Updates in service standards in hotels: how COVID-19 changed operations

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Abstract

Purpose – The COVID-19 pandemic has tremendously affected the hospitality industry. With the experiences of severe acute respiratory syndrome in 2003 and commitments to ensure guests’ health and safety, many hotels in Asia have actively engaged in updating and implementing new service standards and measures. This study aims to investigate hotels’ service standard changes, processes of management decisions and preparations for the future.

Design/methodology/approach – Using grounded theory methodology, this research interviews 24 hotel managers from mainland China and Hong Kong. It examines the differences among hotels with different operation types, classifications and locations, and analyzes the service standards in physical and social servicescape.

Findings – Building on the service marketing and crisis management literature, this research provides a synthesis that reflects how hotels have coped with the COVID-19 crisis. It depicts the service standard update process during the COVID-19.

Research limitations/implications – In line with the literature in disaster management, hotels experienced the outbreak, response and recovery phases of the crisis management procedure. However, given the severity and scope of the COVID-19 pandemic, undertaking particular processes is necessary at every procedure such as following local guidelines and updating local standard operating procedures (LSOPs). This research also expands the literature on the process of adopting new technology in hotels during crisis management.

Practical implications – The paper suggests that hotel managers should update and use well-thought-out standards on the bases of available scientific evidence. For example, hotels should use LSOPs according to the local situations. Hotels are also suggested to exert additional efforts and attention in service innovation, guest experience and enhancing hospitableness.

Originality/value – To the best of the authors’ knowledge, this paper is one of the first efforts to investigate the impact of COVID-19 on hotel operations. It offers empirical evidence from hotel operators who worked against the crisis during the pandemic and provides valuable theoretical contribution to the hospitality service literature as well as managerial implications for hotel operators globally.

Keywords Crisis management, Servicescape, Service standards, COVID-19

1. Introduction

The COVID-19 outbreak has affected every economic sector (Goodell, 2020). In particular, the tourism and hospitality industries are adversely affected because of the many affected countries that are implementing travel and social distancing restrictions (Gössling et al., 2020). Hotels in Asia suffered significant revenue per available room declines since January.
2020. Worldwide, hotels were forced to close, operated with limited inventory or underwent government disasters requisition during the pandemic (STR, 2020). Hotel operations are vulnerable to such disasters because they rely heavily on people in the roles of guests and employees (Henderson and Ng, 2004).

Many hotels have implemented new service standards and precautionary measures since the COVID-19 outbreak. For instance, Accor launched a cleaning standards certification, known as the ALLSAFE label, which sets sanitary standards for all Accor hotels (Accor, 2020). Marriott formed a new internal platform, namely, the “Global Cleanliness Council,” to promote hotel cleanliness (Marriott, 2020). In June 2020, Hilton launched the “CleanStay” program to deliver an industry-defining standard of cleanliness and disinfection practices at Hilton properties worldwide (Hilton, 2020). Ascott’s “Ascott Cares” program was launched to maintain high levels of hygiene and cleanliness standards for their guests and staff (Ascott, 2020). The Intercontinental Hotels Group announced the enhanced cleaning measures of “Clean Promise” and formed “Clean Champions” teams to deliver the new cleanliness standards at each property (IHG, 2020).

Natural and social crises are not new to the hospitality industry. The severe acute respiratory syndrome (SARS) and Ebola virus disease epidemic (EVDE or Ebola) (Henderson and Ng, 2004; Novelli et al., 2018; Tse et al., 2006) sharply hit the tourism and hospitality industry but were limited to specific geographic areas. None of the previous crises are of the same scale as COVID-19. According to Faulkner’s (2001) tourism disaster management framework, hospitality firms are advised to take actions at the pre-event, prodromal, emergency, intermediate, long-term and resolution phases. However, according to the severity and policy of every location, the management processes vary. Recent research calls for in-depth investigation of specific strategies of crisis/disaster management (Aliperti et al., 2019).

Thus, the current research aims to investigate the updates of service standards from the managerial perspective. It examines the changes, processes of management decisions, implementation of the changes and preparation for the future.

2. Literature review

2.1 Hotel service standards

Hotel service standards are guidelines for services to meet customers’ expectations. Hotel managers often refer to these standards as standard operating procedures (SOPs). Given the intangibility, perishability, complexity, immediacy and heterogeneity of service characteristics, ensuring high service quality can be challenging for service providers (King, 1984). Therefore, the design, execution and updating are all critical parts in maintaining high service standards.

Prior research classifies service standards into hard and soft standards (Zeithaml et al., 2018; Ueno, 2010). Hard standards are the quantifiable characteristics and activities that can be counted, timed or measured through audits. Soft standards provide direction, guidance and feedback to employees on ways to achieve customer satisfaction (Ueno, 2010). Researchers also use soft vs hard attributes of services to refer to interpersonal vs non-interpersonal service quality attributes (Driver and Johnston, 2001). Prior research suggests the importance of physical-safety attributes and organizational systems and plans according to the safety and security perspectives of service standards (Enz and Taylor, 2002).

