CASE STUDY



The survival of hotels during the COVID-19 pandemic: a critical case study in Vietnam

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Abstract

The remedies used for the COVID-19 pandemic such as travel restrictions and quarantine have created severe difficulties for the hotel industry. However, there is also a scarcity of effective response strategies for the tourism and hospitality industry. This paper introduces a responding strategy developed by a case hotel in Vietnam to help survive this troubled period. Marketing's service-dominant logic and Bourdieu's theoretical framework of habitus, capitals, and field are used to facilitate the analysis of findings. Our empirical analysis further highlights the development of the paid quarantine service in a case hotel, which can help both hotels and authorities in Vietnam to respond effectively to the pandemic.

Keywords COVID-19 · Pandemic · Crisis responses · Quarantine · Resilience · Case study

1 Introduction

The first report of a coronavirus case was submitted to the World Health Organisation (WHO) Office in China at the end of December 2019. During the first week of January 2020, there were more than 40 patients who had been confirmed to have the coronavirus infection and were hospitalized in China (Huang et al. 2020). As it had been the virus infection area, the whole city of Wuhan was put into lockdown with several citizen quarantine mandatory procedures. However, the number of infections quickly rose to more than 80,000 by mid-February, just one and a half months after the first case had been reported (European Centre for Disease Prevention and Control 2020). One month later, international aviation had caused the spreading of



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coronavirus to 146 countries around all of the continents. Thereafter, the increase in the number of coronavirus cases accelerated, mainly through community infection, and had reached 7.69 million cases (with over 428,000 deaths) in over 200 countries by the middle of June 2020 (Worldometer 2021).

Given the catastrophic worldwide implications of COVID-19, travel restrictions and country lockdowns have been commonly adopted in most countries. As a consequence, global tourism has witnessed a significant dropdown. Almost all countries have witnessed an enormously lower tourism rate, because most of the hotels have been closed, and the 2020 hotel industry revenue forecast has been revised to be in a serious decline (Gössling et al. 2020). The worst consequences have occurred in countries with the largest coronavirus infection case numbers, for instance, the US, Russia and Brazil (Gössling et al. 2020; Worldometer 2021), as well as those who imposed severe measures to restrict travel in the population, such as Germany and Greece (Worldometer 2021). More recently, however, other countries, such as New Zealand, Vietnam, and Korea, have witnessed quite a good resistance to the coronavirus disease, although there is only a small chance of the possibility for these countries to reopen and attract tourists from other countries, where the coronavirus disease is endemic. Despite the uncountable implications of the COVID-19 pandemic to hospitality and tourism, the main concerns were not so much about the extent to which the COVID-19 pandemic has affected the hotel industry; instead they were the following questions: (i) What were the immediate responses of the hotels if they are to sustain their survival? and (ii) What strategies and tactics should be adopted by hotels after the negative influence of the COVID-19 pandemic? This study was based on a critical case in a private hotel in Vietnam in order to address the call for empirical insights into how a hospitality enterprise in Vietnam can manage to survive during the COVID-19 pandemic.

Data from this study were collected from a large private hotel in Vietnam. To maintain its anonymity, we have labeled our case hotel as "Viehost." This hotel has developed a number of strategies of its own to respond to the COVID-19 pandemic, notably with the introduction of a paid quarantine service for foreign travelers to Vietnam. There are several salient implications that mark our case hotel as a critical case study. First, the establishment of a paid quarantine service at Viehost had received the agreement and support from both hotel management and also the Vietnamese government and government agencies. Second, the paid quarantine service of Viehost is well-aligned with responding strategies for survival during the COVID-19 pandemic, which are also focused on profitability and job security for current staff members. Finally, the introduction of a paid quarantine service in a few hotels in Vietnam can help to reduce the accommodation required for the institutional quarantine by the Vietnamese government, while providing a comfortable place for guests in mandatory quarantine, who are willing to pay for a better hospitality service rather than staying in an institutional quarantine accommodation. We also adopt Bourdieu (1977)'s theoretical framework of social practices which includes three perspectives—habitus, capitals, and fields—as a "middle range" theoretical lens to provide an analytical approach for our case hotel (Laughlin 1995). The integration of habitus, capitals, and fields in Bourdieu (1977)'s theoretical framework allows an in-depth investigation into the resources, employment, and external



and internal organizational factors that either facilitate or obstruct the development of the paid quarantine service in Viehost.

Our paper significantly contributes to both hospitality research theory and practice. Indeed, it introduces a novel survival strategy that was recently developed by Vietnamese hotels to respond to the challenges caused by COVID-19, while reducing the burden for the government to carry out institutional quarantine, yet still maintaining the higher medical and accommodation standards for a quarantined guest. In addition, this study is one of the first researches highlighting how the response approaches for the Covid-19 pandemic are developed in a case hotel in a developing country and can be considered to be implemented by hotels in other countries with similar contexts.

The rest of this study is organized as follows: the next section provides the background information and implications of the COVID-19 pandemic to both international and Vietnamese tourism. Section 3 considers the methodology and the case background. Findings from the case organization are presented in Sect. 4. Finally, Sect. 5 highlights the main contributions of this study and the conclusion.

2 Background information

Recent studies mainly provide negative implications of the COVID-19 pandemic to the world economy. Section 2.1 presents the implications of the disease to the international tourism industry. Meanwhile, section 2.3 discusses the developments of ways to cope with the COVID-19 pandemic, with implications for Vietnam's tourism. Our study focuses further on the "so what" question by providing the response strategy for the COVID-19 pandemic from a critical case hotel facilitated by the adoption of service-dominant (S-D) logic in hotel organization, discussed in section 2.3.

