Covid-19 and the Performance of Hotels and Lodges in Windhoek, Namibia

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Abstract

This study assessed the effect of the COVID-19 pandemic on the performance of hotels and lodges in Windhoek, Namibia. The study was motivated by the poor and uninspiring performance of hotels and lodges following the pronouncement of successive COVID-19 induced lockdowns. The study adopted the positivism philosophy and quantitative approach to enable the researcher to make use of scientific evidence, including statistics that show how COVID-19 affected the performance of hotels and lodges. The results revealed that rising new COVID-19 cases and deaths as well as restrictions on domestic, regional and international travel led to cancellation of bookings and low occupancy rates. COVID-19 negatively impacted on average daily rate, revenue per available room and profitability of hotels and lodges. The study recommended that hotels and lodges should institute new business models, advocate for a rescue package and target domestic tourism with limited travel restrictions to improve their performance.

Keywords: COVID-19; ADR; profitability; RevPAR; occupancy rate

Introduction

The hospitality industry has traditionally been sensitive to periods of economic, political and social instability, natural disasters and pandemics. The COVID-19 pandemic adversely impacted tourism related businesses such as hotels and lodges through lockdowns imposed by several countries (Organisation for Economic Co-operation and Development, 2020). How the has pandemic affected business concerns has attracted a number of studies and the hospitality

industry has not been spared. The link between global health pandemics and the performance of the hospitality industry has generated significant interest among researchers (Ajambo, 2020; Dube, 2021;Smith Travel Research(STR), 2021; Sucheran, 2021; Susilawati et al., 2020). The United Nations World Tourism Organisation (UNWTO) (2020) estimates that, due to the COVID-19 pandemic, world tourism fell by between 20-30 percent translating into a decline in international tourism receipts of between US$ 300 - US$ 450 billion. Statista (2020) estimates that the travel and tourism industry's employment levels are predicted to contract by US$ 100.08 million worldwide.

Globally, hotels and lodges alone recorded more than 1 billion unsold room nights in 2021 which eclipsed the number of unsold room nights during any global financial crises or recession since 2000. Profitability for hotels and lodges has remained uncertain as movement restrictions stay in force for most countries. In 2020, hotels and lodges recorded all-time lows in occupancy, average daily rates (ADR) and revenue per available room (RevPAR) which are the main performance indicators. STR (2021) reported that the year 2020 had been the worst year for hotels and lodges in the United States of America. ADR fell to $103.25 a level lower than any year since 2011 and 21.3 percent lower than the 2019 level. As at 22 November 2021, confirmed COVID-19 cases in Africa had reached 8,664,388 accounting for 3.4 percent of the global infections (Statista, 2021). In 2020, hotels and lodges in Africa recorded occupancy levels as low as 29 percent representing a decline of 52.6 percent when compared with the year 2019. ADR and RevPAR declined by 3.3 percent and 54.1 percent ending 2020 at $103.12 and $29.86 respectively (STR, 2021). In South Africa (Dube 2021; Sucheran 2021) showed that hotels and lodges risk bankruptcy due to severe cash flow problems, unending travel restrictions, guest cancellations and low consumer spending. Dube (2021) further called for well-engineered financial aid packages, lower levies and taxes and adoption of stringent health protocols to facilitate recovery of hotels and lodges.