Service standards can vary across different locations and types of hotels. For example, budget hotels traditionally value consistent housekeeping and good value for money as opposed to luxury hotels, which focus on customization as a priority in their service
standards (Nasution and Mavondo, 2008; Senior and Morphew, 1990). Service standards also require continuous updates to satisfy customer needs (Min et al., 2002). Among all hotel attributes, service attributes relevant to customers are the most important because serving the customers is the ultimate goal for the hospitality business (Min et al., 2002). Following the relative importance of service in the extant literature, the present research focuses on service standards, particularly on customer service standards, and analyzes hotels’ soft and hard standards.

2.2 Hotel service quality
Grounded in expectancy-disconfirmation theory, service quality refers to meeting and exceeding customer’s expectations consistently (Parasuraman et al., 1985). Therefore, services require constant improvements to keep pace with the changing customer expectations (Manhas and Tukamushaba, 2015). Given the intangible nature of service quality, benchmarking is critical for maintaining service quality and achieving customer satisfaction (Min et al., 2002; Yasin and Zimmerer, 1995). Benchmarking refers to the continuous measurement and examination of business performance and practices (Hemmington et al., 2018). In the hospitality industry, benchmarking is widely applied in various schemes such as environmental certifications (Geerts, 2014), franchising (Lo and Fang, 2018) and hotel classifications (Nunkoo et al., 2019). Traditional benchmarking process includes thinking, acting, evaluating, planning and looking ahead (Yasin and Zimmerer, 1995). However, given that the unprecedented outbreak of COVID-19 has rapidly and urgently spread its impact, such benchmarking for service quality in response to the pandemic remains undiscussed in the extant literature.

2.3 Hotel servicescape
Hotels are businesses in which guests spend considerable time and are therefore likely to be influenced by the hotel’s servicescape (Xu and Li, 2016). In the hospitality industry, servicescape is a concept that involves the physical environment and social interactions that affect guests’ overall experience (Bitner, 1992; Tombs and McColl-Kennedy, 2003). Servicescapes provide important atmospheric cues and evidence regarding the quality of the intangible parts of the service, and customers rely on such atmospheric cues to form their first impression of or to evaluate a service organization before any interaction with the service staff (Zeithaml et al., 2018). Hence, servicescape plays a crucial role in customers’ evaluation of service and influences customers’ cognitive, emotional and physiological states and subsequent purchase behaviors (Lin, 2004). Given that servicescape components enable customers to gain a clear perception of the business environment, servicescape can help businesses create an attractive image and improve their services (Durna et al., 2015). Although evaluation of service is difficult owing to its intangible nature, servicescape components (i.e. physical and social) can be effective in helping customers evaluate the service (Walls et al., 2011).

Physical servicescape describes the physical elements of the environment in which service is delivered (Bitner, 1992). In applied environmental psychology, Bitner (1992) classified servicescape into three dimensions:

1. spatial layout and functionality (furniture and its location);
2. ambient conditions (e.g. aroma, temperature and lighting); and
3. signs, symbols and artifacts (signage and ornamental style).
Amid the explored physical servicescape factors, in recent research, cleanliness has been shown to have a noteworthy positive influence on customer satisfaction and loyalty (Lockyer, 2003; Park et al., 2019; Zemke et al., 2015). In the wake of COVID-19 and rising hygienic concerns, cleanliness is believed to be prominent physical evidence that can be considered an element of the service environment that requires management and updating to maintain sales and avoid customer dissatisfaction (Jiang and Wen, 2020).

Frequently defined as an extension of Bitner’s (1992) notion of the physical servicescape, the social servicescape is defined as a reflection of the service environment, such as the presence, appearance, behavior and the extent to which customers are perceived to be socially similar to the person experiencing the phenomenon (Hanks and Line, 2018). Traditionally, hospitality companies specifically emphasized interactions between service staff and guests (Butcher, 2005). However, because of the COVID-19 pandemic, executing social distancing mandates and helping restrain the virus have led to changes in such traditions. To illustrate, to avoid direct contact with guests, some hotels adopted mobile keys that enable travelers to completely bypass the front desk; service information could be accessed via a mobile app, thereby eliminating the need to speak directly with a concierge or front desk attendant (Paraschiv, 2020).

2.4 Hospitality crisis management
The hospitality industry is highly vulnerable to disasters and crises (Aliperti et al., 2019). Given that the COVID-19 crisis is directly affecting every field worldwide, the effect on the hospitality industry is on a previously unprecedented scale (Goodell, 2020). Crises that are typically derived from unusual events involve a large range of stakeholders, require urgent responses and threaten companies’ strategic goals (Baron et al., 2005). Crises and disasters can cause serious damage to hotel and tourism operations (De Sausmarez, 2007). Hotels’ marketing, maintenance and human resource practices face significant challenges because of the pandemic (Lai and Wong, 2020). The hotel business environment has been experiencing changes in perspectives such as service standards, product design and investment (Hao et al., 2020). Effective crisis management can reduce the negative effect of a crisis (Novelli et al., 2018). However, the majority of prior research on crisis management has focused on preparedness for the crisis (Hilliard et al., 2011; Lai and Wong, 2020). Therefore, providing a systematic investigation on the procedures of crisis management is necessary during a pandemic such as COVID-19.