2.1 The international pandemic

2.1.1 Implications of the Covid-19

Although the world has experienced several major pandemics and diseases in the twenty-first century such as the Avian influenza outbreaks in 2003, the Sudan Ebola outbreaks in 2004 and 2007, the Western African Ebola virus epidemic in 2013, and the Zika virus epidemic in 2015 (Bradley and Bryan 2019), none of these have delivered the horrific influences to the global economy like the coronavirus disease has since 2019. Even though the coronavirus disease does not have as high a death rate as Ebola, infected patients can spread the virus to their community for a number of days before their own symptoms are even recognized (Wu et al. 2020). Thus, the rate of spread of the coronavirus due to unknowingly asymptomatic transmission is extremely high. Because of the limited testing capabilities in several countries, the prevention of all asymptomatic transmissions is difficult to achieve. Hence, a



variety of coronavirus anti-infection measures such as social distancing, mandatory institutional quarantine for travelers from high infection areas, and test, track, and trace strategies have been implemented by governments around the world (Colbourn 2020).

An example of the danger of Covid-19 can be seen from the recent news at the time of writing that German authorities in the state of North Rhine-Westphalia have re-imposed lockdown restrictions in two districts after a spike in cases, with more than half a million people being affected. The source of this outbreak is alleged to be at Europe's largest meatpacking plant in Gütersloh, with more than 1500 workers testing positive for COVID-19. Germany's labor minister has said that the owners of this plant must be held to account for this new outbreak of COVID-19. Germany's coronavirus reproduction (or R) rate suddenly increased to 2.88 shortly afterwards largely as a result of this outbreak (Belso-Martínez et al. 2020). Approximately 7000 people were sent into quarantine as a result of the outbreak, and schools and kindergartens in the region that had only recently been re-opened were forced to close for the rest of the school year (BBC 2020).

Among various intervention measures, namely the quarantine (home and institutional, where the institutional quarantine is defined as the enforcement of quarantine at governorates, while home quarantine is home-based isolation), social distancing, and face mask wearing, institutional quarantine can be seen as the most effective way to minimize the infection rate of the coronavirus (Colbourn 2020; Gössling et al. 2020). However, this approach has resulted in an economic burden to authorities, especially for the public expenditure of developing countries.

2.1.2 The effect of COVID-19 on international tourism and the hotel industry

As a result of the COVID-19 pandemic, most countries have imposed border closures, the return home of traveling citizens and mandatory quarantine, and these orders partly led to the significant decline in both international and domestic tourism in just over a few weeks. Most countries have imposed travel restrictions, both internationally and nationally, which have instantly impacted the tourism industry and relevant industries. A few examples of these impacts are transport and cruise restrictions, canceled events, closed accommodation, and restaurants. Although a switch to takeaway services has allowed some restaurants to continue operating, these responses have consequently caused negative consequences to the economies of every business, industry, and country (Gössling et al. 2020).

Even though there is a general belief that tourism will rebound after the COVID-19 pandemic is under control, as it did from previous diseases such as SARS (Ahmed et al. 2020), there is evidence that the crisis will deliver a different result for tourism and hospitality industries with the corresponding implications for the hotel sector and employment in these industries (Cheng et al. 2018; Ahmed et al. 2020). Given the negative influences of the COVID-19 pandemic and the countermeasures such as social distancing and travel restrictions, most hotels have been closed or have experienced a very low rate of tourists (Belso-Martínez et al. 2020), thus, making revenue forecasts for the hotel sector suffer a significant dropdown in 2020. Besides, what is not yet clear is how hotels will survive after the COVID-19



pandemic, and even if they do, how they will continue to provide health and sanitation capabilities for clients arriving in the future.

2.2 COVID-19 in Vietnam

The World Health Organisation declared that COVID-19 was a global pandemic with 7.69 million infection cases (and over 428,000 deaths) in over 200 countries by the middle of June 2020 (Worldometer 2021), and the infection still continues to increase rapidly. Vietnam, however, was one of the Asian countries which recorded only a modest number of infected cases. More interestingly, Vietnam is a neighboring country of China and has a massive amount of trade with them, yet it impressively appeared to have a prompt response and effective strategy to curtail the spread of the disease. On 23rd January 2020, the first case of COVID-19 was recorded in Vietnam which concerned the government. Due to the complexity and unpredictability of the novel virus outbreak, the Vietnamese government promoted a plan to act promptly on tracing, defining, and separating infected people from society at an early stage. Instead of locking down the cities, the government decided to stop schooling, commercial, and related activities so that the disease could be prevented from spreading. Instead, these activities were asked to be switched to being online, if possible, in order to minimize the negative impacts on the economy (Vu and Tran 2020). On 15th April, a strategy of social distancing was implemented for 2 weeks at the most sensitive period of the pandemic, where people were asked to work from home and stop unnecessary commuting. Many e-commerce sectors took the benefits from this, although the macro-economic hurt was unavoidable. By the time, this article was written, on 15th June, Vietnam had only recorded 335 infected cases, in which 325 cases have recovered and been discharged from hospital without any deaths (Shira 2020).