Background to Namibian case

As at 23 November 2021, Namibia had cumulative COVID-19 cases of 129 000 and had recorded a total of 3,571 deaths (Statista, 2021). In Namibia, hotels and lodges are among the priority sub-sectors for economic development and have been one of the fast-growing areas of the Namibian economy. The National Labour Force Survey of 2016 estimates that hotels and lodges employed 47,840 (Namibia's Fifth National Development Plan, 2017). Unfortunately, the operations of hotels and lodges in Namibia have been affected since the advent of the COVID-19 pandemic. Data gathered from the Namibia Airports Company and Hospitality Association of Namibia showed that room and bed occupancy rates for hotels and lodges stood at 14.1 and 15.2 basis points in June 2020 down by 87.3 and 84.1 basis points for levels registered in June 2019. Little effort has so far been directed towards assessing the impact of the COVID-19 induced lockdowns on the performance of hotels and lodges in Namibia, yet the hospitality sector has recently been severely affected by the COVID-19 pandemic. The COVID-19 pandemic has had a significant impact on the operations of hotels and lodges, which directly depend on domestic and international travel. In Namibia, there has been a substantial decline in the arrivals of overseas tourists in 2020 due to the lockdown restrictions. Consequently, the COVID-19 pandemic affected the occupancy rates, ADR, RevPAR, foreign exchange earnings, taxation contribution and job opportunities in hotels and lodges (Bank of Namibia, 2021). In light of this development, the study examines the impact of the COVID-19 pandemic on the performance of hotels and lodges in Namibia.

Literature review

The current study is underpinned by a number of theories. These are the theory of constraints, the resource-based view theory and the dynamic capabilities theory. The Theory of Constraints (TOC) (Goldratt, 1984) argue that a constraint is anything that holds back a system or project from achieving higher performance standards as defined in the objectives or goals set out by an organisation or individual. In narrower perspectives, a constraint can be considered in the form of a process or process step which works against the attainment of the desired output or throughput. This theory is relevant to the current study which examines the impact of the COVID-19 pandemic on the performance of hotels and lodges since pandemic has proved to be a constraint to the operations of hotels which traditionally target to achieve high occupancy rates, average daily rates, revenue per available rooms and ultimately attained desired levels of profitability.

The dynamic capacity theory (Teece et al., 1997) focusses on the development and attainment of competitive advantage (s) in rapidly changing operating environments. In this regard, dynamic capabilities are conceptualized as a firm's ability to integrate, reconfigure, renew and recreate its internal and external organisational assets and resources to survive in rapidly changing environment. The dynamic capability theory is relevant since the COVID-19 pandemic came as a surprise to all companies and radically changed the operating environment landscape to the extent that only companies with dynamic capabilities to reconfigure and re-integrate their systems and processes have been able to perform reasonably well. The dynamic capabilities model can therefore be the basis of explaining the performance of hotels and lodges in Namibia following the outbreak of the COVID-19 pandemic.

Traditionally, the hospitality industry, which includes the operations of hotels and lodges, is extremely vulnerable to global pandemics (Hong et al., 2020). The performance of, crisis, disasters, global pandemics and terrorist attacks (Smart et al., 2021). In response to the outbreak of COVID-19, governments across the world put in place extraordinary measures to stop the spread of the deadly virus including imposition of travel restrictions into and out of countries as well as physical distancing. These interventions had significant negative effect on the operations and performance of hotels and lodges. Sharma et al. (2021) claim that some hotels temporarily or permanently closed following significant drop in business volumes against a backdrop of rising costs. Smart et al. (2021) also point out that the COVID-19 pandemic disrupted the global tourism and hospitality industry and led to unprecedented negative performance. Zhang et al. (2020) found that occupancy levels in hotels and lodges dropped. Kumar and Nafi (2020) noted that the COVID-19 pandemic led to a significant decline in inbound tourist arrivals thus having direct effects on revenue generation for hotels and lodges. Kumar and Nafi (2020) further alludes that key indicators such as ADR and RevPAR dropped. Napierała et al. (2020) also noted that significant, negative impacts existed between COVID-19 cases and occupancy and RevPAR.

Nhamo et al. (2020) notes that COVID-19 pandemic had negative impact on hotels characterised by cancellation of bookings and unprecedentedly low bookings. The significant drop, in occupancy rates, triggered hotel closures and empty rooms for Airbnb properties. Nhamo et al. (2020) further identified that the fall in occupancy rates and business volumes for hotels resulted in unexpected employee layoffs and hotels struggled to pay up their fixed expenses and mortgages on their properties. This negatively affected the reported profits which significantly fell for hotels and lodges. Sucheran (2021) found out that hotels encountered cash flow challenges due to guest cancellations and low consumer spending caused by the travel restrictions triggered by the COVID-19 pandemic. It was further noted that employment levels in hotels and lodges fell drastically. Ncube et al. (2021) showed that the COVID-19 pandemic had an adverse impact on hotel occupancy and revenue as these performance indicators fell

