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A Discussion on Changes in Consumer Behaviors and Marketing Coping Strategies during the Pandemic Era – A Case Study of the Hotel Industry and Catering Industry

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Abstract

To date, the COVID-19 pandemic has been affecting the world for three years, and it has greatly impacted the service industry, especially the hotel and the catering industries, which were the first to bear the brunt, as the pandemic changed the previous living habits and consumption patterns of many consumers. This study used in-depth interviews in qualitative research methods to conduct exploratory research of these two service industries and analyzed the changes in marketing environments and consumer behaviors faced by enterprises under this pandemic. The research results show that there were significant impacts and changes in the marketing macroenvironment (political, economic, social and cultural, and technological) and microenvironment (suppliers, competitors, and customers). Meanwhile, this study also put forward possible business opportunities for and threats to enterprises due to this pandemic. Finally, this study proposes strategic marketing implications and practical management suggestions for enterprises to adjust market segmentation and positioning. Furthermore, this study formulates the 7P marketing strategies of Product, Price, Place, Promotion, People, Physical Evidence, and Process to mitigate the adverse impacts of the pandemic.

Keywords: COVID-19, Marketing strategy, Online merge with offline, Hotel industry, Online travel agent.

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1. Introduction

It has been nearly three years since the outbreak of COVID-19 in Taiwan in March 2020. Although pandemic prevention measures achieved remarkable results due to the initial proper control, since the inadvertent outbreak of a large-scale infection in May 2021, the number of infections in Taiwan soared from 1,256 at that time to 7.3 million after more than a year, and the death toll accumulated to 12,036 (Oct. 19, 2022). As of Oct. 19, 2022, the global pandemic was still having an effect, and the latest data showed that the accumulated global infections reached about 625 million, with 6.57 million deaths (Centers for Disease Control, Ministry of Health and Welfare, 2022). The number of infections and deaths in Taiwan is also continuing to increase.

The COVID-19 pandemic affected the manufacturing and service industries in varying degrees. As indicated by related literature, the influence of the COVID-19 pandemic on some manufacturing industries, such as the impacts on semiconductors, biotechnology and medicine, and passive components, was relatively small, whereas its impact on the battery and petrochemical-related industries has been gravely serious. The service industry, which is more closely related to consumers in terms of food, clothing, housing, and entertainment, was the first to bear the brunt of the damage, thus, giving rise to the stay-at-home economy or finger economy (Ku and Lin, 2020).

According to data from the business service industry yearbook issued by the Ministry of Economic Affairs, the output value of Taiwan's service industry exceeded NTD 10 trillion in 2018, accounting for about 60% of the gross domestic product (GDP). Furthermore, the number of employees was as high as 6.79 million, accounting for 60% of the total employment. It can be seen that the service industry plays an important role in the contribution of output value and the allocation of manpower demand (Ministry of Economic Affairs, 2019). Therefore, issues such as the impacts of the COVID-19 pandemic on consumers' daily life and consumption behaviors, as well as how to deal with the marketing management of the service industry, are bound to attract attention and concern from both academic and practical fields. The yearbook also pointed out that if analyzed from the category of the service industry, wholesale and retail, transport and warehousing, accommodation, and catering are the most important, accounting for about 22.07% of the total GDP.

As found from the literature review, most of the research on the operations of enterprises in the service industry during the pandemic focused on the use and introduction, acceptance, and satisfaction of mobile applications; for example, Al Amin et al. (2022) studied consumers’ acceptance and intention to use the mobile service applications introduced by banks during the pandemic. Regarding studies related to catering services, Dirsehan and Cankat (2021) applied the theory of the technology acceptance model (TAM) to explore users' satisfaction with mobile food-ordering apps (MFOAs) during the pandemic. They examined whether the use indirectly affects users’ satisfaction with and loyalty to the restaurants. In addition, another article of Al Amin et al. (2022) was similar to that of Dirsehan and Cankat (2021), and focused on the acceptance and usage intention of mobile shopping apps, while the research topic of Al Amin et al. focused on grocery purchases. Furthermore, Ahmadi et al. (2022) started from the aspect of different cultures to discuss different behaviors of consumers' purchasing behaviors during the pandemic due to different cross-cultural attributes. However, there has been relatively little research regarding the management of the seriously damaged hotel and catering industries, or how marketing management and strategies intend to respond in the future.

Based on the importance of this topic and the objective of filling the research gap, this study conducted exploratory research on the hotel and catering industries by reviewing and collating the relevant literature, and conducted in-depth interviews with experts in these fields. This study focused on exploring the impact on the corporate marketing environment, changes in consumer behaviors, and the opportunities/threats caused by the pandemic. Then, based on academic theories and industrial points of view, feasible marketing coping strategies were put forward to provide a reference for operators to formulate coping strategies in the post-pandemic era of the hotel and catering industries.

2. Literature Review

2.1 Development and Status Quo of the COVID-19 Pandemic

The first case of viral pneumonia of unknown origin occurred in Wuhan, China in December 2019, and then, cases were found in Thailand, Japan, and Korea one after another. At the same time, the pandemic has rapidly spread to other parts of China. Starting from late February 2020, the pandemic rapidly spread to Western countries and caused a huge impact on the economy, employment, tourism and related industries, and retail services (Chang, 2020). To date, the COVID-19 pandemic continues to ravage the world and has not stopped yet.

