Seasonal Adaptations in the Hospitality Industry: Balancing Profits with Customer Needs

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ABSTRACT

The hospitality industry plays a role in tourism, contributing to the economy of various regions worldwide. Its ability to adapt and withstand challenges makes it an essential part of ecosystems worldwide (Chetty and Raj, 2020). The demand for hospitality services follows its rhythm, influenced by seasons, international events and cultural celebrations. For example, coastal destinations attract visitors during summer when the sun is shining bright. On the other hand, adventurous souls are drawn to areas where winter brings crisp air. Adding to this complexity are festivals that require management strategies (Lozano et al., 2021). The digital age has changed the hospitality industry due to advancements. The appearance of analytics, intelligence and big data has changed traditional practices, empowering businesses to predict trends, enhance their offerings and cater to evolving customer preferences (Zervas et al., 2017). However, there are challenges associated with this transformation. The accessibility of platforms for customer feedback amplifies the impact of reviews. Negative critiques can harm a brand’s reputation and revenue during peak demand periods (Alrawabdeh, 2021). In the sections of this paper, we will explore these strategies used during different seasons. We will also examine how businesses balance driving profitability and providing customer service. To enhance our understanding, we will analyse real-world case studies from industries. Our focus is on unravelling and appreciating the nuances and dynamic trends that shape the changing face of the modern hospitality sector.

Introduction

The hospitality industry plays a role in tourism, contributing to the economy of various regions worldwide. Its ability to adapt and withstand challenges makes it an essential part of ecosystems worldwide (Chetty and Raj, 2020). The demand for hospitality services follows its rhythm, influenced by seasons, international events and cultural celebrations. For example, coastal destinations attract visitors during summer when the sun is shining bright. On the other hand, adventurous souls are drawn to areas where winter brings crisp air. Adding to this complexity are festivals that require management strategies (Lozano et al., 2021). The digital age has changed the hospitality industry due to advancements. The appearance of analytics, intelligence and big data has changed traditional practices, empowering businesses to predict trends, enhance their offerings and cater to evolving customer preferences (Zervas et al., 2017). However, there are challenges associated with this transformation. The accessibility of platforms for customer feedback amplifies the impact of reviews. Negative critiques can harm a brand’s reputation and revenue during peak demand periods (Alrawabdeh, 2021).

It is not all gloom and doom. Take the Mid-Autumn Festival as an example – a celebration across Asia. Such occasions provide forward-thinking businesses with opportunities to be innovative. They can engage customers in the spirit by offering treats like mooncakes or organising events that capture the essence of the festival (Lozano et al., 2021). This brief overview demonstrates that adapting to changes in the hospitality industry requires a balance between strategic planning and spontaneous creativity. These responses go beyond being answers. They are ideas that seamlessly fit into a business’s core values and operational practices (Zhang et al., 2023). In the sections of this paper, we will explore these strategies used during different seasons. We will also
examine how businesses balance driving profitability and providing customer service. To enhance our understanding, we will analyse real-world case studies from industries. Our focus is on unravelling and appreciating the nuances and dynamic trends that shape the changing face of the modern hospitality sector.

**Seasonal Strategies in the Hotel Industry**

**Promotional Strategies for Mid-Autumn Festival Mooncakes**

The Mid Autumn Festival is significant and widely celebrated in countries such as China, Hong Kong, Korea and Taiwan. It serves as a cornerstone reflecting the tapestry of Asian traditions. At the heart of this occasion are mooncakes, which go beyond being a culinary delight. Mooncakes symbolise unity, togetherness, and the enduring customs passed down through generations (Alrawabdeh, 2021). This festival brings forth a period of competition, innovation and imaginative brilliance in the hotel industry. As beautifully described by Liu and Wall (2016), the challenge goes beyond creating mooncakes; it involves curating a comprehensive experience encompassing taste, texture, presentation, packaging and even ambience. The Peninsula Hotel in Hong Kong exemplifies this approach with its designed boxes that have evolved into cherished collectables over time. The mooncakes offer a gourmet experience with craftsmanship and premium ingredients such as duck egg yolks, making them not only a divine experience but also a wonderful gift.

**Marketing Strategies for Summer Cold Beverages and Salads**

Summer is a time that calls for a response from the hospitality industry. As the season unfolds, the food scene shifts, driven by health trends and a shared desire for rejuvenation (Soon et al., 2018). Menus Transform features brews fragrant teas and fruit-infused beverages that capture the essence of summer (Zhang et al., 2023). However menu innovation is only the first step. The real challenge lies in marketing these offerings. Hotels and establishments must create narratives that captivate their audience. For example, Four Seasons Hotel's promotion of poolside brews captures the essence of a summer experience – relaxation, leisure and refreshment.

