



**An Analysis of the Regeneration of Bleisure Travel Market
after COVID-19 with Reference to Chinese Hotel Industry**

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Executive Summary

The advent of COVID-19 has had a profound impact on the tourism and hotel industries. Although the pandemic has been brought under control and the industries are in the process of recovery, the inherent vulnerabilities of these sectors mean that COVID-19 will have a lasting effect on them. In January 2023, China lifted all COVID-19 quarantine requirements and reopened its borders to international tourists. The business travel market in China is expected to see recovery and growth. In the post-pandemic era, the rise of remote work and the resurgence of tourism have led to a significant increase in Bleisure travel, presenting both opportunities and challenges for the hotel industry. The blend of business and leisure travel can improve employees' motivation and working efficiency while fulfilling their post-pandemic desire for mental and physical relaxation. Against the backdrop, this report adopts Kotler and Keller's Marketing Management Model, the Organizational Resilience Framework, and the Bleisure Marketing Scheme to analyse the actions taken by the InterContinental Hotels Group (IHG) to revive the Bleisure travel market after the pandemic and summarize three actionable solutions for Chinese hotel industry: Flexibility in Services and Offerings, Digitalisation and Technological Integration, and Focusing on Sustainability & Wellbeing. In the final section, the report combines Lewin's Change Management Model to analyse and evaluate potential issues when these measures are applied to Chinese independent hotels (taking the Imperial Hot Spring Hotel in Zhuhai, China as an example) and proposes several corresponding recommendations.

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1. Underpinning Literature Review to Provide Context for the Challenge and Opportunity of Hotel Industry to Revive the Bleisure Travel Market in Post-Pandemic Era

1.1 Background Introduction

The emergence of COVID-19 has a profound impact on the tourism and hospitality sectors (Fan et al., 2023). Although the pandemic has been contained and efforts are being made to revive the travel and hotel industries, the lasting effects of COVID-19 on these sectors are anticipated in the post-pandemic era due to their inherent vulnerability. According to Das, Sarkar and Debroy (2022), consumer expenditure on non-essential items such as travel, dining out, and entertainment is anticipated to remain low, with a focus on essential items like groceries, internet, and mobile services post-pandemic. As a critical component of the tourism industry, hotels are subjected to stricter regulations due to the potential risk they pose as a source for the transmission of public health crises. According to the China Hospitality Industry Development Report (2022), the number of hotels and accommodations in China has seen a dramatic decrease of 86,000 compared to that in 2020 because of the global pandemic. Therefore, hospitality industry in China still needs time to regenerate in the wake of the pandemic.

Based on the statistics released by the World Tourism Organization (UNWTO, 2022), China saw approximately 6.3 million foreign visitors arriving for purposes of business and professional activities in the year 2019, indicating an uptick from the prior year. However, as a result of the coronavirus (COVID-19) pandemic, business travel spending in China saw the biggest loss among global business travel market, decreasing by approximately 404.1 billion U.S. dollars in revenue in 2020 (Statista, 2022). Driven by the recovery of domestic corporate travel, China's business travel market experienced a remarkable

expenditure growth of over 30 percent in 2021 (Statista, 2023). Nevertheless, international trips remained stagnant due to border restrictions and quarantine policies. It was not until January 2023 that China cancelled all COVID-19 quarantine requirements and reopened its border for international tourists (State Council, PRC, 2023). While local regulations remain dynamic and the outcomes are unpredictable, analysts believe that the overall business travel market in China is projected to reach pre-pandemic levels in the year 2024 (Statista, 2023).