2.2.1 Strategies and countermeasures for COVID-19 in Vietnam

Vietnam has been known as a developing country that has limited capacities in infrastructure and medical systems as well as a shortage of skilled healthcare labor. As such, a mild spread of the virus may have caused a large burden on the system and caused significant hurt to the economy as a result. Recognizing the vulnerability of the situation, the Vietnamese government considered several cost-effective strategies to prevent the pandemic from spreading. By mid-March, travelers who visited Vietnam were sent to quarantine centers for 14 days. Among the international travelers, the returning Vietnamese, who were students, tourists, and business travelers, were also sent to quarantine centers. The government also traced and separated those that had been in contact with a confirmed case. There were various levels of quarantine (Joo and Shin 2020). Specifically, people were medically tested and if a person was found to be positive with COVID-19, they would be labeled as "F0." Anyone who had been in contact with them would be "F1" and people who had been in contact with F1 were categorized as



"F2." These individuals had to respect the social-distancing rules and self-isolate at quarantine centers or at home depending on their category levels (e.g., which is also known as institutional quarantine) (Vu and Tran 2020). Due to the vast scale of the F1 quarantine level, demands for accommodation and facilities were at peak levels. Although the government mostly covered the cost, the accommodation was perceived as not being in a very good condition, thus, was uncomfortable for the people (HanoiTimes 2020).

There were other strategies, namely clear public message communications and calling for cooperation from firms. These were factors of mobilization of nationals that contributed to the success. The government considered the virus as a common foreign enemy and conveyed that message to citizens via mass media; they called on the unity of the population to defeat it. They recalled the history that Vietnam had always been threatened by foreign invaders; thus, the messages on media communications encouraged people to fight the epidemic together like they were fighting against the enemy. Vietnamese individuals who returned from aboard and had potential risks of virus transmission were made aware of the situation. They were expected to commit strictly to quarantining themselves from the community despite the poor accommodation services for institutional quarantine. Being careless and/or not following the regulations against the efforts of society would effectively turn them into villains who would receive public criticism. In addition, the government's role was perceived as effective leadership by providing information with transparency, monitoring, and leading communities during the pandemic (Klingler-Vidra and Tran 2020). A special website and mobile application that updated the pandemic information were initiated by the Ministry of Health for both streamlining the medical process and also for disseminating accurate information swiftly. The digital applications also helped to prevent the spreading of inaccurate information known as rumors and fake news as well as profiteering. The media channel was also very responsive in updating the public about the pandemic in other countries to raise public awareness about the seriousness of COVID-19. Responding to the situation, many firms and influential individuals contributed to providing medical facilities and accommodation that helped to streamline the campaign. Some hotels also devoted rooms to be quarantine centers to solve the problems caused by a shortage of accommodation (Tran and Michael 2020).

Besides the prompt response and detailed actions for being less of a burden on the healthcare and medical systems, the Vietnamese government had solutions for mitigating damages to the economy in both the medium and long term. As it is a small developing country, Vietnam's government has spent a great deal of effort since 1993 to minimize the poverty percentage with a continuing growth in GDP. To maintain the percentage of growth, the government introduced a number of measures, namely the deferral of taxes and charges, additional financial support for the most vulnerable and tax credit incentives. Vietnam's economy is predicted to grow by 2.7% in 2020, making it the overall most successful COVID-19 performer globally (Politico 2020).

The Vietnamese government also showed their compassion to students living abroad and Vietnamese who had been infected seriously while living in other



countries and regions worldwide, by welcoming them home. These people were sent to institutional quarantine and had their health looked after by military and medical staff. With limited capacities in infrastructure facilities, quarantine centers were usually dormitories located in suburban areas next to big cities.

2.2.2 Impacts of the COVID-1919 pandemic on tourism and hospitality in Vietnam

Despite many strategies for preventing the spread of the pandemic and its impacts on the economic growth, the tourism and hospitality industry was the most severely affected. Since the first case of COVID-19 was recorded, Vietnam's tourism faced challenges of both a significant reduction in numbers of visitors, and also a longterm shortage of human resources. The tourism sector witnessed a decline in tourist arrivals from major markets such as China, South Korea, and the US (HanoiTimes 2020). In the first 3 months of 2020, the General Statistics Office reported a drop of 18.1% of international tourists due to the pandemic, when compared to the same period last year. The tourism sector accounts for 7% of Vietnam's GDP by itself, and up to 14% of that includes other related hospitality activities such as food and beverages, so it now drops down significantly to 5.52% (Tran and Michael 2020). Many tourism firms have had to switch to a hibernation mode due to canceled travel plans. Small and large hotels have also shut down which has caused food and beverage sectors to be impacted negatively as a result. A large number of employees in these sectors have lost their jobs and considered starting their careers in other paths to resolve their financial difficulties, which may worsen the situation of the human resource shortage for the tourism and hospitality industry in the long term.

2.2.3 Opportunities and roles of hotels and resorts in Vietnam during the COVID-19 quarantine period

Many mid-range and luxurious hotels and resorts volunteered to be quarantine service centers in order to respond to the shortage of facilities, service staff, and accommodation for quarantine. This proposal can be considered beneficial for all parties. Pressure could be lessened for the healthcare system; demand for more comfortable accommodation with better service quality could be satisfied for the quarantined people who were willing to pay for the services, and service operation could be maintained for the hotels to help them survive over the pandemic (Tang et al. 2015; Cheng et al. 2018). The food supply chain for the hotels and resorts could also be maintained during the operation (Belso-Martínez et al. 2020). Local governments will consider authorizing the hotels and resorts that have met the necessary health and sanitation standards required to be quarantine centers.

When people arrived at the airport, they were asked for a declaration of health and a medical check; afterwards, before transferring them to quarantine centers, they would be asked if they wished for quarantine with service fees. People who wished to pay for the services would be looked after well by both the service staff of the hotel and also with the cooperation of the local government. For instance, regular security checks were made throughout the day and night by the local police, and guidance was given in operating qualified quarantine by local medical centers. The hotels and resorts which



offered to be quarantine centers had to be transparent about their service fees, ensuring that they had the healthcare service quality, hygiene, and the related services that were required by the government (Tang et al. 2015). The quarantined people could register for these hotel services, and the service fees could be paid online. Rooms and facilities were strictly required to be sterilized, located closely to social areas in the hotels such as kitchens, dining rooms, staff rooms, and so on. Beds had to be kept two meters apart from each other with no air conditioning in a spacious room, and a comfortable ambiance had to be ensured. Service staff had to be well trained to ensure the effectiveness of both the healthcare and hospitality services. The hotels had to keep monitoring via CCTV, recording, and then keep reporting to ensure that daily updates were sent to local healthcare government (HanoiTimes 2020).