Although previous research has established frameworks that guide crisis management (Prideaux et al., 2003; Ritchie, 2004), many hotels still experienced difficulties when encountering crises. For example, a study on the effect of the political and economic crisis in Turkey on Northern Cyprus found that during the crisis, many hotels could not predict the effect and consequently failed to take any precautions against it (Okumus et al., 2005). The study also found that many small- and mid-sized hotel owners/managers have no crisis management plans or teams. During the 2003 SARS outbreak, panic and widespread fear caused more damage than the actual direct consequences of the virus (Tse et al., 2006). Hoteliers had inadequate knowledge to respond to an epidemic crisis (Chien and Law, 2003). Similarly, when the EVDE (Ebola) outbreak occurred, the tourism industry in Africa was badly hit because of a lack of strategy formulation, communication and multi-level collaboration (Novelli et al., 2018). While specific crisis management practices vary case by case, Evans and Elphick (2005) assert that common practices include three aspects:

1. prepare detailed contingency plans;
2. define decisional and informational roles and responsibilities; and
(3) retain a degree of flexibility to react swiftly and decisively at an operational level but not to rush into a more strategic level decision-making.

Noticeably, prior studies may have provided general crisis management models but may have failed to respond to the specificity and complexity of a specific crisis.

2.5 Service innovation

The most distinctive characteristic between service industries and manufacturing is process (Bitner et al., 2008). To achieve process development, service employees are encouraged to be creative and innovative (Chen, 2011). In the hospitality industry, previous research has found that a hotel’s service innovation influences guests’ hotel choice (Victorino et al., 2005). Hotel innovation in a crisis is shown to benefit the hotel in the long term (Campo et al., 2014).

Several approaches are used for service innovation, such as the dynamic capabilities (Kindström et al., 2013) and service-dominant logic approaches (Ordanini and Parasuraman, 2011). The traditional way of service innovation involves blueprinting (Bitner et al., 2008). At the beginning of the process, many service innovations experience the “fuzzy front end” that involves imprecise processes and impromptu decision-making, which can be especially salient under crises when managers are under extreme time and social pressures. Managers must make fast and effective decisions to minimize the negative effect of the crisis. Afterwards, the implementation of the new service components requires detailed descriptions, instructions and clarification of the responsibilities of customers and service providers. The new service policies and standards require further refinement before they are finalized (Bitner et al., 2008). Bitner et al. (2008) suggested components including customer actions, onstage/visible contact employee actions, backstage/invisible contact employee actions, support processes and physical evidence for service blueprinting.

Technology is also considered the key to service innovation in the digital era (Barrett et al., 2015). Compared with other industries, the hospitality industry is slow in using high-tech service innovation because of a lack of knowledge, skills, trust and potential risks (Wu and Cheng, 2018). Thus, a compelling need arises for service innovation and service improvement after the COVID-19 outbreak subsides.

3. Methodology

Given the unprecedented effect of COVID-19 on the global hospitality industry, this study uses a qualitative approach. The use of qualitative methods allows for the methodical exploration of the process of updating service standards in a crisis (Creswell, 2012). The procedures and operations observed are outside the scope of any currently applied theory to hospitality operations. Therefore, this study selected grounded theory for the analysis to explain the service standard actions (Creswell, 2012; Corbin and Strauss, 1990). Grounded theory as a method was created to generate mid-range theories and explanations of social actions for unique phenomena (Glaser and Strauss, 1967), such as what the COVID-19 pandemic has presented to hoteliers.

We conducted a naturalistic inquiry guided by trustworthiness and transparency (Aguinis and Solarino, 2019; Lincoln and Guba, 1985). Trustworthiness is achieved by incorporating elements in the design and methods to establish the credibility, transferability, dependability and confirmability of the results (McGinley et al., 2021). Aguinis and Solarino (2019) posited that qualitative work is considered rigorous when the studies are sufficiently transparent to be replicated. We outline our transparency to provide the possibility of conceptual replication. The subsequent sections discuss how trustworthiness and transparency were established in this specific study.
3.1 Data collection

The study used snowball sampling and purposive sampling guided by the principle of theoretical sampling consistent with grounded theory approaches (Creswell, 2012). Respondents were recruited from May to December, 2020. The respondents were recruited through the authors’ professional networks until answers became repetitive and no new information was being provided by the informants, or it reached the point of theoretical saturation (Robinson, 2014). We interviewed individuals who are not only in the best position to respond to the crisis but who also have the organizational authority to make decisions. All recruited respondents were hotel managers with an average of 19.4 years of working experience in the hospitality industry (Table 1 provides respondents’ profiles). Hotels varied across classes, categories and locations (Table 2 provides hotel information).

In-depth interviews were conducted via Zoom and over the telephone in the respondent’s native languages (e.g. Mandarin, Cantonese and English). The interviews lasted up to an hour. To address researcher bias, while adding a reflexive element to the data collection process, interviews were conducted using the dramatological method that controls interviewer predispositions by allowing the interviewer to play a defined role during the interview (Lothane, 2011). Data were collected using carefully constructed semi-structured interviews, with open-ended questions, allowing for probing by the interviewer and

![Table 1. Interview participants’ profiles](Updates in service standards in hotels)
storytelling by the respondents. All the questions asked are intended to meet the research objectives of finding hotels’ service standard changes, processes of management decisions and preparation for the future. The interview protocol was developed following previous studies on service standard designs (Lu et al., 2015). With consent from the interviewees, all the interviews were recorded and transcribed and translated into English. Apart from interviewing informants, special access was granted to one hotel in Hong Kong where observations were made regarding service standards in response to the pandemic.