drastically which led firms to reduce staff compliments, closed parts of the hotels to reduce operational costs as well as operating on a take-out basis. Jaipuria et al. (2021) found that the decline in tourist arrivals significantly affected occupancy levels and the revenues generated by the tourism and hospitality players. Lendelvo et al. (2020) found the that tourism and hunting sectors lost revenue and cash flows and further lost employment opportunities threatening local livelihoods during the COVID-19 period. Smart et al. (2021) found out that ADR and RevPAR and occupancy rates fell drastically and the hotels had to implement survival strategies including cutting the workforce and religiously implementing the COVID-19 protocols within the hotels.

Nhamo et al. (2020) suggested that governments should scale up relief funds and other measures that could resuscitate hotels and lodges which have been hard-hit by the COVID-19 pandemic. They further suggested that special attention should be directed towards the recovery of small-to medium-size enterprises in developing nations. Giousmpasoglou et al. (2021) noted that managers are expected to come up with crisis management plans and planning contingencies for sustained recovery. Contingency planning and crisis management as the major response mechanisms towards the COVID-19 pandemic were found to be important. Kaushal and Srivastava (2021) identified that copying strategies for the hospitality sector due to COVID-19 included multiskilling and professional staff development, cultivation of an increased sense of hygiene and sanitation, as well as development of better crisis preparedness. Susilawati et al. (2020) identified that transportation, tourism, trade and health as the sectors most affected by the COVID-19 pandemic and recommended that financing facilities be organised to support firms in the respective sectors.

Research methodology

The study examines the impact of the COVID-19 pandemic on the performance of hotels and lodges in Namibia. The researchers adopted the positivism philosophy which upholds the primacy of sense experience and empirical evidence as the basis for knowledge and research (Plonsky, 2017). The positivism philosophy was suitable for the study, given the need to borrow from existing theories on organisational performance and management of crisis scenarios. A quantitative approach which uses mathematical and statistical techniques of measurement or counting to collect, analyse and interpret data (Fellows and Liu, 2015) was employed in line with the positivism philosophy. The quantitative approach was suitable for the current study in that it enabled the researcher to make use of descriptive and inferential statistics to establish the impact of the COVID-19 pandemic on the performance of hotels and lodges. A correlational research design which examines the existence of relationships between variables and the researcher does not manipulate or control the variables (Walter and Andersen, 2016) was adopted by the researcher. The correlational research design was appropriate for the current study in that it helped to explain the cause-and-effect relationships between the variables. The performance was proxied by occupancy rates, average daily rate, revenue per available room and profitability. More importantly, the correlational design helped in testing hypothesis using the data collected from the respondents as well as secondary data.

The survey strategy was used for the study to enable the researcher to collect data from many hotels and lodges. This ensured that the data collection process took place over a shorter space of time and also reduce the cost of collecting the data. It was easier to collect data from respondents from the hotels and lodges through the survey thus enabling the researcher to achieve a sample size large enough to apply statistical and quantitative techniques on the data. The cross-sectional time horizon enabled the research to take a 'snapshot' of the variables under study over the period covered by the study. The single-phase collection of data was sufficient for the researcher to examine the impact of the COVID-19 pandemic on the

performance of hotels and lodges in Windhoek, Namibia. In this study, the target population was comprised of 90 managers and 25 accounting officers drawn from participating hotels and lodges in Windhoek, Namibia, registered under the Namibia Tourism Board. These managers and accounting officers had good knowledge of the performance of the hotels and lodges in terms of occupancy rates, ADR, RevPAR and profitability before and during the COVID-19 pandemic.