2.3 Service-dominant (S-D) logic in hotel organization

Given that the outbreak of Covid-19 and the remedies created to prevent transmission, such as travel restrictions and social distancing, have created severe challenges for the hotel industry, a response strategy has become the most important topic for the hospitality organizations. Although the Covid-19 pandemic has been delivering its negative impacts for nearly a year, there is still a scarcity of effective response strategies for the hospitality industry. The main purpose of these strategies is help hotel organizations continue their operation to survive in the market. If they fail to offer the alternative services to customers, retain employees, the implications may lead to their collapse. Hunt (2004) suggested that the management of a hotel during a crisis requires changes to be made to hotel's structure and service.

Research by Vargo and Lusch (2008) proposes the marketing's service-dominant (S-D) logic as the research paradigm, in which service is considered as "the application of specialized competences (knowledge and skills) for the benefit of another party (e.g., customer with particular demands)" (Vargo and Lusch 2008, p. 256). In addition, the operant resources for organization are recognized in S-D logic as "human (e.g., skills and knowledge of employees), organizational (e.g., routines, cultures, competences), and relational (e.g., relationships with competitors, suppliers, and customers)" (Hunt 2004, p. 22). Finally, other fundamental concepts such as collaboration network, value network, value co-creation, and resource integration are essential for accessing changes in hospitality services.

Moreover, compared to the conventional goods-dominant logic, which focuses on the traditional perspective that value is generated by a business, attached to products and then delivered to the customers, advocates of S-D logic have argued that value can be generated through "participation in a value creation network" (Tynan and McKechnie 2009, p. 507). This aspect is crucial because the case hotel in this study is set up as a quarantine service center, which not only helps this hotel to have a stable source of income from people in quarantine, but also supports the authority to respond to the shortage of facilities, service staff, and accommodation for quarantine. As a result, we believe that S-D logic is eminently appropriate to provide the background and framework for this response strategy made by our case hotel organization.



3 Methodology, theoretical framework, and research settings

3.1 Research design

A large and growing body of case-based research has explored how hotels have responded to the crisis in a particular context (e.g., Leung and Lam 2004; Kim et al. 2005; Leidner et al. 2009). This study adopts Flyvbjerg (2006)'s critical case study methodology and aims to articulate a broader solution for how hospitality enterprises can manage to survive during the COVID-19 pandemic. Although the use of a single-case study makes it harder to generalize, it offers empirically rich, holistic features of how a case hotel successfully responded to the COVID-19 crisis, facilitating the relevance of broader research. A critical case was defined. In Flyvbjerg (2006, p. 229)'s words, a critical case study must have a strategic significance "concerning the general problem." For instance, Flyvbjerg (2006) examines how the use of industrial solvents can influence the health of the workers. Instead of studying all factories using industrial solvents, Flyvbjerg's research team examined factories with the highest safety requirements. Flyvbjerg's idea was that, if the general health of workers was damaged in the workplaces with the highest safety standards, it was also more likely to occur at other places. In addition, another advantage from the use of Flyvbjerg (2006)'s critical case method is the ability to enlarge data collected from a small sample in a single-case organization by targeting organizations and participants who experienced the most insights for the research settings.

Our intention for the case hotel selection adopted a similar idea, and there are three fundamental determinants that facilitated the crisis response for the COVID-19 pandemic in Viehost. First, leaders of Viehost initiated and actively supported the establishment of hospitality services for paid quarantine guests. Second, anticoronavirus disease campaigns and costs for the institutional quarantine put enormous pressure on the Vietnamese government's budget. Hence, the Vietnamese government called for support from private sectors to share this burden with the government, and Viehost is one of seven hotels that has been initially selected for developing the paid quarantine service. Finally, the conditions of the facilities in institutional quarantine places cannot satisfy the needs of tourists and foreigners, who prefer to be quarantined in places with good facilities. Since the Viehost hotel is located in the suburbs of Ho Chi Minh City, the biggest city in Vietnam, and it is just 40 km from the international airport with good hospitality facilities, it can be easily tracked and monitored by the local government. In alignment with Flyvbjerg (2006)'s idea, if Viehost cannot develop the paid quarantine successfully given these highly supportive factors, the idea of paid quarantine may suffer challenges in less conducive settings.

While the case chosen was based on Flyvbjerg (2006)'s critical case methodology, we adopted Bourdieu and Nice (1980) framework of three aspects, i.e., field, capitals, and habitus, for structuring our case analysis. Fields were defined by Bourdieu and Nice (1980, p. 109) as "a social construct, an artefact whose arbitrariness and artificiality are underlined by everything that defines its autonomy:



explicit and specific rules, strictly delimited, and extraordinary time and space." Although the concept of fields included multiple perspectives such as shared beliefs and locations as well as the interaction of actors within the research background, our study highlights social action, interaction, rules, and actors as imperatives inside the selected case hotel to shed light on the responding strategies for a crisis at the case hotel.