To help establish an audit trail for our work, field notes and memos were kept with the transcriptions, and initial coding notes were saved in the margins of the transcription files (Charmaz, 2011). By creating an audit trail, we established greater trustworthiness in our study and allow our study to become transparent for replication. Respondents received pseudonyms to preserve the anonymity of their participation.

3.2 Data analysis
This study uses the systematic analytic procedures of grounded theory, which focus on individual hotel’s service standard updates (Corbin and Strauss, 1990). Following the coding procedures suggested by Charmaz (2011) and Corbin and Strauss (1990), we first started the initial open coding line-by-line. During the initial coding of the transcriptions and memos from the interviews, we were able to:

- identify the key components in the data from a managerial perspective;
- crystalize the significance of the points from the specific measures;
- identify paths to pattern the data; and
- identify gaps in the data for further theoretical sampling purposes.

<table>
<thead>
<tr>
<th>City</th>
<th>Class</th>
<th>Location</th>
<th>Operation</th>
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</thead>
<tbody>
<tr>
<td>Hong Kong</td>
<td>Midscale</td>
<td>Urban</td>
<td>Independent</td>
</tr>
<tr>
<td>Xuzhou</td>
<td>Upper midscale</td>
<td>Urban</td>
<td>Franchise</td>
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<tr>
<td>Sanya</td>
<td>Luxury</td>
<td>Suburban resort</td>
<td>Chain management</td>
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<tr>
<td>Hangzhou</td>
<td>Upper upscale</td>
<td>Urban</td>
<td>Chain management</td>
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<tr>
<td>Hong Kong</td>
<td>Upper upscale class</td>
<td>Coastal resort</td>
<td>Chain management</td>
</tr>
<tr>
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<td>Upscale – boutique</td>
<td>Urban</td>
<td>Independent</td>
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<td>Urban</td>
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<td>Urban</td>
<td>Independent</td>
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<td>Urban</td>
<td>Independent</td>
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<td>Upper midscale class</td>
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<td>Urban</td>
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<td>Urban</td>
<td>Management contract</td>
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Table 2. Hotel profiles
After the initial coding, focused coding was performed to assess the initial codes. Specifically, given the previously defined theoretical frameworks in service standards, we used Strauss’s (1987) “axial coding” technique during our second-order analysis, in which we could identify the core categories of the emerging theory from the data. We developed categories related to the causal conditions (i.e. public health concerns about COVID-19), strategies (i.e. coping strategies), intervening conditions (i.e. local guidelines) and consequences (i.e. recovery plans) to build the conceptual model of the data (Figure 2).

The constant comparative method was used during the analysis (Glaser and Strauss, 1967). During initial coding, we compared data from different locations to identify similarities and differences. When bringing all the collected data back to a coherent whole in the axial coding process, we were able to see “why, how and with what conditions and consequences” the standards were executed and how these findings respond to the previously established theories. Through these processes, we successfully integrated the sub-categories into higher-level themes (Kelle, 2007) (Table 3).

Process analysis was also used to identify the sequence and intensity of conversation about the pandemic (Corbin and Strauss, 2008; Langley, 2009). Theoretical integration and theory refining were used to finalize the theory (Corbin and Strauss, 2008). Finally, we report on the raw data here to support the claims made by providing thick descriptions of the data for readers. These thick descriptions represent another technique that improves the trustworthiness of the study by further establishing transferability (Lincoln and Guba, 1985).

4. Findings

4.1 General findings

Given the COVID-19 outbreak, hotel operations have changed in hotels in mainland China and Hong Kong. When making operations decisions, all respondents mentioned that the local government’s health advice is considered the foundation. The common practices of precautionary measures include body temperature checks for all persons entering the hotel premises, a requirement to wear surgical masks, filling in a health declaration form during check-in, indicating travel history in the past 14 days and reporting any symptoms of respiratory illness. These measures are more restrictive than government guidance that stated that all services can resume normal operations. The common reason for the sustained precautionary measures is that hotels prefer a safer approach in preventing the coronavirus disease. In mainland China, other than the aforementioned measures, a quick response (QR) code is used nationwide to indicate people’s health status and track travel history. Given that the pandemic in many cities is under control, hotels are observing and experiencing changes. For example, some hotels are experiencing guest profile changes. One coastal resort manager mentioned that “This property is a resort. The guest profile used to be

<table>
<thead>
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<th>Themes</th>
<th>(%)</th>
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<tbody>
<tr>
<td>Operating procedure</td>
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<tr>
<td>Guest feedback</td>
<td>14</td>
</tr>
<tr>
<td>Service quality</td>
<td>14</td>
</tr>
<tr>
<td>Management and marketing</td>
<td>11</td>
</tr>
<tr>
<td>Measure</td>
<td>6</td>
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<tr>
<td>Monitor</td>
<td>5</td>
</tr>
<tr>
<td>Prevention</td>
<td>3</td>
</tr>
</tbody>
</table>

Table 3. Frequently mentioned themes in the interviews
majority senior citizens and children. After the pandemic, young travelers, who do not want
to go abroad or are not able to go abroad, come to visit us.” (M3).