1.2 Bleisure Tourism

The rise of remote work due to the pandemic and the resurgence of travel has led to a significant growth in Bleisure travel, providing an opportunity for the adaptation and customization of services by hospitality companies (Morgan, 2022). Corporate or business tourism refers to travel for the purpose of conducting business-related activities, with the company's work objectives being the primary focus (Dahles and Susilowati, 2015). It entails an employee from the company traveling to a different location for work-related meetings, activities, or events, as well as for leisure travel. This combination of business and leisure travel enhances the company's productivity and profitability by keeping the employee motivated and nurtures the employee's sense of loyalty to the company at the same time (Puerta López, Pindado Martínez and González Alvarado, 2023). Bleisure tourism, as defined by Lichy and McLeay (2018) and Chung et al. (2020), integrates business and leisure travel, transforming the way people work and travel, and contributing to the growth of leisure tourism. This allows for greater flexibility in scheduling during business trips, enabling employees to incorporate leisure activities with their families into travels (Pinho and Marques, 2021). For companies, this also contributes to an increase in employee's enthusiasm, a greater dedication to the organization,

closer connections among staff, and ultimately, improved efficiency for the company (Puerta López, Pindado Martínez and González Alvarado, 2023).

During the epidemic, digitalization was widely used by many enterprises for business-to-business interactions in order to reduce unnecessary travel and face-to-face meetings, which undoubtedly threatened the business travel market. However, with the lifting of restrictions on mobility and direct contact, traditional forms of business meetings are gradually being revived (Puerta López, Pindado Martínez and González Alvarado, 2023). Elton Mayo's Human Relations Theory (Mayo, 1919 cited by Bendix and Fisher, 1949) emphasizes the psychosocial needs of people at work, and employees' sense of identity, satisfaction as well as interaction among groups can increase their motivation to work and lead to higher productivity for the organization. Mayo (1923 cited by Bruce and Nyland, 2011) held the view that employees should be motivated not only by financial rewards, but their feelings and attitudes can have a significant impact on performance. A survey conducted by Crowne Plaza (2022) reveals that respondents believe certain critical business activities are more effectively performed in person, including team building (81%), meeting clients and establishing connections (79%), and forming relationships with colleagues (73%). Therefore, traditional forms of business meetings are of great significance and the prospect of Bleisure travel will be greater.

1.3 Travel Motivations and Bleisure Travellers

The concept of Bleisure travel, a portmanteau of business and leisure, has gained significant traction in the post-COVID-19 era, especially within the hotel industry. This trend reflects a shift in travel motivations, where travellers combine business trips with leisure activities, blurring the lines between work and play (Mercan and Sandıkçı, 2024). Lichy and McLeay (2018) offer an earlier perspective on the motivations and typologies of Bleisure travellers.

They categorize Bleisure travellers into distinct types based on their motivations, ranging from those seeking cultural experiences to those prioritizing relaxation and leisure. This typology is useful in understanding the diverse needs of Bleisure travellers and tailoring services to meet these varying demands.

Recent studies, like those by Walia et al. (2023), indicate a growing inclination among business travellers to extend their stay for leisure purposes, driven by a desire for cultural experiences, relaxation, and exploration. Besides, they emphasize the accelerated digital transformation in the tourism sector, which has led to enhanced flexibility in work and travel arrangements, thus fuelling the Bleisure trend. Their study also highlights the shift towards domestic travel, a pattern particularly noticeable in the Chinese market, where travellers prefer shorter but more frequent Bleisure trips due to pandemic-related uncertainties. The COVID-19 pandemic has notably altered travel motivations. According to Aebli, Volgger and Taplin (2022), health and safety concerns now play a more significant role in travel decision-making. This has led to a preference for domestic over international travel and a focus on personalized and flexible travel options (Han et al., 2020; Walia et al., 2023). Moreover, technological advancements have facilitated this blend of business and leisure travel. The rise of digital nomadism, where individuals leverage technology to work remotely while traveling, has been particularly influential (Thompson, 2021). This trend is supported by the growing availability of co-working spaces and the adaptability of hotels to cater to the needs of these modern travellers.

In summary, the regeneration of the Bleisure market after the COVID-19 is a multifaceted phenomenon influenced by evolving travel motivations, health and safety considerations, and technological advancements, reshaping the landscape of the hotel industry. As the hotel industry, particularly in China, navigates this new landscape, understanding these trends becomes crucial for adapting and thriving in the regenerating market of Bleisure travel.