Over the past three years, the COVID-19 pandemic situation has shown ups and downs with the loosening or tightening adjustments of pandemic prevention policies by various countries. After the initial wave, the first pandemic flare-up occurred in July 2020, when many countries experienced a resurgence of COVID-19 cases. After that, the pandemic slowed down again due to various pandemic prevention mechanisms and vaccinations. However, many countries began to lift their lockdowns in July 2021, and cases of COVID-19 surged again; for example, in the United States, cases surged again after control measures were lifted on July 4, 2021, and the daily number of confirmed cases doubled in the following three weeks, which were mainly due to the rapid spread of Delta variants, stagnant vaccination rates, and large Independence Day rallies on July 4. Following that wave, the different states adopted different methods to curb the spread of the pandemic. Britain also bowed to public opinion and lifted its lockdown on July 19 of that year, removed social restrictions, opened nightclubs, theatres, and concerts, and masks were no longer mandatory, and another wave occurred (Tien, 2021).

The first confirmed case of an overseas traveler in Taiwan was found on January 21, 2020, and since then, Taiwan successfully blocked the invasion of the virus from the first confirmed case to April 2021. Over the past year or so, Taiwan has made remarkable achievements in pandemic prevention, which has been deeply and widely recognized by the international community. However, a new pandemic was accidentally detonated at the end of April 2021, and Taiwan was instantly caught in a panic. In order to prevent the spread of COVID-19, the Central Epidemic Command Center of Taiwan issued a Level 3 pandemic alert on May 17, 2021, which required that the flow of people should be reduced, masks were mandatory when going out, and leisure and entertainment sites were closed. Moreover, gatherings of more than five people indoors and more than ten people outdoors were prohibited, only take-out foods were allowed for the catering industry throughout Taiwan, and no wedding banquets, funerals, or religious gatherings were allowed (Taiwan Centers for Disease Control, 2021). Under these measures, public social movements were greatly restricted, which had a great impact on the catering and hotel industries, as they require high degrees of person-to-person contact. Although the alert was lowered to a Level 2 alert on July 27, it still had a strong influence on the catering and hotel industries, as people still had the wait-and-see attitude. The Level 2 alert was finally lifted on February 28, 2022, and the freedom of public behaviors was greatly increased after the launch of the coexistence mechanisms between Taiwan and the virus; however, border controls were not lifted at that time, which still had a huge impact on the international tourism and hospitality industry. Under the ardent expectations of the people of Taiwan, the government finally lifted the border controls on October 13, 2022, and adopted a steady and open border to breathe new life and create vitality into the badly hit international tourism industry (Ministry of Health and Welfare, 2022).

2.2 Influences of the Pandemic on Industries and Changes in Consumption Patterns

The service industry has four characteristics: intangibility, inseparability, variability, and perishability (Parasuraman, et al. 1985). Inseparability means that consumers must use or experience the service at the time the service is provided by service providers (Armstrong, et al. 2020); this trait is also referred to as simultaneously. Based on this feature, service providers and consumers must meet face-to-face to become co-manufacturers of the service. In terms of service exposure, both the catering industry and the hotel industry belong to high exposure industries (Tsao, 2018; Tsao and Jhang, 2019). Therefore, social distancing became the new norm during the pandemic, which has even remained post-pandemic, and such new lifestyle changes and values are bound to have a significant impact on the hotel and catering industries.

Taiwan's Level 3 pandemic alert policy in May 2021 pushed the hotel and catering industries, which had yet to recover, into a deep valley again. According to the statistics of the occupancy rate of tourist hotels, while the overall average occupancy rate was nearly 67% before the outbreak of the pandemic, since early 2020, the average occupancy rate plummeted to a little more than 10% in March and April 2020, which was a dramatic decrease. Although the average occupancy rate later improved due to booming domestic tourism, different cities had different benefits from this rise in occupancy rates, and the overall average occupancy rate rebounded to 34% in June of that year (Tourism Bureau, 2020). In the second half of 2020, due to the slowing pandemic within the country and relevant government subsidies for domestic tourism, the operations of the hotel industry gradually rebounded. According to relevant data, the average occupancy rate of resort hotels across Taiwan returned to about 60% before the second outbreak in April 2021. However, after the Level 3 alert in May of the same year, the occupancy rate was reduced to lower than 20%, and the hotel industry became the hardest hit area among all industries in Taiwan (Ministry of Economic Affairs, 2021). Fortunately, border control was finally lifted on October 13, 2022, providing a glimmer of hope for industries related to international tourism and hospitality.

COVID-19 has had a considerable impact on and is a threat to the service industry due to the required physical and close social behaviors, thus, the pandemic has led to great changes in people's lifestyles and other business opportunities. As a result of the social isolation policy during the pandemic, there have been several changes in consumption patterns: (1) home has become the center of all human activities, leading to the stay-at-home economy or finger economy; (2) the changes to consumption venues and time have accelerated the transfer of traditional in-person consumption to online consumption (Newtalk, 2020); (3) the demand for catering delivery services has increased and the demand is rigid (MIC, 2020). According to a report on consumer behavior in the post-pandemic era, as released by UUPON, which has nearly 4 million members in Taiwan, in the pandemic era, consumers have developed new common behavior patterns in the five aspects of daily shopping, leisure and entertainment, social community interaction, sports and fitness, and further study. The three major aspects of life, namely shopping, leisure, and social interaction, have all switched from physical to virtual and offline to online. In the nearly three months from April to June 2020, consumption through physical channels fell by 43.7%, and the visiting rate to indoor leisure locations plummeted by 60%. At the same time, nearly 70 percent of consumers said they used social media more frequently to interact with friends and relatives during the pandemic (Hsun, 2020).