The following findings provide further insights into the reaction plans on service
operations.

4.2 Differences among hotels
4.2.1 Chain versus independent hotels. In Hong Kong, apart from governmental guidelines,
operation type is a factor influencing hotel operations’ decisions and implementation. Data
from the interviews show that international chain hotels are more apt to follow their asset
class’ standards, whereas local chain hotels are more flexible in the operations’ execution.
Two respondents from an international chain consistently explain that when designing and
executing precautionary measures, their hotel group’s benchmarks and standards are
involved. Comparatively, four respondents from a local chain hotel management all stated
that in the absence of any corporate guidance, they had the autonomy to respond as
necessary as the local outbreak unfolded. Additionally, a vice president of operations
believed that most managers in Hong Kong with more than 20 years of industry experience
have learned lessons from SARS in 2003. The operational experience influenced their
operation decision and implementation. He also said that:

At the beginning of COVID-19 pandemic when novel coronavirus was first identified in Wuhan,
China, prior to the government’s guidelines, our hotels required guests to fill in the health
declaration forms. This was the operational experience we gained during the SARS outbreak in
2003, and sometimes we are more rapid in actions than others. (M11)

International chain managers in mainland China tend to have many systematic procedures.
They were able to develop local SOPs (LSOPs) on the bases of corporate SOPs. The
managers regard the LSOPs as “a combination of the hotel company and local government
guidelines” (M3). In mainland China, hotels are advised by the corporation to follow local
guidelines:

As a part of XXX corporation, we are advised to follow local guidelines. Since the outbreak, the
local reactions have occurred much faster. Thus, we always look at the local guidelines first. No
major conflict is found between the corporate and local guidelines. (M4)

By contrast, independent hotels have more flexibility. For example, one manager from an
independent luxury resort in China mentioned that

Since we have been doing very well with zero guest/staff diagnosed, I am implementing special
programs -I personally like tea and Tai Ji. So, I go to the beach in the resort and do it with my
guests. I take off my mask first to demonstrate it is safe. Guests who recognize me as a GM also
feel at ease and comfortable to do it by the beach. (M6)

4.2.2 Higher-tier versus lower-tier hotels. During the COVID-19 pandemic, hotel prevention
and service availability differed between hotel classifications. In mainland China, hotels
follow the guidelines from the local government. In Hong Kong, interview findings show
that the higher the hotel class, the more rigorous the safety measures and the more cautious
the service provision. The assistance front office manager of a luxury hotel stated the
following:

Travelers who have visited any of the locations outside of Hong Kong and Macau within the past
14 days are discouraged from visiting the hotel. For accommodation, 2–3 days prior to guests’
arrival, a notice reminder of this policy will be sent out to guests’ email. All guests arriving at the
hotel must go through body temperature checks twice, which comprise an entrance thermal
imaging camera and an infrared thermometer at the front desk. In addition to the basic guest’s health declaration form, our concierge also checks with the guest’s taxi driver about where the pick-up location was, so we can ensure guests are from a local area, as opposed to airports or other points of entry. Our hotel upholds standards on hygienic practices for dining guests as well. This approach is different from other restaurants merely checking dining guest’s temperature and declining if guests do not meet the requirement. We also require guests to fill in the health declaration form once they have temperatures 37.8°C or greater. This is to ensure that if any cases of COVID-19 reported, we always have the information source for investigation. (M8)

Relatively, lower hotel classes have fewer comprehensive specifications on their service availabilities. The general manager of an economy hotel stated:

Literally, we don’t accept guests coming from the high COVID-19 reported locations. When we receive phone inquiries for long stays, we ask where guests came from and trust what they said. However, if guests reserved rooms through OTAs and paid all room fees already, we still serve them. For guests undergoing 14-day quarantine, we do not provide daily housekeeping services. We also issue a one-time key card for them, informing them that any cases in which they go out will be reported to police because this is illegal. (M10)

4.2.3 Hotels in highly affected versus less affected areas. In most big cities in mainland China, people sign up through mobile apps (e.g. Alipay) and are assigned a color code that indicates their health status. Hotel check-in requests guests to complete the following procedures as quoted from the managers.

(1) Guests must provide QR codes. Only green codes are accepted to proceed to check-in. A green code indicates the person is healthy. People with yellow or red codes must be reported to the local government.

(2) Guests must have their body temperature measured. If the body temperature is higher than normal, guests are denied check-in.

(3) Checking guests’ travel history. This history can be tracked by the mobile operator’s QR codes. Through the codes, we can check where the guests have been for the past 7 and 14 days. We must ensure that they have not been to high-risk areas before proceeding to their check-ins.

(4) Guests from high-risk areas are asked to provide nucleic acid test certificates to check-in (M2, M4, M7, M14, M23 and M24).

In less-affected cities, especially the coastal cities such as Sanya and Zhangzhou, hotels encourage guests to have extra opportunities to relax and enjoy nature. For instance, managers encourage guests to enjoy the beach and practice Tai Ji (M6). In Hong Kong, the majority of hotels are urban hotels located inside the city’s urban core. Thus, no difference is found in terms of the severity of COVID-19 virus based on hotel location.

4.3 Service innovation

4.3.1 Physical innovation. For guest comfort, many hotels offer hygiene supplies, increased sanitization protocols and extra in-room amenities.