In Bourdieu and Nice (1980)'s theoretical framework, capitals are distinguished in several forms such as economic, cultural, social, and intellectual. The economic capital, such as organizational resources and time, may be directly transformed into advantages and can be formalized as facilities or rights of ownership. The cultural capital, in itself, has considerable breadth in regard to the various forms in which power comes from such factors as, for example, the time-assimilated knowledge, academic qualification, and intellectual property. In Bourdieu (1986, p. 82), the social capital associates to "the aggregate of the actual or potential resources which are linked to the possession of a durable network." These are the prerogatives resulting from belonging to a particular social environment, effectively connected by providing advantages. In the words of Bourdieu (1986), capitals are dynamic capabilities in a specific social environment. Put differently, the use of capital represents how an organization prioritizes resources and intellectual connections over time.

Habitus was defined as a "system of durable, transposable dispositions" (Bourdieu 1990, p. 87), or in other words, habitus is a consequence of tradition, the continuity, and constancy of behaviors, which are assured over time. Bourdieu (1990, p. 88) highlighted the dependability of habitus as follows: "habitus tends to ensure its own constancy and its defense against change through the selection it makes with new information by rejecting information capable of calling into question its accumulated information." However, Bourdieu (1990, p. 88) denies that habitus allowed "the free production of all the thoughts, perceptions and actions inherent in the particular conditions of its production, and only those." Rather, habitus constructs a middle field between the agent's rights and the artificial determinism of activities (Hoang et al. 2020).

As the concepts of habitus, capital, and field in Bourdieu's theoretical framework are complicated topics (Grenfell 2014), this study only aims to adopt Bourdieu's framework as a "middle-range" theory (Laughlin 1995), to develop a "skeleton" structure and allow the empirical findings to "flesh out" based on this framework. The adoption of Bourdieu (1990)'s framework allows an in-depth analysis of how response strategies are developed for our case hotel as well as emphasizing interaction between the actors of these response strategies through habitus, capital, and field lenses.

4 Research settings

Viehost is located in the suburbs of Ho Chi Minh city, the biggest city in Vietnam; it is 40 km from the international airport, and its location is easily tracked and monitored by the local government. The hotel has 150 rooms in three buildings and a full range of amenities, including a restaurant and a coffee shop in each building. The



hotel employed around 100 full-time staff members in January 2020. In February 2020, when Wuhan was put into lockdown, and case numbers in China increased to around 80,000 by mid-February (European Centre for Disease Prevention and Control 2020), the Vietnamese government recommended travel restrictions for foreign visitors, especially those arriving from China. Table 1 shows that the hotel's occupancy rate slumped from 88% in January, 2020 to 39% in February and dropped further to 13% in March. In terms of the human labor force required to run the hotel, the number of full-time employees dropped from 102 to just 56 in March 2020.

Since the first COVID-19 case was confirmed in Vietnam on 23rd January 2020, leaders of Viehost prepared a response plan as well as contacting the local government for support. In early March, the plan for preparing a paid quarantine service was promoted by the Vietnamese government and Viehost began to prepare a proposal and submit it to become one of first hotels to pilot this service. In the third week of March, Viehost was one of eight hotels in Vietnam that was allowed to introduce paid quarantine service beside the current response strategies that were already being practiced in Viehost. As soon as their proposal was accepted, Viehost immediately contacted suppliers, business partners, and the local government to ensure that the required resources were ready for them to develop the paid quarantine service. After introducing the paid quarantine service as well as adopting other response strategies, the hotel's room revenues increased significantly by 142% in April and 66% in May 2020, and increased slightly further over the next 5 months Furthermore, the number of full-time staff rose to 70 in May 2020 and 80 in October 2020.

4.1 Data collection

This study follows Flyvbjerg (2012)'s critical case methodology, with the intention of amplifying filed data collected from one case. Data were gathered from hotel leaders and managers, i.e., those who were experienced in the response strategies and were able to provide insight into the research focus. Interviews with leaders and senior managers of Viehost were used in the collection of data. In the case of Viehost, research participants included both leaders and other managers from a variety of divisions of Viehost in order to provide multi-layered perspectives from intra-organization. NVivo10 software was used to transcribe and code the interviews for developing main themes and sub-themes. Although the open-coding approaches associated the subjectivity of coders, the utilities of several in-depth semi-structured interviews from a case hotel allowed researchers to compare different perspectives on the same field (Bryman 2016).

There was no pre-stated quota of sample size for the investigation. Open-ended questions were posed, relating to the hotel's business after the emergence of the COVID-19 pandemic since late January 2020, and to the response strategies, human resources' plan, and tactics employed by the hotel to handle the crisis. All of the interviews were audio-recorded and paraphrased with the acceptance of the interviewees, and this information was turned into transcripts. In order to deal with the problems of subjectivity in interpretation and a biased member check, feedback was



Table 1 Viehost's statistics from January to May, 2020

Categories	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct
Hotel room occupancy (%)	%88	36%	13%	32%	47%	49%	23%	21%	%09	62%
Change in room revenues compared to previous month (%)		- 55%	- 58%	+142%	%99+	+10%	%8 +	+7%	%9+	+5%
Number of full-time staff	102	72	99	99	70	70	75	77	08	80



utilized for verifying the credibility of the information. Access to a participating hotel was granted on the understanding that the research results would be published anonymously. Hence, the names of hotels and participants cannot be presented while the job titles of interviewees (which are from a single organization hotel) are allowed to be provided (Table 2).

5 Findings-implications of paid quarantine to hosted hotel

There is no doubt that COVID-19 has created a crisis in multiple areas for the Vietnam hotel industry in general, and for our case in particular. However, the paid quarantine approach alongside other response strategies can be perceived as the salvage in this crisis period which can even open up future business opportunities.