Due to limited time and project resources, the researcher selected a sample from which data was collected. The sample size was based on Yamane (1967) sample size determination formula:

Sample size = Population / [1 + Population $(0.05)^2$]
= 115/ [1 + 115$(0.05)^2$]
= 115/ (1+ 0.2875)
= 115 /1.2875
= 89

The sample size of 89 was composed of 69 managers and 20 accounting officers. The sample size was way greater than 30 percent which is mostly considered as the minimum sample size for most statistical tests such as normality (Park and Park, 2016). This study adopted stratified random sampling to select respondents for the study. Stratified random sampling involves the division of the population into strata based on known characteristics such as age, gender, race or any other important consideration (Queirós et al., 2017). In this study, respondents were divided into two groups namely: managers and accounting officers. This ensured that the correct number of managers and accounting officers was included in the study. Proportional numbers of managers and accounting officers were then selected randomly from the two groups to constitute the sample. The random selection in each stratum ensured that sampling bias was minimised. This was necessary to ensure that the researcher did not choose managers and accounting officers who could be of interest to him or closer to him. The resultant sample therefore reflected the composition of the target population from the hotels and lodges in Windhoek, Namibia. Primary data was collected using a structured questionnaire.

Data was analysed quantitatively to establish the trends in the performance of the hotels and lodges during the COVID-19 pandemic. Descriptive statistics adopted included percentage, frequencies, mean and standard deviation. These showed the state of affairs regarding the COVID-19 pandemic and performance of hotels and lodges in Windhoek, Namibia. Inferential statistics were also used to analyse the data. In this regard, paired samples t-tests, Pearson correlations and simple linear regression analysis were conducted at 5 percent level of significance to determine the influence of COVID-19 on occupancy rates, ADR, RevPAR and profitability of hotels and lodges. COVID-19 was operationalised using infection levels recorded, loss of lives, frequency of lockdowns imposed as well as movement restrictions. For the paired samples t-tests, occupancy rates and profitability levels recorded by the hotels and lodges before and after the peak of the COVID-19 pandemic were compared to establish if significant differences existed.

The response rate for the study was 74.2 percent of which 45.5 percent were females and 54.5 percent were males reflecting gender equality. The respondent comprised of 52 managers and 14 accounting officers. Figure 1 show that 9.1 percent of the respondents were below 20 years, 21.2 percent were in the 20-29 years' category, 31.8 percent were between 30 and 39 years, 24.2 percent were between 40 and 49 years and the remaining 13.6 percent had 50 years or above. These results demonstrate that none of the age groups dominated and both youthful and mature respondents were adequately represented.
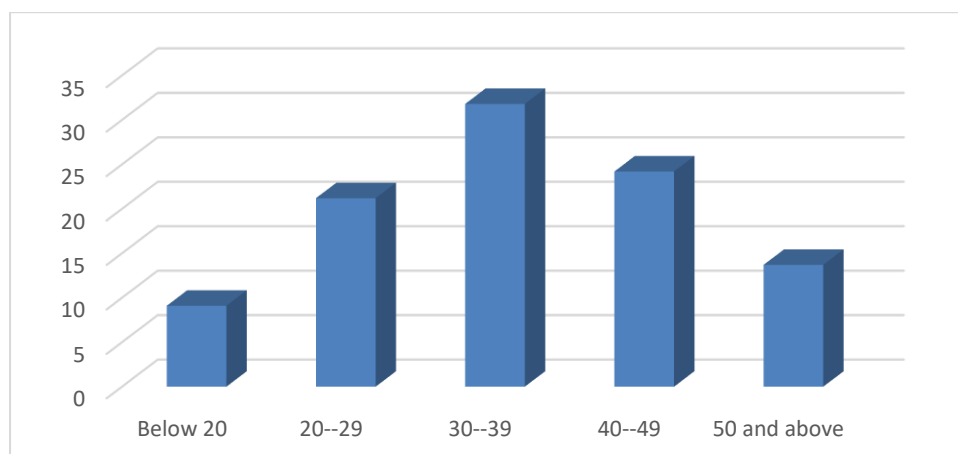
Figure 1: Age distribution of respondents

With regards to education attained, results indicate that 13.6 percent had attained secondary level education, 31.8 percent had certificate or diplomas, 25.8 percent held degrees, 21.2 percent had post graduate qualifications and the remaining 7.6 percent cited other qualifications. All in all, 78.8 percent of the respondents had tertiary level education. Table 1 shows results on the internal consistency of the Likert scale items focusing on the impact of the COVID-19 pandemic on the performance of hotels and lodges in Windhoek, Namibia. The Cronbach's alpha reliability index was used.