1.4 Theories on Reviving Bleisure Market

1.4.1 Kotler and Keller's Marketing Management Model

Kotler and Keller's Marketing Management Model, a cornerstone in the field of marketing, provides a comprehensive framework for understanding consumer behaviour, developing marketing strategies, and managing customer relationships (Kotler and Keller, 2016). Kotler and Keller have continually updated the model to reflect changing market dynamics, technological advancements, and shifting consumer preferences, making it particularly pertinent in analysing the regeneration of the Bleisure market in the hotel industry within the post-COVID-19 era. The model consists of the following key components: understanding the marketplace and consumer needs, which involves researching the market to understand customer needs, market dynamics, and potential areas of opportunity; designing a customer-driven marketing strategy, focusing on segmentation, targeting, differentiation and positioning to create value for targeted customers; constructing a 8Ps marketing plan, adding People, Processes, Programs and Performance into the traditional 4Ps (Product, Place, Promotion and Price) model to represent the modern scenario; ultimately, building customer relationships which emphasizes creating satisfaction and loyalty to build long-term customer relationships and create customer equity (McCarthy and Perreault, 1972; Kotler and Keller, 2016; Kotler et al., 2018; Park, 2020).

The outbreak of COVID-19 pandemic has affected world economics and tourism industry, creating a new set of expectations among Bleisure travellers (Kakkar, Chhetri and Dambhare, 2020). These blended travellers now seek not only the convenience and amenities traditionally associated with business and leisure but also prioritize health and safety measures (Walia et al., 2023). Kotler

and Keller's model encourages marketers to delve deeply into understanding these evolving marketplace and consumer needs (Kotler and Keller, 2016). Furthermore, the Customer-Driven Marketing Strategy, a cornerstone of the model, now must consider the heightened emphasis on hygiene and flexible booking policies as part of its targeting and positioning strategies (Gössling, Scott and Hall, 2020). This approach should be customized to address the unique requirements of Bleisure travellers who may look for destinations that can offer both safe work environments and leisure opportunities within close proximity. With regards to the extended 8Ps marketing plan, the 'People' aspect takes on new significance as employees must be trained in health and safety protocols to further meet customers' demands, and the 'Processes' must be redesigned, such as including contactless services and virtual interactions (Kotler and Keller, 2016). 'Programs' may involve updated loyalty schemes that reward not just frequent stays but also the use of wellness and health facilities. 'Performance' needs to be measured not only in terms of revenue but also customer satisfaction related to safety and hygiene standards (Kotler and Keller, 2016; Kotler et al., 2018). Finally, building customer relationships in post-COVID time requires hotels to maintain communication with past and prospective guests, reassuring them about the measures taken to ensure their safety (Kwan and Tong, 2023). The customer relationship management strategies should be adapted to provide reassurance and to address the new concerns of travellers, thereby fostering trust and loyalty (Park, 2020).

In the context of the Bleisure market, it's vital to reassess customer needs during post-COVID time and adjust services accordingly. This model aligns with the strategy of analysing market demand and reassessing the audience. In applying this model to the Bleisure market, especially in the post-COVID-19 hotel industry, hotels can leverage these components to create targeted marketing strategies. It is crucial to understand the new needs of Bleisure travellers in the post-pandemic era, such as heightened health concerns and a

blend of business and leisure amenities (Gössling, Scott and Hall, 2020). What's more, the model can guide hotels in developing differentiated offerings and engaging in relationship marketing to build loyalty in this emerging market.