According to a survey conducted by the Market Intelligence & Consulting Institute (2020) regarding the use of food delivery services by Taiwan netizens during the pandemic in the first half of 2020, 53.3% stated they had used food delivery services, of which 10.9% were first-time users. It was also found that 22.1% of the netizens who had used the service increased their frequency of use due to the pandemic. Moreover, as high as 77.3% of the netizens who had used such delivery services during the pandemic said they would continue to use them in the future. What is worth noting in the catering industry is that nearly 60% of first-time users intend to continue using it in the post-pandemic era. Judging from the willingness of consumers to continue to use such services in the future, food delivery services will become a new consumption norm in the future.

Regarding the changes in consumption patterns developed during the pandemic, will consumers be able to return to their original consumption patterns when the pandemic ends in the future? This issue is of great concern to many service providers. According to relevant reports, many studies and public health experts agree that the changes in consumer behaviors and values developed during the pandemic may become permanent, meaning "the pandemic may create a new norm" that will become an issue that industries and individuals must face. Therefore, this wave of finger economy may have a significant impact on the future of the service industry, especially retail, catering, and accommodation, thus, there should be no delay in developing relevant coping strategies.

2.3 Online to Offline and Online Merges with Offline

The concept of online to offline (O2O) is a virtual-reality integration strategy first put forward in 2010 by Alex Rampell, the founder and CEO of Triapay in the U.S. The main concept is that customers can collect goods or experience services from physical stores after paying online, in order to reduce physical contact (Rampell, 2010). O2O takes channels as the core and uses the cross-channel operation mode to guide consumers exposed online to consume in offline physical stores, as shown in Figure 1. This concept applies to online retail and educational research topics (Kang and Kuo, 2017; Xiao, 2019).

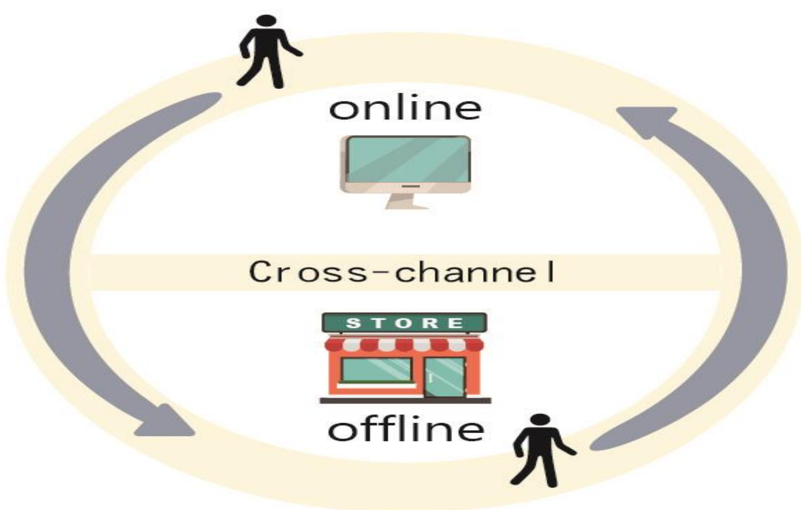

Figure 1: O2O Operation Concept

However, even with the increasing development of network technology, consumers could only look at physical goods, but not buy them until they were diverted to physical stores; conversely, even if the stores reached consumers through physical channels, customer information could not be gathered in the cloud. While stores can attract people through the O2O model, they cannot gain deep insight into the individual characteristics of consumers to provide them with individualized sales and services. Therefore, in the artificial intelligence era of 2017, people-centered consumption (consumers and service personnel) emerged, which uses omni-channels to integrate the points of contact of customers' online and offline consumption experiences, which rendered online and offline boundaries invisible, hence the name of online merges offline (OMO), and opened new business models for many industries. Now, everyone owns a smartphone. With the rapid development of digital technology, people's lives became more and more digitalized, and "one phone for everyone" evolved into "human-machine in one". Smartphones provide guidance for consumers to enter stores, as well as a point of contact for customers' online and offline shopping (shopping experience, sales service, and management process), and this consumption journey will be fully recorded. As stores can collect complete consumer behavior data online, and then, provide personalized services for different customers in their physical building, it achieves the purpose of precision marketing (Lin, 2019). Based on the above concept and connotations, OMO is illustrated in Figure 2.