5.1 Health and sanitation capabilities

For quarantine preparation, Viehost committed itself to the role and responsibilities of ensuring health and safety for both its customers and its staff. Before the first guests began to be imposed to quarantine in the Viehost, this hotel was conscious of ensuring the health and safety for all of its customers and staff. The hotel cleaned all of the rooms used for guests, as well as all other areas. The health and sanitary conditions in Viehost were examined by doctors and experts from the General Department of Preventive Medicine (GDPM) of Vietnam's Ministry of Health. The GDPM required Viehost to increase the frequency of its cleaning and to use sanitizing chemicals once a day in public areas and two to three times a day in areas used for quarantined guests. In addition, other medical and sanitation procedures were

Table 2 Interview details

No.	Generic position	Year of tenure	Interview length (min)
1	Director	24	55
2	Deputy Director	19	75
3	Tourism Manager	16	60
4	Food Service Managers	17	65
5	General Manager	18	60
6	Assistant General Manager	10	60
7	Operations Director	20	60
8	Financial Controller	22	60
9	Director of Sales & Marketing	19	75
10	Guests Services Director	15	55
11	Guests Services Supervisor	13	70
12	Meeting and Convention Planner	11	60
13	Human Resource Manager	12	60
14	Maintenance Manager	16	60



required by GDPM such as using plastic to cover the buttons in the elevators, cleaning fans in lifts, the steaming of all mattresses and carpets in the hotels. Infrared thermometers were used by security to check the body temperature of all employees at the entrance of the hotel and quarantined areas. Moreover, in alignment with the regulations of the Vietnamese government and GDPM, medical face masks had to be worn by everyone when interacting with other people.

Additional preventive measures were also adopted during the process of preparing food. Chefs and other staff in the kitchens were required to wear face masks and gloves besides using other hygienic and preventive practices while they were preparing food, and serving guests and employees. Food materials were either purchased by the hotel or supplied by the government and were double checked by GDPM and Viehost to ensure that they met the required food hygiene and sanitation standards.

Finally, most of the deaths reported relating to COVID-19 have been caused by pre-existing medical conditions (such as asthma, diabetes, or heart disease), which made infected patients appear to be more vulnerable to becoming severely ill with the virus. Thus, GDPM and Viehost required all guests to report their current medical conditions and prescriptions immediately when they registered for paid quarantine. Those records were stored and reviewed by doctors from GDPM, and a medical or care plan for each guest was developed by GDPM and monitored by Viehost's staff. Every day, doctors from GDPM and medically trained staff from Viehost visited all of the guests, paying particular attention to those with pre-existing medical conditions to provide further support and to give them a medical examination.

5.2 Collaborative network growth during crisis

Managers of Viehost believe that the good connection with GDPM and other government agencies were the two essential requirements for the development of the paid quarantine service at Viehost. During the COVID-19 pandemic, and especially while foreign guests stayed in quarantine at Viehost, the collaborative network between Viehost and the Vietnamese government agencies was strengthened. For instance, a CCTV system was required, and cameras were set up by GDPM in every entrance and room corridor, and these were monitored by the security department of Viehost and the GDPM staff. Daily health and sanitation examinations were practiced by doctors from GDPM and the staff of Viehost. Examinations of food and medical products were made by the chefs of Viehost and the experts from GDPM. Furthermore, the supply chains of food and medical equipment were supported and guaranteed by government agencies. The systems, techniques, and knowledge gained from working with GDPM gave rise to the development of an understanding among the managers and the staff of Viehost and led to the superb preparation for the subsequent activities.

At the first stage of the development idea for the paid quarantine service, we were so worried about how to maintain the supply lines due to the possible disruption in the supply chain of both food and medical equipment caused by the pandemic and social distancing. The collaborations with government agen-



cies, including GDPM, make us more confident as we know the government is supporting us (Assistant General Manager).

Sometimes, there are still insufficient products. However, the essential food and equipment have been supported by GDPM and local government (Deputy Director).

As confirmed by the Deputy Director, the roles of local government were also vital in supporting Viehost. On one side, the local government ensures the supply of necessities such as food, medical and monitoring equipment, and the destruction of medical equipment after being used. On the other side, the local government connects the case hotel to facilities such as local hospitals and the police station to offer solutions to deal with any emergencies which may occur, such as delivering a quarantined guest to the local hospital if he or she is detected to have the coronavirus infection.

We believe that our paid quarantine service can even help to reduce pressure on the institutional quarantine services for our government as well as save space and resources for those who do not want to pay for quarantine service in a hotel (Guests Services Director).

The empirical findings are consistent with the idea of S-D logic, in which, the value is generated by the business through the "participation in a value creation network" (Tynan and McKechnie 2009, p. 507). In this case, Viehost's survive strategy is developed by embedding its business operation into the common effort against the Covid-19 pandemic, proposed by the Vietnamese government. Moreover, "the collaboration network" and "value network" aspects in S-D logic (FitzPatrick et al. 2013, p. 87) are highlighted through a close collaboration with the Vietnamese government, which can deliver a unique benefit for the Viehost via a "competitive advantage through engaging its customers and value network partners in the co-creation" process (Shaw et al. 2011, p. 208).

5.3 Cost control, resources management, relocated management awareness, and employee training for paid quarantine service

There were many challenges for the managers at Viehost during the early stages of COVID-19, from January to March 2020. The hotel's business performance dropped significantly while further investment was required for staff training, as well as for the facilities in the preparation of rooms for paid quarantine guests. Viehost tried to mitigate several operating costs and investments. The hotel stopped its restaurant buffet service and elevators to cut costs of power and overheads. The hotel also reduced the number of available rooms by half in order to decrease the human cleaning and maintenance costs. Also, Viehost cut costs by suspending plans for advertising and entertainment. To reduce the cost of human resources, Viehost asked about 20% of its staff to take no paid leave for 3 months, from February to May 2020, while moving almost another 20% of its staff members from full-time to part-time employment. Viehost also had plans to rotate staff to work in different departments



while undertaking additional tasks and aimed to train staff to be able to work in different positions.

