, postponing non-essential renovation and maintenance, delaying scheduled payments, and freezing pay rates. Many hotels reduce expenses by limiting hotel services and closing down inactive facilities [6,14,17]. Thus, in this paper, we assume the following:

H₁: *Cost-saving related strategies (involving human resources, operation, and maintenance) will be essential for SME hotels to recover from the COVID-19 crisis phase.*

2.2. Revenue Management (RM)-Related Strategies

The main aim of adopting revenue management (RM)-related strategies during the COVID-19 pandemic is to improve cash flow and maximize total hotel revenue [31]. Globally, hotels employed a service transformation strategy to improve their revenue during the COVID-19 outbreak [15]. For example, hotels in India transformed into quarantine services and COVID-19 care units [32]. Asia Hotels and Dusit Suites in Bangkok, Thailand [33], and SME restaurants in the Outaouais region of Canada [29] are examples of hospitality businesses that used a revenue diversification practice to increase their revenue by offering takeaway and food delivery services for local communities.

To increase cash flow and speed up the post-crisis recovery, hotel marketers should prepare and develop channel distribution and promotion plans. According to a comparison study conducted by Lai and Wong (2020) [14], marketing activities were not significant in the early and crisis stages of COVID-19; however, there has been a trend of increasing importance in the recovery stage. A theoretical paper by Murimi and Olielo [31] asserts that the expansion and development of RM strategies can be prevented by marketing activities such as advertising, sales, and channel distribution, particularly in the post-crisis recovery. In addition, Denizci Guillet and Chu [34], in their examination of RM implemented during the COVID-19 crisis, note that distribution channel management, including digital marketing tools and OTAs, have become critical marketing practices in the recovery stage.

The purpose of a marketing campaign in the recovery stage is to gain consumer confidence and target new markets, notably local and domestic tourists [14,17,35]. This is according to a study carried out by Rodriguez-Antón and Alonso-Almeida [36], who researched the effects of recovery strategies used by the hospitality industry in Spain. Similarly, Heredia-Colaco and Rodrigues [37] conducted quantitative research with 144 hotels globally and pointed out the key recovery strategies employed to attract new markets, including creating new packages and special offers. Therefore, in this paper we argue the following:

H₂: *Revenue management-related strategies (involving service transformation, revenue diversification, distribution channel management, and targeting new markets) will be essential for SME hotels to recover from the COVID-19 crisis phase.*

2.3. Customer Retention (CR)-Related Strategies

In the context of uncertainty during a health crisis such as the COVID-19 pandemic, it is necessary for hotels to enhance customer relations and, especially, to build customer confidence in a safe environment [36]. A study by Lai and Wong [14] notes the importance of having epidemic prevention practices at all stages of the health crisis. Garrido-Moreno et al. [35] evaluated and ranked the strategies and measures used by 237 hotel managers in Spain and highlighted the strict implementation of hygiene standards and preventive health measures for recovery during the COVID-19 pandemic. In their study, two epidemic prevention strategies on which managers scored the highest were training all employees to assist potential positive cases and promoting specific measures to increase hygienic behavior at the hotel. Yacoub and ElHajjar [13] explored how Lebanese hotels responded to the COVID-19 pandemic and noted that managers of five 4-star hotels provided enhanced cleaning safety training aimed at staff–customer encounters.

Numerous researchers have discussed the use of service automation and innovation during the COVID-19 crisis recovery stage [1,15,17,29,38]. A conceptual paper by Jiang and Wen [39] proposes increasing the use of business innovations in response to the pandemic. To minimize interactions between guests and staff, hotels have adopted new automated service procedures such as contactless check-in/check-out, online service ordering, digital menus, and smart room control.