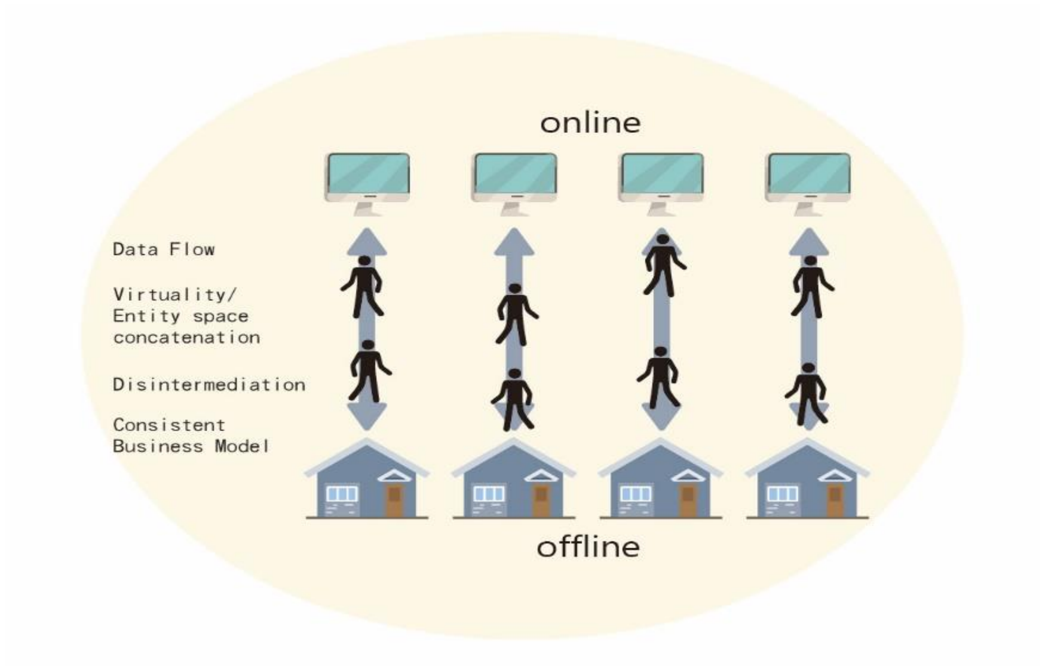

Figure 2: OMO Operation Concept

2.4 Customer Journey

Lemon and Verhoef (2016) pointed out that a customer journey is an overall customer experience between the customer and the company in the purchase cycle (pre-purchase stage, purchase stage, and post-purchase stage) across multiple points of contact. An overall customer experience is a time dynamic experience process, and the flow of consumer experience is the iterative and dynamic process from pre-purchase (including search), during purchase (including ordering) to post-purchase (including consumption and after-sales service). As this process integrates the experience (including previous purchasing experience) and external factors, the store can only control certain parts of all contact points in the customer experience. Therefore, in order to address this issue, the store can check which touch points to change, based on the customer's past purchase experience, and simulate the impact of different contact points on the customer's experience, as based on previous experience (Lemon and Verhoef, 2016).

Lemon and Verhoef (2016) proposed a process model of the customer journey and experience (see Figure 3). The model is divided into three stages, and each of which has points of contact and behaviors with different targets. The points of contact are brands, partners, customers, and social/external. The pre-purchase stage refers to the customer's interaction with corporate brands, products, and environments before purchase, while customer behaviors include identifying customer needs, identifying the product, searching, and considering. The second stage, meaning the purchase stage, covers all customer interactions with the brand, product, and its environment during the purchase period. Customer behaviors in this stage include selection, ordering, and payment completion. The third stage is the post-purchase stage, which covers the customer's interaction with the brand, products, and its environment after purchase, followed by customer behaviors, such as consumption, usage, engagement, and service requests (Chiang, 2018). Figure 3 shows that a previous experience (t-1) will affect the current customer experience (t), and then, affect the formation of future experience (t+1). This means that consumers' experience will influence their present decision-making and future experience. Therefore, the consumer shopping experiences generated during the pandemic will also have a profound impact on the shaping of consumer experiences in the post-pandemic era.

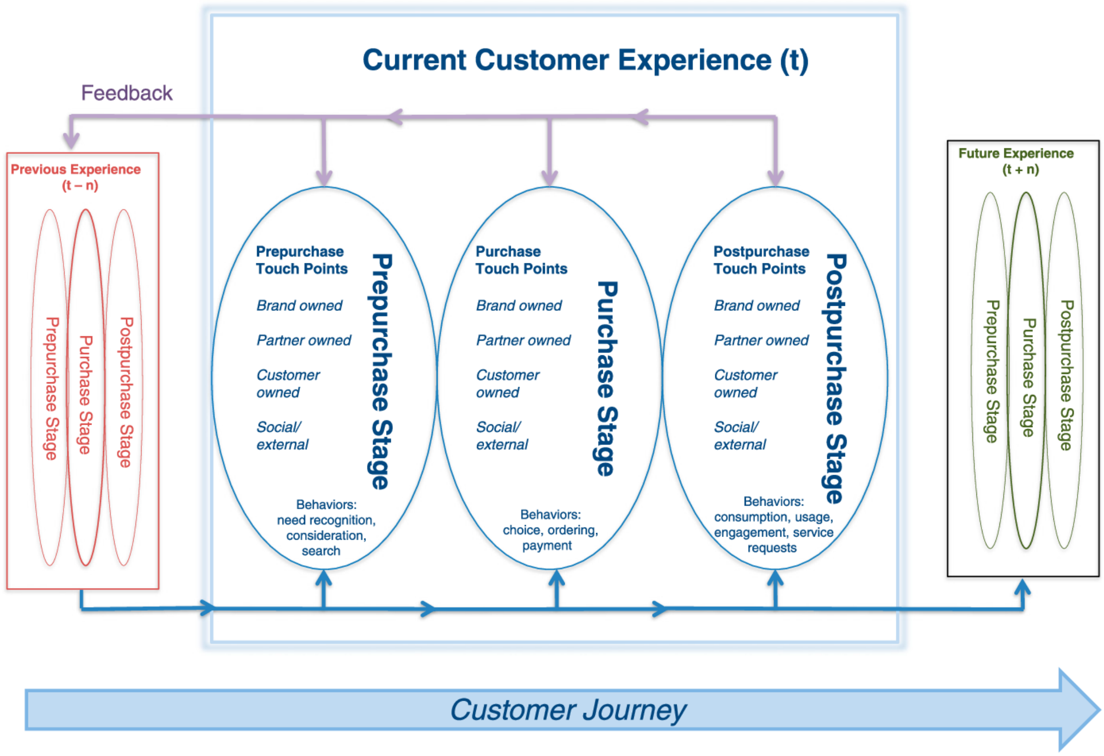

Figure 3: Process Model for Customer Journey and Experience

Adopted from: Lemon & Verhoef (2016). Understanding customer experience throughout the customer journey. Journal of Marketing, 80(6), pp.69-96.