The “high-touch” areas such as elevators, public restrooms, and restaurants are sanitized every three hours. Each item of sanitizing information with the time and employee names is posted. Guestrooms are all sanitized using a professional disinfectant. I also have been talking to suppliers offering the “one-stop equipment” that can distribute masks and measure body temperature at the same time. These will be helpful in meetings and conventions and be more efficient than manual work. Some other suppliers are offering air purifiers. I think hotels may invest more on these gears. (M4)
At the hotel entrance, we installed a thermal scanner that enables the detection of real-time subtle temperature variations. It activates a warning lamp to alert our concierge staff during unmanned periods as an extra precautionary step. This step is ideal for ensuring that accurate non-contact temperature measurements are carried out smoothly and effectively. (M8, M18)

Some hotels provide additional supplies and try to avoid face-to-face interactions with guests:

For example, we provide each guest with a kit that includes a mask, disinfectant, and oral spray, which most hotels do not provide. This kit is left on the table in the guestroom because our guests do not want to be disturbed, they are here to relax and enjoy family time. So, we don’t have a lot of face-to-face interactions with guests. (M6)

One manager mentions some extreme cases: “To resolve guest concerns about hygiene, a hotel burnt RMB 1.5 million worth of linens” (M2).

4.3.2 Social innovation. As mentioned above, in mainland China hotels, QR code scanning and mobile phone number tracking are two major methods that all hotels must implement. Apart from tools provided by the government, hotels are innovating in procedures that keep their staff and guests safe. Some even go so far as to have staff work five-day shifts to encourage greater social distancing by reducing the number of people entering and exiting the hotel every day. Staff members also use common facilities such as locker rooms as expressed by one informant:

Every department head needs to walk through the property to check with everything. Every staff member is under centralized management. They stay in the hotel for five days and then get disinfected. They then get transported to the dorms to switch with another group who will stay on the property for the next five days. (M3)

The management implemented special human resource policies and formed contingency teams led by top management. The team must go over the property to check the implementation of the standards, records and reports (M4, M14). To reduce face-to-face encounters given the risk that coronavirus disease is transmitted by direct contact, economy hotels have limited all in-person contact with guests. The general manager of an economy hotel pointed out:

Limiting direct personal contact with guests does not mean that we do not care for them. Every day, regularly, our staff calls the 14-day quarantine guest’s room, asking if they are all right. We believe that without physical contact, psychological contact is necessary to show our care to them. (M10)

Apart from the regular call, the one-time key card is another service innovation. As explained by the same person:

We developed the one-time key card idea for the operational experience. Previously, we found that some of the 14-day quarantine guests were unaware of the importance of self-isolation, and they sneaked out. Therefore, we tried to use the one-time key card, limiting their entrance and exit. Whenever they went out, they could not come back to their rooms and then had to approach our front office for assistance. Such an idea places more responsibility on the customer than outright surveillance does because we remind guests beforehand that leaving the room is prohibited and would be reported to the police. We trust that this key card is forceful. Especially nowadays, 14-day quarantine guests are wearing electronic wristbands and are subject to quarantine legally. Thus, our earlier reminder prevents any temptation to violate the law. (M10)

4.4 Guest feedback

All the hotel managers we interviewed indicated that nearly no negative feedback was given on any of the standards. Guests mostly appreciated the measures:
From guests’ reviews, we see that they are satisfied with our measures. Guests feel better if we put stricter measures. At the beginning of the pandemic, we received complaints saying our measures were too loose. Most guests are so cooperative and supportive. They all follow the instructions. (M4)

Despite the precautionary measures lengthening the hotel operation times than usual, positive customer feedback is common. All respondents report that after implementing all precautionary measures in hotel operations, no significant negative comments were found. Guests even graded higher for the hygiene evaluation than they did before (e.g. “Our guest satisfaction actually increased after the pandemic. They do appreciate the strict measures.” [M14]). All respondents explained that the reason for these results is that today’s customers have good health awareness and understand why additional service procedures are needed to ensure their safety.

5. Discussion and conclusion
Developing and executing new service standards in crises can be challenging (Bitner, 2008; King, 1984). As our results indicate, most hotels in mainland China and Hong Kong were actively engaged in service updating and precautionary measures in response to the COVID-19 crisis (see Figure 1 for conceptual framework). Our research provides guidance for hotel operations in other areas of the world.

5.1 Service standard update process
From outbreak to response and recovery, hotels’ quick action is vital for crisis management. Many cities started implementing restrictions in February 2020. Most of the interviewed hotels adopted similar procedures which resemble the traditional benchmarking process. Several interviewed managers shared their lack of any fixed precautionary measures at the beginning. Instead, once they recognized the current situation, they worked with the senior and experienced colleagues for the exact executions. They also kept monitoring the pandemic situation and guests’ feedback to adjust their service standards (M2, M4, M5, M14 and M15).