Table 1: Reliability statistics

Cronbach's Alpha	N of Items
.760	11

Table 1 shows that the reliability index for the eleven (11) items was 0.760. This was above the generally accepted minimum of 0.7 (Mohajan, 2020). Accordingly, the internal consistency of the items was satisfactory for the study at the 5 percent level of significance.

Effect of new COVID-19 cases and rising deaths on bookings
The results on the respondent's perception on the effect of new Covid 19 cases and rising death on hotel and lodge bookings showed that 72 percent of the respondents agreed that the new infections adversely affected bookings. 8 percent respondents however felt that the new Covid cases and death had no effect on the bookings at hotels and lodges. Given the strong agreement (72.7 percent), the study deduced that rising new COVID-19 cases and deaths led to cancellation of bookings thus negatively affecting the occupancy levels for hotels and lodges in Windhoek, Namibia. These findings are consistent with Nhamo et al. (2020) who reported that COVID-19 pandemic led to unprecedented cancellation of bookings and low occupancy levels.

Influence of travel restrictions on bookings for hotels and lodges
The majority of the respondents 67 percent felt that the travel restrictions which were imposed by governments had a negative effect on bookings for hotels and lodges in Windhoek. Only 20 percent felt that the travel restrictions had no effect on hotel and lodge bookings. Accordingly, the study noted that the general view was that the COVID-19 induced travel restrictions affected bookings for hotels and lodges. The travel restrictions imposed by governments meant that domestic, regional and international tourists could not visit the hotels and lodges leading

to significant drop in business volumes. The findings supported Zhang et al. (2020) who forecasted that travel restrictions would reduce occupancy levels in hotels.

Influence of COVID-19 on occupancy levels in hotels and lodges

In order to establish the influence of the COVID-19 pandemic on occupancy rates for hotels and lodges in Windhoek, a paired samples t-test was conducted at 5 percent level of significance. The Paired Samples T-Test enabled the study to determine whether there was a significant difference in occupancy levels recorded by the hotels and lodges before and during the COVID-19 pandemic. The descriptive statistics for the test were as indicated in Table 2.

Table 2: Paired samples statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Occupancy rate before COVID-19	68.20	66	9.044	1.113
	Occupancy rate during COVID-19	20.62	66	7.477	.920

Table 2 shows that the mean occupancy rate before COVID-19 was 68.2 percent with a standard deviation 9.044. The mean occupancy rate dropped to 20.6 percent with a standard deviation of 7.477 during the pandemic period. The mean difference was 47.6 percent. The decline in occupancy levels suggested that the COVID-19 pandemic negatively impacted on the performance of the hotels and lodges in Windhoek, Namibia.

The paired samples statistics in Table 3 were used to establish if the mean difference in occupancy levels was statistically significant.

Table 3: Paired samples statistics

|		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95 percent Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Occupancy rate before Covid 19 – Occupancy rate during Covid 19	47.57	12.31	1.51	44.54	50.60	31.38	65	.000

Table 3 shows that the occupancy rate before and after Covid-19 differed significantly with the average before Covid-19 being significantly higher than the average after Covid-19. The effect size computed by dividing the t-value by the square root of the sample size (66) stood at 3.863. An effect size of at least one (1) indicates a substantial influence (Basias and Pollalis, 2018). Since the effect size was 3.863 which was greater than 1, it meant that Covid-19 had very substantial negative influence on occupancy levels within the hotels and lodges in Namibia. These findings largely are in line with Napierała et al. (2020) who found that that new cases and deaths of the COVID-19 pandemic severely curtailed occupancy levels for Polish hotels and lodges.