3. Research Method

3.1 In-Depth Interviews

In-depth interviews are one of the methods applied in case studies. The research subjects of this method can be individuals, organizations, groups, and institutions, thus, people's inner attitudes, emotions, and motivations can be explored through interviews (Wimmer and Dominick, 2013). Interviews enable researchers to collect comprehensive oral and non-oral primary data and master key questions in the process of exploring issues (Huang and Wang, 2016). In-depth interviews can be divided into three categories: unstructured interviews, structured interviews, and semi-structured interviews.

Unstructured interviews refer to the interview method with no restriction on the direction, meaning interviewees speak freely on the premise of the subject given by the interviewer and have more freedom in their answers, thus, researchers have relatively small control. In structured interviews, consistent questions are set in advance and asked sequentially, meaning the interviews are scheduled in the order of pre-set questions and the questions are presented as close-ended questions. In semi-structured interviews, the interviewer sets the purpose, outline, and order of the research question and controls the time allocation to answer specific questions in advance, in order to guide the interviewees to make statements on specific topics (Wu, 2011; Chiang, 2018). In order to obtain the interview information from senior executives, experts, and scholars in a limited time, this study adopted semi-structured interviews, meaning the interview topics and order could be flexibly adjusted according to the interview environment at that time. The researcher prepared the interview outline and interview guide in advance.

3.2 Sampling Methods and Interviewees

As the research topic is highly professional and the research subjects are experts in this field, this study adopted the judgment sampling method of non-probability sampling. Based on the considerations of research needs and content validity, the interviewed experts came from practical circles (hotel and catering industries) and academia (Department of Business administration). The interviewees' information is shown in Table 1.

Table 1: Information of Interviewees

No.	Code	Academic/practical	Title
1	A	Academic	Associate professor
2	B	Academic	Assistant professor
3	C	Academic	Professor
4	D	Practical	CEO
5	E	Practical	Vice President of Operations
6	F	Practical	Executive Director
7	G	Practical	Assistant Manager of Operation Department

3.3 Interview Direction and Outline Guide

This study developed four theme categories as the interview content according to strategic marketing management steps, which are summarized, as follows:

1. <u>Changes in the marketing environment:</u> The interviewees were asked what changes took place in the overall corporate environment and the individual environment during the pandemic, and how these changes affected the marketing and management operations of the enterprises.
2. <u>Changes in consumer behaviors:</u> The interviewees were asked about qualitative and quantitative changes in the shopping behavior of the company's target customers during the pandemic, and how the enterprises responded to these changes.
3. <u>Enterprise business opportunities and threat points:</u> The interviewees were asked what business opportunities (opportunities) and adverse situations (threats) enterprises faced during the pandemic.

4. Marketing strategy response: The interviewees were asked how they mitigated the impact of the pandemic on the company during the pandemic.

4. Analysis and Results

As the overall environment and individual environments faced by enterprises experienced many changes during the pandemic, this study conducted a comprehensive review and systematic analysis of the marketing changes of the hotel and catering industries from expert interviews, in order to further determine the enterprise opportunities and threat points from the context of the changes, and finally, put forward marketing strategy suggestions. This study took information from the contents of the expert interviews for content analysis, and then, conducted content coding to sort the interview results. The following is a brief description of all chapters.

4.1 Review of Enterprise Marketing Environment

4.1.1 The Macroenvironment

1) The political environment

A. Pandemic control measures: Externally, border control measures were adopted in 2020 and not lifted until October 2022, and this long period of border control had a great impact on the operations of international sightseeing hotels. Internally, Taiwan has been implementing different levels of pandemic prevention alerts according to the severity of the pandemic. Over the past two years, the pandemic alert was lowered from Level 3 to Level 2 and was finally lifted in February 2022. The period of the Level 3 pandemic alert had varying degrees of impact on the service industry, especially on the hotel and catering industries.

B. Government revitalization and bailout mechanism: In terms of market consumption, Triple Stimulus Voucher and the Quintuple stimulus vouchers were launched to stimulate and promote Taiwan's consumption. Various cross-ministerial revitalization and bail out projects were provided for vendors, while a number of corporate tax breaks were provided to enterprises (Ministry of Economic Affairs, 2022).

2) The economic environment

A. Increased consumer sensitivity: Consumers became more shrewd than they were before the pandemic, asking questions and comparing before consumption, looking for the most favorable revitalization or promotion plan.

B. Adverse economic development in the future: If the pandemic continues, employees may worry about unpaid leave or unemployment, resulting in the expectation of a reduction in disposable income, as well as a reduction in the willingness to spend. In addition, until the pandemic has been brought fully under control, investment in the service industry will tend to be conservative in the future.

3) The social/cultural environment
A. Trend of eating at home: The new values of returning to the family have been formed.
B. Paying attention to sanitation and health: This includes the sanitation and safety of the physical environment, the health and safety of food materials, and the enhancement of immunity.
C. Changes in consumption perception and consumption order: The degree of consumption will be changed, resulting in new values and consumption views. The willingness to participate in traditional festival parties, wedding and funeral banquets, etc., the way they are held, and the scale or the number of times they are held may all be affected by the pandemic, meaning there will be slight changes in consumer perceptions. Consumer behavior may tend to be conservative, especially for non-essential consumption.
4) The technological environment
A. Contactless service is popular: For example, online shopping is more prevalent, delivery platform services are popular, and brick-and-mortar stores move towards low-contact service, in order to improve physical field design.
B. Digital technology goes deeper into consumer life: The transformation of enterprise digital management is accelerated in the post-pandemic era. The use of digital marketing enables a more accurate grasp of consumer dynamics.