Rodríguez-Antón and Alonso-Almeida [36] asserted that the aim of a marketing campaign in the recovery stage is to attract, improve, and rebuild customer confidence by establishing a communication strategy to keep customers informed of the hotel's prevention and protection measures to ensure a safe environment. Hao et al. [40] added that hotels can reinvent communication channels by using digital platforms, such as social media, to communicate with customers. Based on the foregoing, in this paper, we hypothesize the following:

H₃: *Customer relation-related strategies (involving epidemic prevention standards, employee training, service innovation, and communication) will be essential for SME hotels to recover from the COVID-19 crisis phase.*

2.4. Service Provision (SV)-Related Strategies

It is considered that the COVID-19 pandemic has caused changes in customer preferences and behavior; therefore, hotels should reinvent their service processes to meet the emerging customer needs [40]. Flexible service practices in the recovery stage of the crisis are mentioned in several studies [14,27,35]. A study by Garrido-Moreno et al. [35] notes that in order to avoid cancellations, hotel managers developed flexible reservation programs, such as flexible check-in/check-out times, flexible rescheduling, and reservation postponement, during the COVID-19 pandemic.

A comprehensive review of the impact of COVID-19 on China's hotel industry by Hao et al. [40] noted that hotels have improved their facilities and services in the recovery stage. Hotel managers in Spain perceived personalized service as significant in reducing customer uncertainty in the COVID-19 situation. They also preferred offering additional benefits to reducing prices [35]. Therefore, the final hypothesis is as follows:

H₄: *Service provision-related strategies (involving flexible service, personalized service, and additional benefits) will be essential for SME hotels to recover from the COVID-19 crisis phase.*

3. Research Methodology

3.1. Questionnaire Development

In this paper, we adopted an applied research approach using a descriptive method. The data were collected using a 5-point Likert scale questionnaire. The questionnaire was developed based on a literature review of studies on crisis management in the hospitality industry and interviews with three hotel managers to identify the main categories and strategic measures that will be essential for SME hotels to recover from the COVID-19 pandemic. The interviews with hotel managers provided useful information about their perspectives and concerns about specific issues. The managers are concerned about the reduction in marketing costs. They reported a higher use of free marketing tools and reduced-sale promotional activities and OTA contract agreements. They said that they intended to use free marketing resources more frequently while reducing measures such as sale promotions and OTA contract agreements. The managers also underlined the need for employee training programs in preparation for the new normal, including training in technology, multitasking, and changing customer behavior. We improved, enriched, and validated the questionnaire with 20 questions using this valuable information and the managers' suggestions (Table 1). To facilitate coding, the answers were rated on a scale from 1 (completely unimportant) to 5 (very important).

Table 1. Categories and recovery strategies for SME hotels.

Category	Recovery Strategies	Code
Cost-saving-related strategies (4 items)	Save labor costs by laying off employees, offering unpaid vacations, reducing the number of hours/workdays per week, reducing outsourcing contracts, and reducing wages [15,29,30]	CV1
	Save operational costs by limiting hotel services and closing less used facilities [6,14,17]	CV2
	Maintain cost savings by postponing non-essential renovation and maintenance and purchasing lower-cost office supplies [4]	CV3
	Reduce marketing costs by using free tools and reducing sale promotion activities and OTAs (based on interviews with hotel managers)	CV4
Revenue management-related strategies (4 items)	Enable service transformation by shifting to quarantine services and COVID-19 care units [15,32,33]	RM1
	Diversify revenue by providing takeaway and food delivery services for local communities [14,29,33]	RM2
	Manage distribution channels by investing in digital marketing tools and OTAs [31,34,36]	RM3
	Target new markets and create new packages and special offers [14,17,32,35]	RM4
Customer relation-related strategies (4 items)	Implement epidemic prevention standards/green promotion [14,29,37,38]	CR1
	Train employees on strictly implementing hygiene standards and cleaning safety [13]	CR2
	Enable service innovation by inventing new automated service processes, such as contactless check-in/check-out, online service ordering, digital menus, and smart room control [1,15,17,29,39]	CR3
	Enhance communication by creating a marketing campaign to improve and rebuild customer confidence and using digital platforms such as social media to communicate with customers [36,40]	CR4
Service provision-related strategies (4 items)	Provide flexible services such as flexible reservation program, flexible rescheduling, and reservation postponement during the COVID-19 pandemic [14,27,35]	SV1
	Offer personalized services to reduce customer uncertainty in the COVID-19 situation [40]	SV2
	Offer additional benefits instead of reducing prices [35]	SV3
	Provide employee training for the new normal, including changes in customer behavior, technology skills, and multi-tasking skills (based on interviews with hotel managers)	SV4
Hotel recovery strategies (4 items)	Hotels should focus on cost management (based on interviews with hotel managers) [4,6,14,15,17,29,30]	REC1
	Hotels should focus on revenue management [14,15,17,29,31–36]	REC2
	Hotels should focus on customer relationship management [13–15,17,29,36–40]	REC3
	Hotels should focus on service quality enhancement (based on interviews with hotel managers) [14,27,35,40]	REC4