In addition to cost reductions, a resource re-allocation plan, investment, and employee training for preparing paid quarantine guests also created difficulties for Viehost. On one hand, Viehost needed to save resources, reduce costs, and on the other hand, they needed to be well prepared for welcoming the quarantined guests. In this dilemma of context, Viehost received significant support from the Vietnamese government. Thereby, about 20% of the employees of Viehost were selected for advanced medical and sanitation training in the first 2 weeks of March 2020, and these employees were paid by Viehost. However, the free medical and sanitation training were both provided by GDPM. In addition, the supply of food and necessary medical equipment were secured and partly supported by other government agencies.

Besides, it is worth noting that, prior to the COVID-19 pandemic, like most of the hotels in Vietnam, Viehost did not have any crisis management and procedures and guidance for unexpected events. Viehost developed special teams including executives with a variety of disciplines such as forecasting crisis, guest contacts, and public communication, an administrative team for devising procedures to handle the crisis, as well as temporary measures as part of the emergency procedures. Furthermore, a number of hypothetical situations and descriptions of crisis detection and crisis management had been included in training material for current and new staff.

Under the perspective of S-D Logic, service can be understood as being the process of integrating or shifting the organizational resources in the value creation journey (Vargo and Lusch 2008). This process relates to the application of operant resources such as employees' skills, organizational routines, and managers' knowledge in an effective way to maximize organizational competitive advantages (Vargo and Lusch 2008; Shaw et al. 2011). The management of Viehost showed a similar view of the S-D Logic by reallocating their resources and restructuring their organization to enable the development of paid quarantine service, and therefore, maximizing the competitive advantage in order to survive during the pandemic.

5.4 Employees' morale

Unfortunately, employees' remunerations were negatively impacted when the recommendation of tourism restrictions was announced by the Vietnamese government late in January 2020. However, most of the employees were encouraged to work part-time or maneuvered to work in other departments. Since Viehost planned room hire for paid quarantine, 20–30% of the staff were immediately being re-trained, and the number of trained staff for servicing paid quarantine guests is increasing every week. Up until May 2020, there have been 50% of staff who can also work on the regular hotel service as well as the paid quarantine service. Hence, given the experience and knowledge gained from training for paid quarantine services, the tourism attractions in the whole country were allowed to reopen, and Viehost reported that employees' morale was extremely high, as they can both serve paid quarantine guests and also run normal hospitality services.



Besides this enhancement in the morale of the employees, several managers and staff members still faced challenges during the adaption to their new roles, carrying extra duties or making themselves familiar with new procedures. This finding is consistent with Bourdieu (1977, p. 83)'s concept of hysteresis, which can be defined as a temporary "lag between dispositions and environment," which occurs when there is a shift in the field. Besides, Bourdieu (1977)'s theory also emphasizes that factors structuring habitus and hysteresis are consequences of organizational practices which are continuously generated and changed. In the case of Viehost, the roles and duties of all human actors have been shifted to suit with the requirements of the COVID-19 pandemic response strategy, and these impediments are constantly being reproduced and transformed inside Viehost, given the intertwined influences of economic, social, and symbolic capitals.

5.5 Promotion strategies for reviving after COVID-19

Reducing costs and investments could not completely resolve the difficulties caused by the significant drop in business following the coronavirus pandemic. Paid quarantine can be seen as a way of eliminating problems during a crisis and a recovery strategy as well as promoting the brand name of Viehost. A large percentage of customers of Viehost are foreign customers, and although most of them canceled their reservations, Viehost were still sending emails to promote its paid quarantine service, promotions and offers, and continually sent updates about the time when the Vietnamese travel market would be re-opened.

Social distancing in Vietnam has been over since the middle of May; domestic tourism is also resuming, airlines have increased flight schedules, and hotels are reopening throughout the country. Besides this, local tourists, international tourists, foreign experts, and workers are allowed to enter and work in Vietnam, after 14 days of institutional or paid quarantine. Hence, Viehost runs dual services, in two separated areas, whereby guests can choose paid quarantine in a quarantine zone and after that, use normal hotel services in other buildings. This hotel also keeps their loyal customers informed of Vietnam's efforts to prevent the coronavirus disease, its intention to run dual hotel services, including a normal hospitality service and paid quarantine services, as well as advertising Viehost's health and sanitation capabilities as being an advantage when compared to other hotels.

Ever since the first case of COVID-19 was reported in China, the Vietnamese government has treated it seriously by recommending the restriction of domestic and foreign tourism. Viehost understands that there will be a drop in tourism and the hospitality market and the tourists can only travel whenever they feel safe in their hometown and in Vietnam. Hence, hotel managers try to find new markets with special promotions; they target the travelers from countries with good practices for dealing with the COVID-19 pandemic such as New Zealand and Korea. In order to promote domestic tourism, Viehost has been offering promotional packages for local travelers since the middle of May, which is in alignment with the recommendation from the Vietnamese government to promote domestic tourism as a way of recovering the economy.



The hotel market has been facing tremendous challenges during the global Covid-19 pandemic (Gössling et al. 2020), and customers are becoming more cautious with a higher demand for the higher standards in health and sanitation in the hotel. In addition, the hotel industry is dominated by the experience of service and distinguished by the features of hospitality (Kim et al. 2005; Vargo and Lusch 2008). Thus, communicating with customers during the crisis period, offering promotions and introducing paid quarantine service at Viehost seems to be an appropriate way to maintain customer engagement and enhance competitive advantages after the pandemic.