4.1.2 The Microenvironment

1) Suppliers
A. More stringent safety inspections.
B. Working together in unity to overcome difficulties, and jointly planning procurement plans to achieve win-win situations.
C. Scattered material sources to reduce supply risks.
2) Competitors
A. Competition and cooperation among peers: The impact of the pandemic created systemic risks, which are difficult for service industry operators to avoid. Therefore, competition between operators is no longer an inevitable situation; instead, it is possible or necessary to establish a more attractive operation model through cooperation and co-creation, in order to attract customers.
B. Competition and cooperation between marketing intermediaries and enterprises: As channel partners tend to be diversified, delivery platforms and Online Travel Agents (OTAs) are both competing and cooperating with the enterprises.
3) Customers
A. Consumer behaviors will tend to be conservative: The pandemic was fierce at the beginning. The service industry has been severely hit, the unemployment rate has risen, and the disposable income of consumers has declined. After the pandemic, the prospect of industrial recovery is uncertain, and consumers may be conservative after temporary retaliatory consumption.
B. Increased complexity of the consumer decision-making process: For example,

in the case of hotel bookings, customers may call before booking to ask about the relationship between consumption and government subsidies, or about hotel pandemic prevention measures.

C. Transfer of consumption division: There are two kinds of tourism for the hotel industry: cross-border tourism and local tourism. As the global pandemic spread, hotels with a focus on international tourism and business were hit the hardest, thus, it is urgent to adjust strategies to attract the target market. Regarding international sightseeing hotel operations, business sources are mainly divided into sightseeing accommodations (international and domestic), conferences, and restaurants, thus, during the pandemic, front-line tourism bore the brunt of the effects. Due to the continued border control measures, the scale of international tourism, as well as the international business market, were greatly affected. Regarding consumer types, single-person business opportunities are emerging, as the frequency of single-person travel and dining out is increasing. In terms of age, while there are fewer older adults and young mother customers, there is an increasing travel trend for young people who are highly dependent on digital technology.
D. Taking home as the center to reduce the frequency of going out.
E. Yearning for well-known brands to reduce perceived risk.
F. More attention to physical environmental safety and health.
G. Raise awareness of health. Consumers are more aware of "healthy diet" and "healthy living" concepts and seek relevant vendors for consumption. Due to health risks, contemporary consumers have anxiety about the virus and tend to focus on improving physical environmental safety (pandemic prevention wearables and disinfection), and their physical (food and improving immunity) and mental health (advising, counseling, and religion).
H. Increased online behavior: People who do not use online consumption often start to try it, and consumers who have used it before have more frequent online activities.
I. Shift in consumer demand: During the most severe part of the pandemic, consumers were forced to work/study at home, play (online audio-visual platforms and online games) and shop online (online shopping), and do physical exercises (family-style sports equipment or online fitness courses) with online guidance, as a result, there are numerous stay-at-home business and work opportunities. However, this online world reduced demand for activities outside the home, such as going out for social functions, workplace appearance (work clothes and shoes, and cosmetics), and travel.

4.2 Industry Opportunities and Threats

According to the above marketing environment and consumer behavior analysis, this study puts forward the opportunities for and threats to the business environments of hotel and catering industries in the pandemic era.

4.2.1 Opportunities

1. Consumers are closer to the online world.
2. Home-centered has become a new way of life.
3. There is a great demand for contactless services.
4. With the movement of the market segment, the demand for tourism in Taiwan has increased.
5. The pursuit of a healthy diet has been trending.
6. The government's bailout policy has offered many benefits, which helped companies through difficulties in the short term, boosted consumers' willingness to spend in the short term, and gave affected industries breathing space. Moreover, enterprises can solve the problem of human resource cultivation and training, and optimize manpower.
7. Digital technology changes with each passing day. Enterprise management can be combined with science and technology software to enhance brand competitiveness.
8. The popularity of we-media increases network marketing and communication channels.
9. Consumers' increased dependence on brands makes it a good time for enterprises to build brands.
10. More opportunities in pandemic prevention have occurred for the supply chain of the hotel industry because of the pandemic.
11. It is no longer the era of one fighting alone, and strategic alliances between the same industries or different industries have been launched.

4.2.2 Threats

1. The initial severity of the global pandemic has led to the adoption of border controls by many countries, which has had a huge impact on international exchanges and tourism. As the pandemic slowed down, the borders of various countries were gradually relaxed and international exchanges gradually became active; however, at present, the tourism industry has not yet emerged from the cold winter.
2. The hotel industry requires heavy investment. The different levels of the pandemic alerts led to business instability and unpredictable cash return, which affected the availability of operational funds.
3. Customer flow is unstable, which is disadvantageous to enterprises' marketing promotions and manpower scheduling.
4. Consumer safety and health awareness are raised. In order to reduce doubts and perceived risks, the additional costs of the service industry are increased.
5. On one hand, the emergence of the third-party service platform is helpful to the operation of enterprises; on the other hand, high commissions and the mastery of consumer information are hidden worries for enterprises.
6. Competition in the industry has increased fiercely.
7. The increased proportion of cooking and eating at home has had a huge impact on the catering industry.

8. As consumer decision-making regarding consumption has become more complex, consumer behavior has become more savvy, conservative, and price-sensitive.

5. Discussion and Conclusions

5.1 Managerial Implications and Management Suggestions

This study collated the primary data obtained from interviews with academic and industry experts, and then, referred to external secondary literature to put forward opinions on the overall and individual environments of enterprise marketing, the changes in consumer behaviors, and the opportunities and threats of the industry. Finally, this study proposed future marketing coping strategies. During pandemic development or in the post-pandemic era, hotel and catering industries should strive to deeply understand changes in consumer markets and behaviors, in order to adjust their market segmentation and positioning strategies, and provide manufacturers with the 7P marketing plans of Product, Price, Place, Promotion, People/Participants, Physical Evidence, and Process for reference.