Collaborations with beverage brands further enhance this vibe. W Hotels' strategic partnership with a known brand to offer exclusive summer specials showcases the power of collaboration. In today's era, hotels are also championing sustainability initiatives. For instance, the Ritz Carlton in Bali is known for its emphasis on sourced ingredients. They do not offer a meal but also prioritise sustainability and eco-consciousness, which resonates with modern travellers who value such practices (Glanz, Karen et al., 2007). In the landscape of the hospitality industry, dealing with seasonality presents challenges and opportunities (Chetty, Raj et al., 2020). Hotels must carefully balance customer expectations and business profitability. The key to success in this environment lies in understanding market trends, maintaining quality commitment, and implementing innovative marketing strategies (He, 2017). As the industry evolves, these fundamental principles, adaptability and innovation will shape its trajectory.

**Balancing Customer Demands and Profitability**

Finding an equilibrium between ensuring exceptional quality and maintaining profitability in the hospitality sector presents a significant obstacle. This balance, resembling a tuned symphony, not only sustains the industry's long-term success but also caters to its customers' refined and discerning needs (Soon et al., 2018).
Ensuring Quality and Customer Satisfaction of Seasonal Products

Quality, which is widely regarded as the foundation of trust and dependability, plays a role in the hospitality world. It is a characteristic that establishments strive for without compromise, setting a standard that they relentlessly pursue. Taylor and Lyon (2013) highlight the significance of minor mistakes, emphasising how they can have far-reaching consequences on reputation. For example, serving a store-bought mooncake during the Mid-Autumn Festival or presenting a lacklustre salad at the peak of summer can erode the trust and perception held by discerning customers.

In today's connectivity era, as Anderson et al. (2010) explained, these oversights can have amplified effects. Whether positive or negative, feedback spreads rapidly through channels, impacting a hotel's image and credibility within seconds. Hotels are fully aware of this landscape and are actively strengthening their strategies to counteract it. They allocate resources towards research, innovation and development efforts. Sainaghi et al. (2012) provide insights into how luxury hotels establish partnerships with experienced culinary consultants to enhance their practices. These consultants and the in-house chefs play a leading role in creating experiences, especially during festive occasions. Their goal is to provide dishes and cater to our global customers' changing tastes. However, their commitment to quality extends beyond the food. It encompasses every aspect of the guest experience. One crucial aspect of this commitment is gathering feedback. As they strive for excellence, they are moving away from a feedback system and embracing a more comprehensive and multi-dimensional approach. While guest feedback remains essential, they value insights from our teams – the chefs, front desk staff, housekeeping personnel and others. These team members interact with guests daily. Have perspectives that often go unnoticed through traditional feedback channels. By combining internal perspectives in our feedback process, they gain a view of their operations. This allows them to make real-time adjustments to improve our offerings and ensure customer satisfaction continuously. Within the landscape of the hospitality industry, it is clear that achieving both high quality and profitability requires a process. This process necessitates innovation, adaptability and an unwavering dedication to delivering experiences (He, 2017).

Profitability and Inventory Management

Profitability for any business venture remains a priority in the complex world of hospitality. While maintaining quality is essential, the ultimate aim always revolves around ensuring a financial outlook (Chetty, Raj et al., 2020). This becomes particularly significant when dealing with assets in the food and beverage industry. The challenge lies in avoiding inventory that leads to wastage and preventing shortages during high-demand periods that result in missed revenue opportunities – scenarios businesses strive to avoid.

Combining technology and traditional practices emerges as a solution to tackle these complexities. As Zervas et al. (2017) pointed out, integrating advancements can significantly streamline inventory management. By utilising data analytics supplemented by intelligence and machine learning, establishments gain an understanding of consumer patterns. This comprehensive analysis empowers businesses to create tailored inventory strategies that ensure ingredient freshness while minimising stockouts. As suggested by Chetty, Raj et al. (2020), this collaboration between cutting-edge technology and time-test hospitality principles does not enhance service standards. It also strengthens revenue streams, paving the way for sustainable growth.