Inbound tourist arrivals and revenue generation for hotels and lodges

Figure 2 illustrates the responses on whether or not lockdowns reduced inbound tourist arrivals which affected revenue generation for hotels and lodges.

Figure 2 illustrates that 74.2 percent at least agree that lockdowns reduced inbound tourist arrivals which affected revenue generation for hotels and lodges. In line with the strong relative agreement (74.2 percent), the study deduced that lockdowns experienced during the COVID-19 era reduced inbound tourist arrivals into Namibia negatively impacting on revenue generation for hotels and lodges. The closing of borders including the air space shut away

customers for hotels and lodges. The finding is in line with Kumar and Nafi (2020)'s study which also found out that global travel restrictions led to significant decline in inbound tourists with direct negative effects on revenue generation for hotels and lodges in Bangladesh
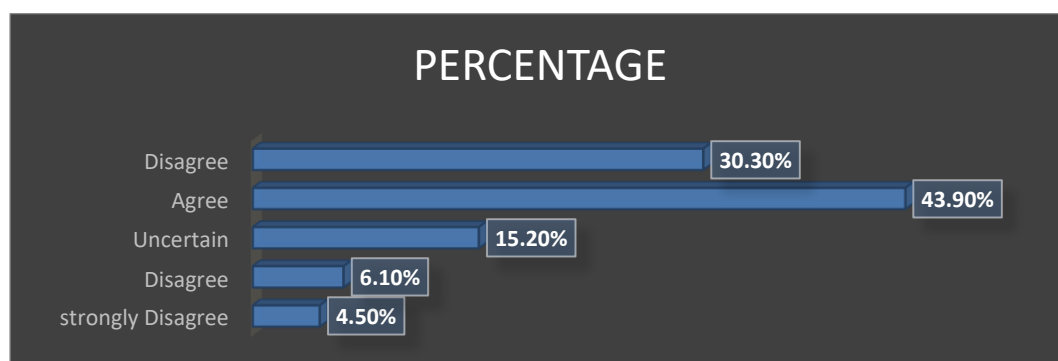
Figure 2: Inbound tourist arrivals and revenue generation

The results indicated that 74.3 percent. of the respondents felt that that 'lockdowns triggered economic inactivity which reduced demand for the services of hotels and lodges'. Given the general agreement, the study noted that the COVID-19 lockdowns triggered economic inactivity which reduced demand for hotels and lodges. This arose from the realization that job cuts and lower salaries and wages for key clients reduced the demand for accommodation and catering services in hotels and lodges. This forced most hotels to cut back on prices negatively affecting ADR and RevPAR. This finding supported Jaipuria et al. (2021) who identified a significant decline in revenues generated by the tourism and hospitality players.

A simple linear regression analysis was conducted to establish the effect of COVID-19 on the revenue performance of hotels and lodges in Windhoek, Namibia. In this test, secondary data obtained from the Namibia Airports Company and Hospitality Association of Namibia (2020) were used. The independent variable was monthly regional and international tourist arrivals for the 12-month period between June 2019 and June 2020. The dependent variable was revenue per available room for the same period. The regression model summary was as indicated in Table 4.

Table 4: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.981[a]	.962	.959	8.8132
a. Predictors: (Constant), Regional and international tourist arrivals				

The model summary shows that correlation coefficient was 0.981. This indicated the existence of a strong positive correlation between tourist arrivals and the RevPAR for the hotels and lodges. The R-square was 0.962. This meant that approximately 96.2 percent of the variation in RevPAR of the hotels and lodges could be explained by tourist arrivals in the country. The Anova statistics in Table 5 were used to establish if the regression model was significant.

Table 5: ANOVA statistics

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	21659.815	1	21659.815	278.862	.000[a]
	Residual	854.394	11	77.672		
	Total	22514.209	12			
a. Predictors: (Constant), Regional and international tourist arrivals						
b. Dependent Variable: Revenue per available room						

The Anova table shows that the regression model was significant. This meant that the relationship observed in the model summary was valid and the regression equation could be established. The regression coefficients in Table 6 were used to establish the regression equation that estimates the average RevPAR for the hotels and lodges from different levels of regional and international tourist arrivals.