The questionnaire was reviewed by three academics and two hotel managers to satisfy the content validity requirements and determine each question's item–objective congruence (IOC). The result for all items was more than 0.80. According to Turner and Carlson [41], five experts are needed to assess the validity and the IOC value should be approximately 0.80 to be regarded as statistically significant.

3.2. Sample and Procedure

Based on the initial interview with the president of the Thai Hotels Association's northern chapter in July 2022, the upper northern area of Thailand was considered to be a suitable location to study crisis management practices and strategies at SME hotels. This is because the region had an increase in SME hotels before the pandemic. However, in the northern region, nearly 75% of hotels were forced to close due to the COVID-19 outbreak. Due to characteristics such as limited resources, less specialized management, a lack of experience, and inadequate management knowledge, the majority of hotels that closed either temporarily or permanently were SME establishments [42].

The research was carried out at the business unit level; thus, the sample included the owners or managers of SME hotels in eight provinces located in upper-northern Thailand. The sample was restricted to 989 SME hotels among the list of hotels and resorts in the area [43]. In order to have a confidence level of 95%, a sample size of 277 was identified [44]. For the selection of the sample, nonprobability sampling was used, with quota sampling carried out according to province from November to December 2022 (Table 2).

Table 2. Population and sample according to province.

Province	Population	Proportion of Sample	Respondents
Chiang Mai (CM)	552	157	204
Lampang (LP)	44	11	24
Mae Hong Son (MHS)	62	17	18
Chiang Rai (CR)	208	58	65
Phrae (PR)	30	8	15
Lamphun (LN)	24	6	10
Nan (NN)	48	14	32
Phayao (PY)	21	6	18
Total	989	277	386

Own source.

The questionnaire was sent online through Google Forms, accompanied by a cover letter explaining the purpose of the research sent to the 989 hotels via e-mail. Two weeks later, only 98 questionnaires were returned (10%). As the response rate was very low, the decision was made to deliver hard copies of the questionnaire to the hotel managers in person. The completed questionnaires were gathered a few days later. Finally, we received responses from 403 hotels, but only 386 of the questionnaires were valid. Table 3 shows the characteristics of the hotels that replied to the survey; the majority were in city centers, and their length of time in business ranged from 5 to 10 years. Most were independent hotels with rooms only or rooms and restaurant options and a price range of THB 501 to 1000.

Table 3. Characteristics of hotels that participated in the survey (N = 386).

Characteristics of Hotels	n	%
Location		
City center	244	63
Suburb	87	23
Near natural destination	55	14
Ownership		
Independent hotel	331	86
Chain hotel	33	9
Management contract	10	3
Franchise hotel	12	3
Service offering		
Room only	180	47
Room and restaurant	124	32
Room and restaurant or conference room	32	8
Room, restaurant, and conference room	50	13
Price		
THB < 500	61	16
THB 501–1000	201	52
THB 1001–1500	69	18
>1501 THB	55	14
Length of Time in Business		
<5 years	89	23
5–10 years	185	48
11–15 years	57	15
>15 years	55	14

Own source.