Based on the above analysis results, this study puts forward the following marketing strategy suggestions for operators' reference.

1. Target market transfer strategy

Opening up market segments that previously received little attention before the pandemic. According to the above opportunity and threat analysis, there are two tourism types in the hotel industry: cross-border tourism and local tourism. As a global pandemic spreads, the greatest impact is on hotels with international tourism and business as the main focus, thus, it is urgent to adjust the strategy of the target market. The strategies proposed in this study are, as follows. (1) Actively develop the overseas travel market by cooperating with the government's reassuring tourism policy and various consumption revitalization plans. (2) Development of the commercial market (B2B) and government market (B2G). Cooperate with major enterprises and government agencies to plan company trips, conferences, and personnel training and education programs. (3) Check hotel locations and look for niche market development to provide for consumers with special needs. (4) As the consumer age group in a pandemic era tends to be younger and highly technologically dependent, general hotels can adjust room usage to increase the utilization rate; for example, the use of overnight accommodation may be changed to a short rest to provide for hourly trips and light breaks for young men and women. This type of consumers often takes mass transit systems or drives motorcycles, which require no special software/hardware services or car parking, and their focus is on clean facilities with quiet restful atmospheres, thus, the new market segment of small and medium-sized hotels are suitable for such consumers. Moreover, this market segment can be combined with online APPs, meaning people can search and order while in route. In addition, for the catering industry, it is also worth paying attention to and opening up the market segment of single-person business opportunities.

2. Digital transformation-OMO strategy

As the pandemic changed the value of the home-based life, a stay-at-home economy has been created. Online shopping, online ordering, third-party delivery, and takeouts have become new consumption patterns for catering services and retailing. According to the survey, in the first half of 2020, the COVID-19 pandemic limited people's economic activities, which prompted consumers to shift from physical channels to virtual channels. This shift further resulted in a sharp rise in online sales, where retail network sales increased by 17.5%, and physical retail sales decreased by 4.8%. Regarding overall retail turnover, the proportion of online sales continued to rise (Ministry of Economic Affairs, 2020). Furthermore, this stay-at-home economy wave is expected to accelerate the digitization of human life ahead of time. As people's daily lives become inseparable from the Internet and smartphones, all activity records, tracking systems, and points of contact with businesses both offline (such as physical stores collecting phone numbers and email addresses) and online will be connected, thus, consumers' complete consumption habits will be integrated through digital science and technology. This is also a useful tool for precision marketing.

For hotels and catering services, every smart device, especially smartphones, represents a flow entrance and consumption identity. After inflow into the station, consumers are taken as the core, and the data of their entire consumption journey will be integrated and recorded no matter when and where consumers are. Businesses use big data to understand individual consumers' motivations and demands to achieve better precision marketing. As the digital construction cost is a favorable starting point for the catering and hotel industries, these industries can develop a variety of integrated online and offline marketing programs for OMO strategic thinking.

3. Asset-light strategy

This strategy is applicable to industries where a lot of money is invested in fixed equipment, especially in asset-heavy industries such as the hotel industry. When there is a cash flow problem during a pandemic phase, hotel operators can cooperate with financial control or investment companies to sell their assets, and then, lease them back, in order to recover funds and only pay the rent. In this way, businesses can relieve their financial pressure and have funds to invest in other hotels and fully demonstrate their professional management ability. For example, Sunrider, the owner of Sunworld Dynasty Hotel, was sold to Fubon Life Insurance in 2020 and leased back to continue the business. An example in the retail sector is MIRADA, which was acquired by SHARP and online selling was adopted. The asset-light strategy is also suitable for the restaurant industry, such as using the concept of virtual kitchens (also known as cloud kitchens), where restaurants do not provide dine-in service, only takeout. In practice, more than 90% of the meals are made in a central kitchen, and then, the semi-finished products are sent to local satellite kitchens, where the staff only assemble or reheat the meal to quickly complete the order. It is estimated that the global output value of virtual kitchens will be as high as 1 trillion USD by 2030.

4. Direct-to-consumer management thinking and strategy

As the name implies, the company has control over the channel or marketing communication, directly faces the consumer rather than going through the intermediary unit, has a direct connection with the customer, and obtains the most accurate and personalized demands, experiences, or other information from the consumer. Direct-to-consumer (D2C) has been used to examine the complete consumption journey of customers. It has been used to analyze the problem points of consumption from contact to consumption behaviors before, during, and after the purchase, in order to seek opportunities to improve or innovate products/services and build brand trust. As network science and technologies are changing with each passing day, they accelerate the realization of the D2C strategy, which is then combined with the OMO strategy.

Experiential marketing is another important D2C display strategy. In this strategy, the physical storefront is mainly based on the consumer experience and has the purpose of introducing consumers into the physical field, strengthening consumers' learning and understanding of products, enhancing brand identity, and then, leading them back to online purchasing, in order to integrate online and offline operations, such as Apple stores. Regarding the retail and catering industries, the smaller size of the stores and reduced fixed capital investment are similar to the asset-light concept. This strategy is applicable in both the pandemic stage and the future post-pandemic era.

In physical catering channel management, consumers are willing to spend more money to choose a safe or unique dining environment. Experiential marketing will be an important business strategy in the future when applied in physical stores to create dining benefits and atmospheres that cannot be experienced at home. By creating on-the-spot consumer experiences and unforgettable memories, experiential marketing may offer a lot of added value and be able to break away from the threat of price comparison or delivery platforms. Therefore, the Points-of-Difference (PODs) of a restaurant can provide an unforgettable dining experience, while the Points-of-Parity (POPs) can provide a safe dining environment (Keller and Swaminathan, 2020).