Metrics, Measurement, and the Path Forward

To assess the effectiveness of strategies, hotels need to focus on measurable metrics. Key Performance Indicators (KPIs) play a role in providing an understanding of both operational success and areas that need improvement. When it comes to customer satisfaction, various metrics offer insights. The Net Promoter Score (NPS) indicates customer loyalty, providing a snapshot of guest sentiments. Online platforms, filled with reviews and ratings,
serve as a treasure trove of feedback. Additionally, post-stay surveys often contain observations that help refine the guest experience. Indicators such as repeat bookings, direct guest feedback and even social media engagement levels provide information about how seasonal experiences resonate with customers. In terms of aspects, several key KPIs are essential. RevPAR (Revenue per Available Room) offers a nuanced view of room inventory management concerning demand. The average daily rate (ADR) provides insights into pricing strategies, while gross operating profit per room (GOPPAR) reflects efficiency. For curated offerings, closely monitoring inventory turnover rates is crucial. Monitoring the sales trend of delicacies, concerning their availability, ensures accuracy in purchasing and minimises waste. Depending on the elasticity of the demand the hotels are able to price discriminate. The more inelastic demand is the higher the price the hotel can charge. Vice versa if the demand is more elastic then prices should be close to the regular pricing. The complex dance of the hospitality industry, balancing customer satisfaction and profitability, is a journey with potential (He, 2017). Expert insights shape the path to success, continual feedback-driven improvements and strategic use of technology. Placing customer experience at the heart of all efforts promises not satisfaction but lasting loyalty, ensuring a prosperous and cherished future (Zhang et al., 2023).

Comparisons with Other Industries

Seasonal Strategies in the Retail Industry

Like the hospitality sector, the retail industry is constantly changing due to varying consumer demands linked to time and cultural celebrations. This evolving nature requires retailers to be adaptable and adjust their offerings accordingly. A study by Liu et al. (2019) highlights how retailers transform during periods. Take Christmas, for example. Known global retailers such as Macy's and John Lewis undergo a makeover with beautifully decorated storefronts, twinkling lights and carefully curated displays. The overall shopping experience is enhanced by the ambience created by Christmas carols, evoking feelings of nostalgia and a heightened sense of celebration (Soon et al., 2018). However, these seasonal adjustments go beyond aesthetics. Retailers employ strategies that align with time markers. For instance, the back-to-school season is a milestone for retail. Recognising the surge in demand for school essentials, major retailers like Target and Walmart proactively adapt their strategies. Limited-time collections appear, accompanied by discounts and enhanced by targeted advertising campaigns, all aimed at meeting the desire to prepare their children for the upcoming academic year. Moreover, the blending of culture with strategies is becoming more prominent. Glanz, Karen et al. (2007) highlight the industry's growing trend of celebrity partnerships. A prime example is the collaboration between fashion retailer H&M and pop sensation Billie Eilish. This collaboration resulted in a clothing line reflecting Eilish's style, resonating strongly with the Gen Z demographic and emphasising pop culture's powerful influence on retail strategies (Zhang et al., 2023).

When it comes to celebrations, they serve as turning points that shape retail activities. One notable example is India's festival, celebrated with great enthusiasm. Zervas et al. (2017) draw attention to the increase in consumer spending during this period. Using this trend, e-commerce giants like Amazon and Flipkart organise Diwali Sale" campaigns. These campaigns do not aim to boost sales and offer deep discounts, exclusive product launches and additional services that provide added value. They perfectly capture the festival's spirit of prosperity and new beginnings while highlighting the importance of festive shopping as an integral part of the celebrations. The boundaries between seasons, cultural festivities and consumer demand are becoming less defined with the rise of commerce. Nowadays, anyone in New York can easily purchase lights or a Chinese lantern, thanks to the integration of global retail strategies. This combination of global influences will be at the core of retailing (Zhang et al., 2023). By utilising data analytics predictive models for consumer behaviour and immersive AR-powered shopping experiences, retail and hospitality industries are on the brink of a revolution. In the years to come, retailers’ success stories will depend on their ability to embrace these changes while still staying connected to traditions and seasonal sentiments.
Seasonal Adjustments in the Restaurant Industry

The restaurant industry is closely connected to the changing nature and diverse cultural traditions. It adapts to these changes by adjusting menus and redefining dining experiences. Now, let us explore the impact of weather. During winter, with its air and shorter days, people often crave warmth, comfort and hearty meals. Recognising this sentiment, popular chains like Starbucks cleverly introduce beverages that have become synonymous with winter. The Toffee Nut Crunch Latte and Peppermint Mocha brings are more than just drinks: they provide memories of celebration; a experience that resonate with the comforts of cold weather (Lovelock, 2013). In contrast, restaurants transform as winter gives way to spring and new beginnings emerge. This season represents renewal and blossoming beauty reflected in dishes that mirror the outside world.