4. Results

4.1. Reliability and Validity Test

Structural equation modeling (SEM) was used to identify the crisis management measures essential to facilitating recovery from the COVID-19 pandemic for SME hotels. Before analyzing the results, a construct reliability and validity test was conducted using confirmatory factor analysis (CFA). The factor loading for the 20 questions was in the range of 0.57–0.87; factor loadings in excess of 0.50 are statistically significant [45]. The results show that the Cronbac's alpha coefficient for each construct ranged between 0.85 and 0.93, which indicates the very high reliability of the factor; values > 0.7 are considered acceptable for reliability for all constructs [45]. The level of internal consistency was assessed via composite reliability (CR). The CR value of each construct was in the range of 0.79–0.86; CR > 0.70 is regarded as statistically significant [45]. In addition, the convergent validity was tested using average variance extracted (AVE), which was accepted at >0.5 [45]. The AVE values of the CFA construct validity test ranged from 0.51–0.59, indicating convergent measurement validity. Table 4 shows the internal consistency reliability (ICR) and convergent validity.

Table 4. ICR and convergent validity.

Construct	Variable	Factor Loading	AVE	CR	Alpha Coefficient
CS	cs1	0.77	0.51	0.79	0.88
	cs2	0.73			
	cs3	0.72			
	cs4	0.57			
RM	rm1	0.79	0.52	0.81	0.92
	rm2	0.71			
	rm3	0.70			
	rm4	0.67			
CR	cr1	0.86	0.55	0.86	0.85
	cr2	0.86			
	cr3	0.82			
	cr4	0.62			
SV	sv1	0.87	0.51	0.83	0.91
	sv2	0.78			
	sv3	0.66			
	sv4	0.66			
REC	rec1	0.85	0.59	0.85	0.93
	rec2	0.78			
	rec3	0.72			
	rec4	0.71			

Own source.

It was necessary to implement a technique that would better detect the absence of discriminant validity. In this case, the hetero–monotrait relationship (HTMT) was applied. If the relationship for each pair of factors is <0.90, the condition is accepted [46]. Table 5 shows that all values for the HTMT test are lower than 0.90, indicating discriminant measurement validity.

Table 5. Discriminant validity by HTMT.

	CS	RM	CR	SV	REC
CS	1				
RM	0.67	1			
CR	0.40	0.55	1		
SV	0.57	0.73	0.67	1	
REC	0.36	0.43	0.59	0.61	1

Own source.

Before testing the hypotheses, it is essential to diagnose the model's goodness of fit indices. Several common indices are used to test the model fit, including chi-square (x^2), degree of freedom, the Tucker–Lewis index (TLI), the comparative fit index (CFI), and the root mean square error of approximation (RMSEA). A good model fit requires meeting the accepted criteria for these indices. The results in Table 6 indicate a good fit for each construct and the model can therefore provide a basis to test the hypotheses.

Table 6. Goodness of fit statistics.

Fit Index	x^2	df	x^2/df	TLI	CFI	RMSEA
Criterion [45]			<5	Close to 1	>0.9	≤0.08
Value	770.54	197	3.9	0.84	0.87	0.08

Own source.

4.2. Hypothesis Test

To test the study hypotheses, we identified the crucial crisis management strategies to facilitate SME hotel recovery from the COVID-19 pandemic. The results of SEM analysis are presented in Table 7, which shows that CS (β = 0.035, $p < 0.05$) and RM (β = −0.065, $p < 0.05$) are not statistically supported. These results mean that H_1 and H_2, which assert that CS and RM do not facilitate SME hotel recovery after the COVID-19 pandemic, are rejected. However, the results support hypotheses H_3 (CR: β = 0.331, $p < 0.05$) and H_4 (SV: β = 0.490, $p < 0.05$), which assert that CR and SV significantly facilitate SME hotel recovery after the COVID-19 pandemic.

Table 7. Results of SEM path coefficients.

Hypothesis and Structural Path	Std. Path Estimate	Critical Z-Value	P > |Z|	Result
H_1: CS → REC	0.035	0.83	0.405	Rejected
H_2: RM → REC	−0.065	−1.23	0.217	Rejected
H_3: CR → REC	0.331	3.49	0.001	Accepted
H_4: SV → REC	0.490	4.90	0.001	Accepted

Own source.