Since the outbreak started, nearly all hotel operations have been affected. The general situation in mainland China is that the control was at the national level, but individual hotels have autonomy. Depending on the location, hotel operations experienced special management practices. For example, one manager said she was in her hometown for the

<table>
<thead>
<tr>
<th>Phases of crisis</th>
<th>Service Standard Update Practices</th>
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<tbody>
<tr>
<td>Outbreak</td>
<td>• Start to prepare in early Feb. 2020.</td>
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<tr>
<td></td>
<td>• Form contingency teams.</td>
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<tr>
<td>Response</td>
<td>• Follow local guidelines and update L SOP.</td>
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<tr>
<td></td>
<td>• Use technology (e.g. QR codes scanning, and mobile number tracking) to screen and track guests’ travel history.</td>
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<tr>
<td>Recovery</td>
<td>• Maintain the precautionary measures.</td>
</tr>
<tr>
<td></td>
<td>• Use new platform (e.g. Livestream sales) to promote.</td>
</tr>
<tr>
<td></td>
<td>• Target local market (e.g. staycation packages).</td>
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![Figure 1. Conceptual framework](Updates in service standards in hotels)
Chinese New Year, which is far away from the city where her hotel was located. Her hotel needed to send a car to pick her up and send her to work on-site against the pandemic (M14). In many cities in mainland China, many mid-scale and economy hotels were requisitioned by the government (M3). One of the respondents' hotels “was one of the host hotels for the emergency hospital staff in Wuhan. The hotel was under requisition for two months by the military and medical staff” (M7).

By May 2020, all the hotel managers we interviewed were back to servicing paying guests but with special requirements as indicated in the findings. This finding shows that with the rapid development of information and communication technologies, service innovation involving new technology can create value and efficiency to service management (Barrett et al., 2015). For instance, in mainland China, QR codes and mobile phone tracking are essential.

As the restrictions are loosening up, hotels attempt “self-remedies” (M4). Many managers from mainland China mentioned using new social media methods to promote sales. Livestream sales are one of the most popular approaches in mainland China. One manager said: “We are trying to ‘produce to survive’. For example, we used to do buffets only, now we are doing outdoor BBQ. Other approaches are online promotion, food delivery, and livestream sales” (M7).

Given that the borders of many countries worldwide have been closed and quarantine measures have been put in place, hotels have shifted their target market from overseas travelers to local patrons such as offering local staycations (M5). Although some hotels are concerned about how these sales may affect the consumers’ reference price, they believed that “The pandemic has affected everyone’s income. That’s why these livestream sales are so popular because they often offer a lower price” (M4).

5.2 Comparison between severe acute respiratory syndrome and COVID-19

In 2003, the SARS outbreak resulted in more than 800 deaths (Wang and Ruan, 2004); 17 years later, the hospitality industry has become more sophisticated in crisis management, drawing upon the lessons of the 2003 SARS. During the SARS epidemic, most hotels were not very experienced but were able to form special teams involving executives and administrative departments to deal with the incidents (Chien and Law, 2003; Lo et al., 2006). The operational procedures such as using extra serving chopsticks in Chinese restaurants continued to function as an operational standard in most hotels (Lo et al., 2006).

Comparatively, hotels in Hong Kong took swifter management actions in 2020 than they did in 2003 as SARS spread. In past epidemics, from the first case of SARS reported in Hong Kong on March 10, 2003, most of the Hong Kong hotels spent 1–2 months implementing a series of precautionary measures (Lo et al., 2006). During COVID-19, two interviewed hotels in Hong Kong...
started requiring guests to fill out health declaration forms once the first diagnosed case of COVID-19 was reported in Wuhan in December 2019. The expeditious management decision this time is particularly vital given that the transmissibility of COVID-19 is higher than SARS (Liu et al., 2020). Furthermore, the vigilant precautionary measures adopted by mainland China are also an advancement compared with SARS. For example, hotels in mainland China implemented health QR code checks and had the nucleic acid test certificate requirements for travelers from high-risk areas. With all verifications, hotels can help determine whether guests are low-risk based on their state of health, possible contact with COVID-19 patients and travel history. In sum, management decisions and operations have changed progressively in Hong Kong and mainland China hotels than those during the SARS epidemic.

6. Theoretical implications
Using a grounded theory method, this research generates in-depth understanding about the process of the service standard update during the COVID-19 pandemic. First, in line with the framework for tourism disaster and crisis management (Faulkner, 2001; Jones and Comfort, 2020), we found that hotels experienced outbreak, response and recovery phases of the crisis management procedure. However, given the severity and scope of the COVID-19 pandemic, particular processes must be taken at each procedure such as following local guidelines and updating LSOP. Creating and adopting LSOP can be an effective strategy to engender routinization according to the local operations (Sutthijakra, 2011). To ensure service standard and service quality, global hotel brands should facilitate the development of LSOP (Whitha et al., 2007).

Second, this research expands the literature about organizations’ adoption process of new technology in crisis management. In accordance with past findings, technology is found to play a substantial role in service monitoring and tracking (Barrett et al., 2015). While the documented literature has been focusing on managerial or employee adoption processes of technology innovation (Pappas, 2018; Shin and Perdue, 2019), this research suggests that technology should be considered an important component in service design and crisis management.

In addition, the research sheds new light on the innovative recovery strategies that motivate hotel marketers to use diverse resources to engage consumers. The physical and social service innovations provide new opportunities to improve guest experience (Campo et al., 2014; Victorino et al., 2005).