Prominent establishments, like Farmers Fishers Bakers in Washington D.C., Embrace this change by offering menus that prioritise sourced ingredients, sustainability, and community connections (Liu et al., 2019). However, the adaptability of the restaurant industry is not solely influenced by changing climates. Cultural celebrations and events also play a role. Taking inspiration from this, large international chains often incorporate flavours into their offerings during regional holidays. For instance, McDonalds introduces Prosperity Burgers across its outlets during the Chinese New Year. These innovations demonstrate the industry's evolving philosophy of "think global, act local." As eloquently explained by Sainaghi et al. (2012), this trend reflects a shift in consumer preferences. Today's discerning diners seek more than a meal; they crave authenticity, stories and experiences that blend tastes with local traditions.

The story of adjustments in the restaurant sector is incomplete without acknowledging the technological advancements reshaping its landscape. Nowadays, restaurant owners leverage AI and data analytics to delve into patterns, preferences and future predictions. Platforms like OpenTable and Yelp have become resources providing a wealth of information. These platforms go beyond collecting reviews; they reflect the changing preferences of consumers. Help businesses stay ahead, especially when planning seasonal offerings (Zhang et al., 2023). Moreover, the digital revolution has made it easier for restaurants to adapt. With kitchens, food delivery apps and cloud platforms, they can introduce seasonal menus, test limited-time options or even create dedicated sub-brands without disrupting their core operations. This flexibility and real-time feedback systems allow restaurants to iterate, innovate and improve quickly. The retail and restaurant industries are constantly evolving like their counterparts in hospitality. These sectors are reshaping their trajectories, guided by nature and culture and armed with advancements. While challenges are inevitable in this journey, a world of opportunities is also on the horizon. For businesses that can navigate this landscape intelligently by understanding market shifts and anticipating consumer desires, there is potential for relevance, enduring appeal, and sustained profitability.

Conclusion

The hospitality industry has always been known for its ability to adapt and reinvent itself in changing circumstances. This adaptability is not limited to hospitality. It extends to various sectors, emphasising the dynamic nature of business and the need for flexibility and innovative strategic planning (He, 2017). A critical factor in these transformations is balancing meeting customers’ evolving needs and consistently maintaining profitability (Chetty, Raj et al., 2020). It requires understanding market trends, shifts in consumer behaviour and the broader cultural and socio-economic landscapes they exist within. Glanz, Karen et al. (2007) pointed out that sustained success in hospitality relies on understanding market fluctuations while prioritising customer service. However, recognising these trends is the step; the real challenge lies in effectively translating these insights into concrete and impactful actions (Zhang et al., 2023).

In commerce, where diverse cultures, traditions and consumer preferences intersect, sensitivity to these differences becomes crucial—especially during festive seasons. Upholding quality standards, embracing nuances and fostering repeat business all contribute to building a reputation and cultivating customer loyalty (Cho...
et al., 2012). However, when aiming for greatness, we must not forget the importance of efficiency. We can successfully balance quality and profitability by incorporating technology, utilising data analytics, and embracing inventory management strategies. The advancements in AI and data-driven approaches have enabled businesses to cater to their audience while maintaining performance precisely (Sainaghi et al., 2012; Soon et al., 2018).

**Implications for the Future**

When we consider the future of the hospitality industry, one thing is sure: change will always be a part of it. The industry is constantly evolving, driven by advancements and shifts in consumer behaviour. We can expect seasonal strategies to adapt in response to these changes. One potential development is the use of reality, allowing guests to explore and experience offerings virtually before they even arrive at a hotel. This technology could also enable hotels to tailor packages based on guest preferences gathered from past data, providing a more personalised experience.

Another factor that may shape adaptations is the growing emphasis on environmental consciousness and sustainability. Hotels might shift towards eco celebrations incorporating practices as a business strategy and core value. Additionally, as global connectivity continues to improve, we may see an increase in cultural festivals tailored to local audiences. Nevertheless, amidst all these anticipated changes, certain fundamental principles remain timeless. A thorough understanding of the market, a commitment to quality and prioritising profitability are essential for success in the hospitality industry (Zhang et al., 2023). Merely keeping up with trends is not enough; having foresight and proactively crafting strategies aligning with emerging trajectories is crucial rather than reacting after the fact. Ultimately, everything revolves around meeting the needs and desires of consumers. A hospitality business that actively listens to its customers meets their needs. Bringing them joy will fulfil their requests and create unforgettable experiences, establishing a lasting legacy in a constantly changing industry (Alrawabdeh, 2021).

**Acknowledgments**

I would like to thank my advisor for the valuable insight provided to me on this topic.

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