Although H_1 and H_2 were rejected, the results of model fit testing (Table 6) indicated a good fit for each construct. As a result, CS and RM related strategies were included in the SEM model (Figure 1).
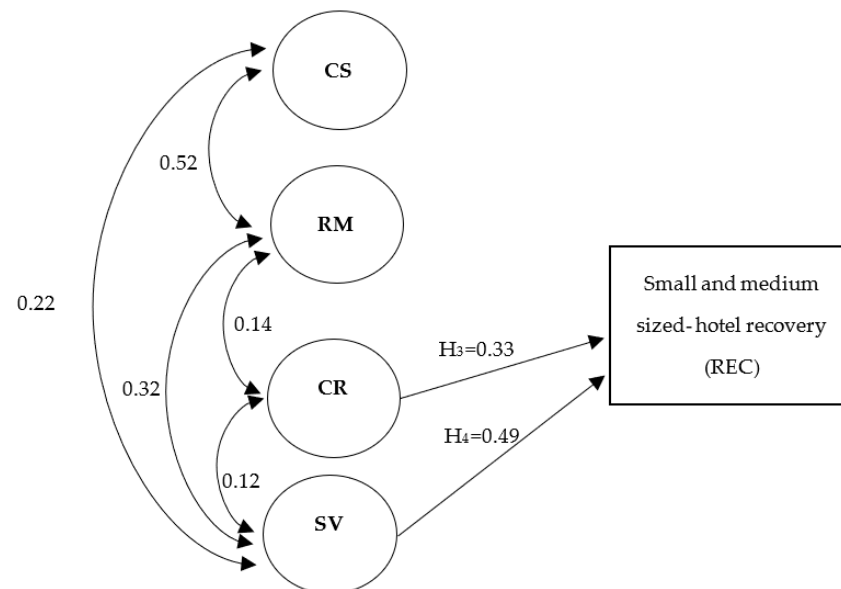
Chi-square = 770.593, df = 197, x^2/df = 3.911, TLI = 0.862, RMSEA = 0.088

Figure 1. Crisis management strategy model for SME hotel recovery from COVID-19 pandemic.

5. Discussion

The COVID-19 crisis has created serious and complex challenges for the hospitality industry. The existing literature has identified crisis management in the hotel industry at different phases of the crisis [6,13,14], but the research was predominately undertaken with large and leading hotels. There is limited knowledge and information on crisis management practices for SME hotels [26], in particular at the recovery stage [15,35]. Therefore, the purpose of this paper was to investigate recovery plans for SME hotels. The information provided in this paper will be helpful to owners and managers as they manage the crisis and plan for the near future.

First, this paper reveals that executives of SME hotels in northern Thailand viewed the CS strategy as insignificant in hotel recovery (H$_1$, β = 0.035). As earlier research has shown [15,27,29], managers used this method to assure liquidity and cash flow when sales declined in the emergency and crisis phases and continued using it in the recovery phase to preserve business continuity. This suggests that the managers view the CS plan as a crisis response strategy rather than a post-crisis recovery strategy. Moreover, the finding that CS strategies are insignificant in hotel recovery differs from research conducted with larger or luxury hotels [4,6,14,17], which largely used the saving strategy in the recovery phase of the crisis. This might be because large and luxury hotels have higher labor and operational costs than smaller hotels. Therefore, managers applied a cost-saving (CS) strategy to ensure cash flow and compensate for future revenue and profit loss [15,27,28].

Similarly, the RM strategy did not facilitate hotel recovery (H$_2$, β = −0.065). This finding does not agree with previous studies [14,32–34,36]. This might be because the sample hotels are independent hotels (86%) providing rooms only (47%), with a price lower than THB 1500 (USD 50). Therefore, these hotels lack the financial backing, specialized managerial skills, and specialized equipment and resources [20,42] needed to make the transition to quarantine services and food delivery and takeaway services for local communities, invest in digital marketing tools, and develop a new market focus.