Table 6: Regression coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.283	4.729		1.751	.010
	Regional and international tourist arrivals	.811	.049	.981	16.699	.000
a. Dependent Variable: Revenue per available room						

The constant for the regression model is 8.283. The unstandardized coefficient (B) for the regression equation is 0.811. This meant that a one-unit increase (decrease) in regional and international tourist arrivals in Namibia would lead to as high as 81.1 percent increase (decrease) in RevPAR for the hotels and lodges in Windhoek, Namibia. The study therefore inferred at 5 percent level of significance that the COVID-19 pandemic negatively affected the performance of hotels and lodges as reflected by subsiding RevPAR following significant decline in regional and international tourist arrivals. This confirmed Sucheran (2021) who found that the COVID-19 pandemic caused cash flow challenges due to guest cancellations and low consumer spending in hotels and lodges in South Africa.

The study also examined the effect of COVID-19 on the profitability of hotels and lodges in Windhoek, Namibia. The results were as shown in Table 7.

Table 7: Descriptive statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Fixed expenses squeezed profit margins for hotels and lodges	66	1	5	3.80	1.303
Limited revenue generation capacity triggered by lockdowns reduced profitability of hotels and lodges	66	1	5	3.77	1.310
Valid N (listwise)	66				

The results show that respondents generally agreed that fixed expenses squeezed profit margins for hotels and lodges. Respondents also agreed that 'limited revenue generation capacity triggered by lockdowns reduced profitability of hotels and lodges'. The inability to generate revenue for the hotels and lodges arose from the significant decline in room occupancy rates. Even through the hotels and lodges experienced a huge decline in revenue, some of the operating expenses such as salaries, rentals, license fees still needed to be paid. This confirmed Nhamo et al. (2020) which also found out that reported profits for hotels and lodges during the COVID-19 era were suppressed by fixed expenses and mortgages.

The study respondents were asked to indicate the average levels of profits registered before the outbreak of the COVID-19 pandemic and during the COVID-19 pandemic. A paired samples t-test was conducted at 5 percent level of significance to establish if the profitability of the hotels and lodges differed significantly before and during the COVID-19 pandemic. The descriptive statistics for the test were as indicated in Table 7.

Table 8: Paired samples statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Profitability before COVID-19 (N$0000)	6.70	66	5.411	.666
	Profitability after COVID-19 (N$0000)	2.00	66	3.934	.484

The results show that the profitability for the hotels averaged N\$6700 and N\$2000 for the before and during COVID-19 periods indicating that the performance of the hotels and lodges worsened following the outbreak of the COVID-19 pandemic. This supports the theory of constraints, with COVID-19 working against the attainment of the desired profitability of the lodges and hotels.

Table 9: Paired samples T-test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95 percent Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Profitability before Covid 19 - Profitability after Covid 19	4.703	4.945	.609	3.487	5.918	7.726	65	.000

The results indicate that the mean difference in profitability of 4.703 was statistically significant. This mean that the decline in profitability performance of the hotel's ad lodges was significant thus confirming the negative impact of the COVID-19 pandemic on the operations of hotels and lodges in Windhoek, Namibia. This finding is consistent with Ncube et al. (2021) who found out that 3–5-star hotels in Zimbabwe faced profitability challenges in the face of rising operational costs. The study sought to obtain policy interventions for sustainable recovery of hotels and lodges. The respondents showed their levels of agreement or disagreement with the suitability pre-identified policy interventions for sustainable recovery of hotels and lodges. Table 10 indicates the responses received on 'creation of a conducive business environment that enables hotels and lodges to adopt new business models including investment into digital transformations and new products'.