7. Practical implications
The COVID-19 pandemic has led to a worldwide crisis and devastated the hospitality industry. Given higher levels of urbanization, globalization, mobility and environmental changes, we can expect future infectious diseases to disrupt businesses. Presently, we suggest that hotel managers should use well-thought-out standards on the bases of available scientific evidence.

First, we suggest that hotels should use LSOP to make their standards highly specific to each operation, marketplace and the profiles of their guests. Hotels should also make constant updates in their response to the crisis to offer the best and safest service levels possible for their guests and employees. As the local situation of the virus and changes to local policy occur, hotels should move to keep their services in line with unfolding circumstances. One good example is the Best Western Hotels. As a pioneer in cleaning standards, they started using a variation of ultraviolet technology since 2012 to decrease microbial levels in guestrooms (Best Western, 2020). Since the outbreak of COVID-19, they also published protocols online to showcase their standards through the “We Care Clean” program.

Second, hotels are suggested to put additional efforts in service innovation. From social to physical, from the little “hygiene kit” to the “one-stop equipment,” hotels can work on tiny
areas that can ease guests’ nerves or on a greater scale to purchase large equipment. Hotels are encouraged to use technology such as QR codes or online butler services to reduce personal contacts with guests. They should also pay attention to guests’ experience and feedback on adapting to the new styles of services. Recently, exciting innovation practices have emerged from hotel companies. For instance, Marriott uses high-tech equipment such as electrostatic sprayers to sanitize the entire hotel (Marriott, 2020). Using facial recognition technology, FlyZoo hotel in Hangzhou China provides guests with contactless experiences.

Inevitably, the service standards during the pandemic may cause inconvenience to hotel guests. Thus, enhancing hospitableness becomes indispensable in such special period of time. Hospitableness involves friendly and welcoming services which can facilitate memorable experiences and increase hotel guest satisfaction (Mody et al., 2019). Our findings show that hotel guests generally understand and appreciate the necessities of implementing precautionary measures. However, as time goes by, a sign of pandemic fatigue can emerge where the pandemic is worsening or convalescing. People may feel demotivated about following recommended procedures. As most of the interviewed hoteliers suggest that the current hotel service standard could be a new norm even if the pandemic situation is improved, whether hotel guests are still being collaborative and satisfied is a potential problem. Hotels are suggested to give reminders to guests about the necessities of precautionary measures.

Moving forward, crucial steps are analyzing how travel demand decreased in hotels that COVID-19 affected and how market re-segmentation occurred. The corresponding strategies hotels must use to accommodate their new market mix and the realities of operating during a pandemic also require analyses. We believe that the trends from the virus outbreak and social distancing guidelines have altered consumer behavior in the short and long term. In the immediate response, when international travel is on pause, hotels should prioritize local guests as much as possible. Feasible approaches include the promotion of livestreams using local key opinion leaders, staycation packages for residents and upselling ancillary services to locals (e.g. food delivery, spa, meeting rooms and fitness centers). As for long-term changes after COVID-19 subsides, we conjecture that many travelers would plan to compensate for lost time by not only taking trips but potentially indulging largely in rich experiences. Hence, we recommend that marketing managers create experiential packages later, such as the long-stay packages with fine dining, spa and any other ancillary offerings. Given that a COVID-19 vaccine is not yet available (Shereen et al., 2020) and the end of the pandemic is uncertain, we propose that a reset on rate strategies and cancellation policies can bolster travelers’ reservation confidence. Hotels should maintain flexible, stress-free cancellation policies for at least the next six months or until global travel demands approach some semblance of normality.

Furthermore, regardless of what adaptations a hotel incorporates into their operations or physical space, they must remain flexible. As the COVID-19 pandemic unfolds, guests, employees and governments change their expectations to reflect the new reality of the situation. Operators should therefore be expected to plan for contingencies that require additional mitigation efforts and to be able to reinitiate any previously enacted mitigation strategies. Hotel managers must remember the human element of workers who interact directly with guests and the guests who must interact directly with a team member (Baum and Hai, 2020; Baum et al., 2020; He et al., 2020). Each individual may have a different level of risk tolerance, and managers should be flexible with those idiosyncratic responses and not stigmatize people who are behaving more cautiously than others.

Finally, given that data of this research were only collected from hotels in Asia, managers from other regions of the world should apply the strategies with caution (Liu et al., 2021). The cross-culture literature suggests that service cultures are markedly different in...
many Asian cultures which are high in power distance than Western cultures that are in low power distance (Mattila, 1999). Hence, with the cultural dissimilarity that would have an impact on both operational execution and customer’s perceived service quality, hotel managers from other regions of the world should consider the cultural factors.

8. Limitations and future research
The research had certain limitations, suggesting avenues for further study. One of the main limitations of this research is its lack of representativeness of all hotels in mainland China and Hong Kong. Data were only collected from select hotels and staff. Future research can reach a larger sample and investigate the service standards and operational practices in hotels of other cultures. In addition, this research only interviews service providers, focusing predominantly on the supply side. As a more comprehensive analysis, the effect of COVID-19 on other aspects of the hospitality industry requires further investigation. Future studies could investigate service quality perceptions from customers’ perspectives, customer’s behavioral intentions of return and positive word of mouth as potential research topics. After the virus subsides and many available hotel guests are within reach, future studies on the demand side of the industry are encouraged.

References


Further reading


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