The strategy related to customer relations was found to significantly affect hotel recovery in the context of an uncertain health crisis such as COVID-19 (H$_3$, β = 0.331), as mentioned in several previous studies [36,37,40]. In this area, the managers pointed out the need to develop a marketing strategy to enhance and restore consumer confidence, use new digital channels such as social media to engage with customers, and train staff to rigorously adhere to standards of hygiene and cleaning safety [35].

Finally, the managers ranked strategies related to service provision highly compared to other strategies (H$_4$, β = 0.490). The managers realized that offering personalized and flexible services, such as flexible reservation programs, rescheduling, and reservation postponement, had a significant impact on hotel recovery for SME hotels in northern Thailand. They believed that it is important to train their employees to understand changes in customer behavior and to learn technology skills and multitasking skills. This result agrees with previous findings of studies conducted by Hao et al. [40], Garrido-Moreno et al. [35], Lai and Wong [14], and Ajharn and Pooripakdee [27].

This study makes a major contribution and fills a significant gap in the research on post-COVID-19 recovery and crisis management in the hotel industry. First, we developed a set of recovery measures for SME hotels to implement during the COVID-19 pandemic, including cost-saving, revenue management, customer relations, and service provision strategies. Additionally, this paper is the first to use SEM to explore recovery strategies for SME hotels in the northern part of Thailand. This study was carried out after Thailand's government loosened travel restrictions and international entry rules. This led to a recovery in the number of international arrivals in August 2022, which reinforces the essential need to support the hotel industry recovery in Thailand. Therefore, conducting a study in this context was essential. The SEM analysis revealed that the owners and managers of SME hotels in Thailand recognize strategies related to CR and SV as significantly affecting hotel recovery, while CS and RM strategies are more likely to be used by larger or luxury hotels than SME hotels. These findings support the previous literature [13,14,17], showing that the size of the hotel and its level of service influence the implementation of recovery strategies in the industry.

Based on our findings, we suggest some practical implications. Based on the limited facilities and financial support of SME hotels, we suggest that owners and managers offer additional benefits to satisfy customers rather than reduce prices. Additionally, hotels should train employees to understand changes in customer behavior and learn technology skills and multitasking skills [14,27,35,40]. Finally, executives need to reestablish customer trust and loyalty by developing a marketing strategy, communicating with customers

through free tools such as social media, and instructing staff members on how to rigorously adhere to cleaning safety and hygiene requirements [35].

Although this paper provides relevant insight, it has some limitations. We initially focused on identifying crisis management strategies during the recovery stage in upper-northern Thailand. The findings may be difficult to generalize to all SME hotels across Thailand. Therefore, future research should replicate the analysis in different regions in an effort to achieve robustness and find common themes. In order to enhance our knowledge of crisis management for SME hotel recovery, comparing the findings in different regions and identifying region-specific recovery strategies are suggested for future research.

This paper reveals that the characteristics of hotels, including ownership, level of service, and price, may be factors that influence crisis management implementation during the recovery phase. However, individual hotels and worldwide chains may employ different epidemic crisis management tactics; thus, future studies could compare the differences across hotel segments.

Furthermore, this study was conducted with owners and managers because they possess knowledge of strategic variables. In fact, the organization relies on collaboration between domains, and organizational outcomes require input from different levels and parts of the organization [47,48]. To gain a better understanding of the organizational phenomenon, future research could include data from multiple actors, including line managers and other employees, and apply multilevel, multi-actor research.

6. Conclusions

At present, there is a body of literature that explores crisis management in the hotel industry at different phases of the crisis, predominated by research undertaken with large and luxury hotels. However, there is a lack of crisis management expertise for SME hotels to draw upon, particularly during the post-COVID-19 recovery stage. This paper used SEM to explore post-COVID-19 recovery strategies for SME hotels in the northern part of Thailand. The results indicate that CR and SV strategies had a big impact on SME hotel recovery. Although the CS and RM strategies did not have an impact on SME hotel recovery following COVID-19, they have worked in conjunction with CR and SV methods to that end. We also discovered that in addition to hotel size, the hotel's level of service influences the implementation of recovery strategies. Additionally, this paper provides important knowledge to assist owners and managers of SME hotels with managing and recovering from an uncertain health crisis.

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