Table 10: Creation of conducive business environment for new business models

		Frequency	Percent	Cumulative Percent
Valid	Strongly disagree	9	13.6	13.6
	Disagree	7	10.6	24.2
	Uncertain	9	13.6	37.9
	Agree	21	31.8	69.7
	Strongly agree	20	30.3	100.0
	Total	66	100.0	

Table 10 shows that a sum of 24.2 percent of the respondents were in disagreement while 62.1 percent were in agreement. Accordingly, the study deduced that it would be appropriate to create a conducive business environment that enables hotels and lodges to adopt new business models including investment into digital transformations and new products. This could facilitate the revival of hotels as there is need to invest in digital systems in line with technological developments. The findings supported Sharma et al. (2021) assertions that hotels and lodges need to re-consider their current business models and practices to survive in the unchartered terrain from the COVID-19 pandemic.

The majority of respondents (71.2 percent) agreed that hat provision of relief or funding facilities would facilitate the resuscitation of hotels and lodges in Namibia. It should be noted that the funding would compensate the loss of revenue and enable the hotels to meet their operating expenses as they adjust to the new operating environment. This finding is consistent with other studies (Nhamo et al., 2020; Susilawati et al. 2020) which recommended that governments should provide relief funds to resuscitate hotels and lodges hit by the COVID-19 pandemic. The majority of the respondents (66.7 percent) did not agree with the assertion encouraging hotels and lodges to undertake prudent financial management policies including cost cutting for sustainable recovery of hotels and lodges. This could be explained by the fact that prudence would help to avoid bankruptcy in the short term, the strategy would have limited

impact in the long term, as the hotels and loges would need to invest in new technology and ways of operating. The finding therefore contradicted Hong et al. (2020)'s study which advocated for cancellation of dividend payments and capital expenditure projects as a way of preserving cash for hotels and lodges

Preparation of disaster management plans
Responses pertaining to the preparation of disaster management plans as a strategy to facilitate recovery of hotels and lodges show that (74.2 percent) unanimously agreed on the need for the development of the plans. The study noted that the respondents encouraged hotels and lodges to prepare disaster management plans. Disaster management plans would prepare the hotels and lodges to implement radical changes in the face of uncertainty and crisis. The finding is consistent with Giousmpasoglou et al. (2021) who argued that managers in the hospitality industry require crisis management plans and planning contingencies for sustained recovery. This is in line with the dynamic capability theory since COVID-19 pandemic came as a surprise to all companies and radically changed the operating environment landscape to the extent that only companies with dynamic capabilities to reconfigure and re-integrate their systems and processes can sustain their operations.

Conclusion
In line with the above findings, the authors recommend the following. Hotels and lodges should develop new business models that help them navigate out of the harmful effects of the COVID-19 pandemic. This involves coming up with radical changes to their operations including incorporating use of digital technologies. The hotels and lodges could also consider undertaking business process re-engineering to achieve dramatic improvements in areas such as quality, output, cost, service and speed in tandem with the 'new normal' under COVID-19. The hotels could also incorporate disaster management plans in order to buttress their preparedness in responding to global pandemic such as the COVID-19.

Hotels and lodges should advocate for a well-engineered rescue/ aid package for hotels and lodges to resuscitate the hospitality sector. The package could include financial assistance through relief funding to augment the weak revenue generation capacity in the sector. The funding could be provided by the central government and/or the local and international banks. The rescue package could also include market development at national level for the hotels and lodges so as to re-attract regional and international tourists into Namibia. The marketing strategy could include messages that instil confidence in the safety and security of tourists if they visit Namibia. Hotels and lodges should undertake promotional campaigns that seek to enhance occupancy rates, ADR and RevPAR from the low levels experienced at the peak of COVID-19. Such promotions could include price reduction or combining packages at reduced fees or offering free services. The promotions would help to trigger traffic to the hotels and lodges. In order to withstand the effects of travel restrictions which curtail regional and international tourist arrivals, the study recommends that hotels and lodges target domestic tourists with special products and services that suit local people. This could go a long way in enhancing occupancy levels, ADR and RevPAR for the hotels and lodges. Domestic tourists could be attracted through lower prices or undertaking public campaigns that appeal to the local community to patronise their heritage and tourist attractions.

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