6 Discussion, contribution, and conclusion

6.1 Research summary

Our study has shed light on the development and operation of paid quarantine service in a case study of a private hotel in Vietnam that managed to survive during the COVID-19 pandemic. While the coronavirus disease and mandatory quarantine have resulted in many great negative implications for health, society, and the economy, as well as negatively affecting every single industry of almost every country in the world, especially the tourism industries, our case hotel has done everything it can to maintain their business as well as secure the jobs for their staff members such as adopting cost and investment reduction approaches. This is as well as promoting multi-tasking roles for employees. On the other side, employees are also willing to work and try to follow cost-saving strategies and engage in paid quarantine services.

Our research suggests that the development of hospitality services for paid quarantine guests in a Vietnamese hotel can be a way of minimizing the negative implications of the COVID-19 pandemic to several sectors and stakeholders. First, the introduction of paid quarantine service can help the hotel and its staff to reduce the current negative economic effects of the COVID-19 pandemic as well as improving the already-high morale of its employees. It also reduces pressure on the government and the hospital as they need to cover costs and places for institutionally quarantined people. Finally, the paid quarantine service option can satisfy visitors who want to pay for receiving higher-quality hospitality services during their time in quarantine.

6.2 Theoretical contributions

Our study makes a number of theoretical contributions. First, the current findings from this study also add to a growing body of literature on marketing's S-D Logic in hospitality and tourism research (e.g., Shaw et al. 2011; FitzPatrick et al. 2013). This paper focuses on several main aspects of S-D logic, especially in terms of a collaboration network and value co-creation to obtain competitive advantage. This research emphasizes that these facets of S-D logic have been embedded into the organization to introduce a response strategy that is initially effective and helps the case hotel to survive during the Covid-19 pandemic. Hence, we suggest that the idea of S-D logic



provides a number of exciting opportunities for further research into hospitality in the other business contexts.

Second, we adopted the Bourdieu (1977)'s framework of fields, capitals and habitus to shed light on how the response approaches are being developed in the case of a private Vietnamese hotel and highlights the interaction between actors such as managers and employees, as well as other stakeholders, and of these response strategies through habitus, capital, and field lenses. The outcome of this study does not only highlight straightforward narratives; it also actually suggests that, given sufficient effort in managerial and the necessary resources, alongside appropriate organizational and external support for the development of response strategies for the COVID-19 pandemic such as the introduction of a paid quarantine service, this process can be successfully embraced in the novel organizational hotel practice. Our findings also identify explicit resources, support, and training that the case hotel might use to introduce the paid quarantine services in the hotel. Inspiring managers and employees to participate in this new paid quarantine service may require sufficient support, training, and time. In another context, adapting to new habitus, procedures, and services may depend on the capabilities of employees, the engagement between diverse professional groups, as well as the available capitals of each hotel organization. Therefore, we argue for significant understanding and willingness for support from top management as the fundamental event to encourage this novel response strategy.

6.3 Practical contributions

In addition to theoretical contributions, the findings of our study delivers significant practical implications. First, connection and communication between the Vietnamese government and the hotel was also essential to respond to the COVID-19 pandemic. Government agencies such as GDPM and the case hotel have worked together to develop appropriate strategies and guidelines, and also provide support to minimize the negative consequences of the crisis as well as developing paid quarantine services. In addition, support from stakeholders and business partners have contributed to the success of the paid quarantine service. Finally, frequent communication and promotion strategies with customers as well as the exploration of new markets imply the necessary care and the readiness of the hotel for recovering their business.

Our case hotel is one of the many hotels in Vietnam which have introduced the paid quarantine service. Although the coronavirus disease has been stopped in the country and community infection of coronavirus has not been found since late April 2020 in Vietnam, the negative implications of the COVID-19 pandemic still exist for the economy in general, and the tourism industries in particular, until a vaccine is found. Vietnam's hotels have learned from the COVID-19 pandemic that business can be continued differently through the paid quarantine service. Other hotels can learn from the experience of our case hotel to develop contingency plans for handling the COVID-19 pandemic appropriately.



6.4 Limitations and future research

Although our research highlights the detailed development of responses of a case hotel in Vietnam to the COVID-19 pandemic at a particular period, the results of this research are difficult to generalize due to the differences in fields, capitals, and habitus settings. However, as findings from our study were drawn from a critical case hotel, these results imply particular lessons for other hospitality enterprises in similar research settings. There are still obstacles for the development of response strategies at our case hotel given the consensus between leaders and employees as well as support from government agencies; hence, it is a suggestion that similar challenges can also occur in the less supportive environments. For instance, if organizational actors such as employees or a manager are unwilling to follow the response strategy, or there is a lack of support from the government in the relative organizational field, then a similar response strategy is unlikely to happen. Our finding also strengthens the efforts of discourse that encourage organizational actors such as employees and external stakeholders to understand the mindsets or habitus regarding the development of new initiatives to respond to the COVID-19 pandemic.

To conclude, due to the negative implications of the COVID-19 pandemic to human health, and both the economy and society still being unpredictable, we suggest that there is further scope for studies that explore how hospitality enterprises in a variety of countries respond to survive, including responding to initiatives that consider the impacts on employees, customers, society and other relevant industries. Due to the fact that response strategies including paid quarantine service were only developed in our case hotel for a few months, it would also be useful to return to the case of Viehost to examine the long-term implications and consequences of their responses. Moreover, as the implications are that the coronavirus disease has delivered different problems in different countries, in addition to the divergence in social and economic structure, our study also suggests that it is essential to adopt a relational perspective to study specific responses from different countries using a rich and textured account of the national and organizational contexts in which appropriate responses have been established.

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