The strategy of business-to-business-to-customer (B2B2C) is expected to become a future trend, especially during the development of a pandemic. For the catering industry, in combination with food delivery services, third-party enterprises can deliver food to consumers' homes, which facilitates the concept of virtual kitchens or shared kitchens, and is also a kind of asset-light strategy. Restaurants with no physical storefront set up kitchens only to provide delivery or take-out service for general basic or folk snacks, and because the price is ordinary, the taste of the food is less affected by eating time, space, or distance, and the taste can even be restored simply by heating. It is suggested that the POD of the strategic positioning of B2B2B operators should facilitate convenience and time-saving, while POP can make consumers feel like they are eating in a restaurant, meaning delicious without losing taste.

5. New thinking of product strategy in the pandemic era

The pandemic has caused people to eat out and travel less frequently, and their consumption patterns may change into healthier, more refined, or more in-depth preferences with a higher single budget, thus, the following strategies are proposed for the product dimension:

A. The trend of a healthy vegetarian diet.
B. The type of food between cooked food and raw food is referred to as intermediate food, such as a simple cooking bag at home.
C. Thematic tourism activities. Hotels can design different accommodation themes according to different target groups (such as independent tourists, group tourists, families, and older adults), or take the tourism situation as the theme, such as a cruise theme, pseudo-overseas theme, or local characteristic theme, in order to create business opportunities for international travel.
D. Local experience marketing. Design tourism or catering themes by combining them with localized materials (geography, culture, history, cultural relics, and food materials) to promote the development of the local economy and local characteristics.
E. The strategy of transforming indoor spaces into semi-open or outdoor spaces, such as outdoor weddings or banquets.

6. Establishing a strong brand

   A brand is a very important intangible asset of an enterprise. Enterprises must recognize the importance of their brand and strive in the direction of intense marketing to create brand value, in order to enhance brand awareness, brand identity, brand emotion, and trust, connect with customers more deeply, and enhance customer loyalty and brand resonance.

7. Forming alliances within the same industry and with different industries to expand the consumer community.

   The use of digital technology for horizontal and vertical cooperation will produce a comprehensive marketing effect.

8. Contemporary marketing considerations in the digital era.

   The explosive growth of digital technology has completely changed the habits of human life, including interpersonal communication, information sharing and collection, learning, shopping, and entertainment. Digital technology has greatly changed the shopping journey of consumers. During the pandemic, consumers got into the habit of spending online and receiving messages through smartphones, thus, corporate brands should consider how to change from a passive model to a more active marketing model.

A. Social media communication, such as Facebook, Instagram, YouTube, and Twitter. Social media provides a platform for people to freely create content (including all kinds of works, ideas, opinions, and products or service experiences), including text, pictures, sounds, and videos, where people can share their content with members on the platform, discuss it, reshare it, or recommend it to others. Traditional marketing presents the company's established brand to consumers, and then, tries to convince them to accept it. In the digital age, marketing is increasingly oriented towards connecting with consumers and making them a meaningful part of the business and the brand. The digital platform can be used for consumers to have a dialogue with brands and enjoy the brand experience, which strategically enables consumers to continue to participate in corporate marketing and brand management activities. Various marketing activities are promoted through online communities to find ways to bring virtual fans back to physical stores. In addition, this platform contributes to a company's pandemic prevention efforts and publicity in the post-pandemic era.

B. Consumer-Generated Content strategy: The advantages of digital technology and social media include the use of consumer input for marketing content information, ideas, or real advertisements and films, such as inviting consumers to participate in company branding activities, such as advertising films or microfilm competitions.

C. Online word-of-mouth marketing: Keller and Swaminathan (2020) divided online marketing communication into three types according to payment methods. The first type is paid, such as online keyword search advertising, display advertising, social media advertising, paid blogs, or blog sharing. The second type is owned (by the company), such as official corporate websites, official social media (such as FB fan page and YouTube), or mobile APPs. The third type is earned, such as consumers' reviews of websites, public reports, or positive discussions, sharing, or recommendations from consumer community websites. Therefore, online word-of-mouth is the third type of communication, in which the company creates topics and provides a format for free online discussions, in order that consumers can have a positive understanding of the brand, knowledge, and emotion, as well as follow-up experience sharing and purchase recommendations. This kind of information is the most authentic and credible source of information for consumers (Tsao and Hsieh, 2015).

9. Aestheticization of the physical environment: Aesthetic thinking is integrated into the moving lines of physical spaces and aesthetic partition designs to increase experience.
10. Pay attention to the development trends of new technology and appropriately introduce new options to the operation and management of the company, such as the application of augmented reality, virtual reality, or blockchain to the operation mode. The above technologies enable consumers to simulate or understand products or services at home during the pandemic.

5.2 Limitations and Directions for Further Research

This study adopted the in-depth interview method in qualitative research. Since there were few in-depth interviews with experts, the comprehensive coverage of the research results is limited. In addition, the interview time of the study lasted two years, taking place from 2020 to 2022; however, due to the dynamic nature of the pandemic situation, the conclusions of the interviews may not be applicable to all situations. However, although the time points are different, the results still have reference values. Especially in the post-pandemic era in the future, if the service industry can be transformed ahead of time, the severity of damage to enterprises can be reduced if a pandemic occurs again in the future. This study belongs to exploratory research and is a pilot study for future quantitative research. In the future, the research findings of this study are expected to be set as a quantitative structural research model. By verifying this model through investigating consumer opinions, more comprehensive marketing suggestions may be put forward to help the worst-hit service industry recover.

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