1.4.2 Organizational Resilience Framework

The COVID-19 pandemic has had a significant influence on global industries, particularly on the hospitality sector (Das, Sarkar and Debroy, 2022). Organizational resilience is crucial in understanding how businesses adapt and survive in the face of adversity (Sheffi, 2015). According to Duchek (2020), organizational resilience encompasses an organization's capability to foresee, respond to, and adjust to gradual modifications and unexpected disturbances. It is not merely about returning to a pre-crisis state but evolving to a more robust form in the wake of challenges. The concept of organizational resilience has evolved from a focus on risk management and recovery to a broader perspective encompassing adaptive strategies and transformative growth (Sheffi, 2015). Duchek (2020) traces this evolution, highlighting a shift towards a capability-based conceptualization that integrates various organizational functions and processes. In the context of the Chinese hotel industry, particularly in the post-COVID-19 era, organizational resilience has become a cornerstone for the revival of the Bleisure market. Huang and Farboudi Jahromi (2021) further illustrate how service firms, including hotels, have built resilience during and post-COVID-19, adapting their services to meet changing consumer demands and restrictions. Puerta López, Pindado Martínez, and González Alvarado (2023) discuss the resilience of corporate tourism in the context of Bleisure, digitalization, and sustainability. They argue that the Bleisure market's resilience stems from its ability to adapt to changing circumstances, such as the integration of digital tools for remote working and an increased emphasis on sustainable practices in travel. This adaptability is seen as a key driving force for the future growth of the Bleisure segment in the hospitality industry. El-Said

et al. (2023) emphasize the role of resilience management practices in navigating the complexities and evolving dynamics of the hospitality industry during crises like the COVID-19 pandemic. Meanwhile, as shown below (Figure 1), they build a comprehensive framework to display how the hospitality industry has evolved by exploring and identifying pre-, during-, post-responses to the COVID-19 crisis.

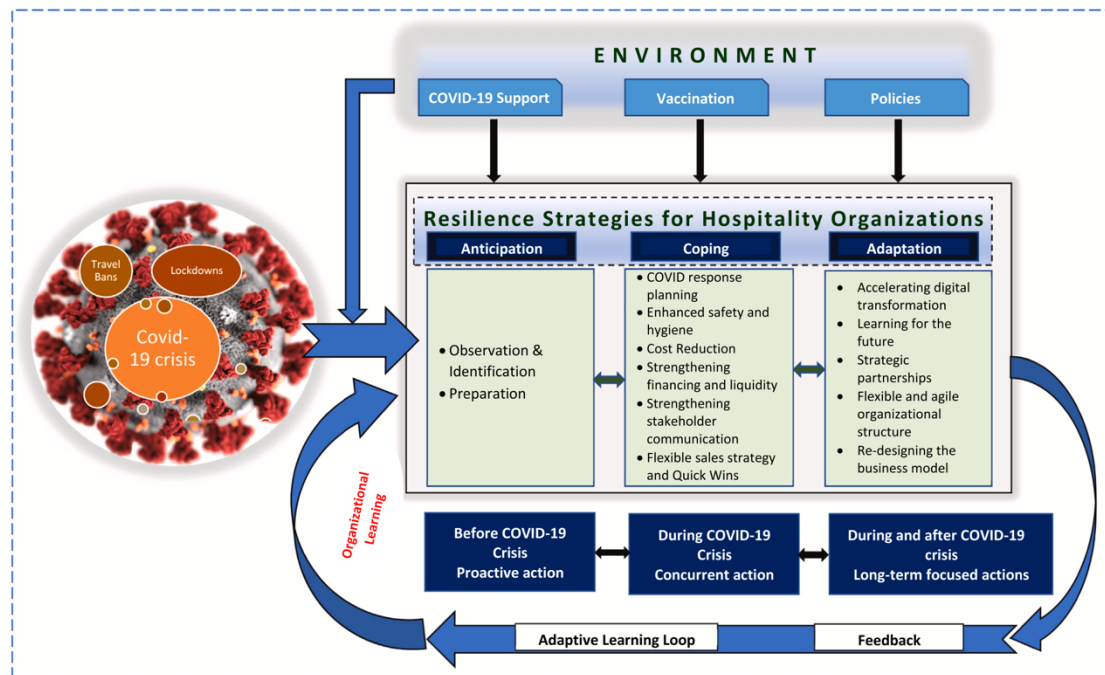


Figure 1: Summary framework for the hospitality industry's pre-, during-, and post-responses to the COVID-19 crisis (El-Said et al., 2023).

The framework depicted in the provided diagram, based on the research by El-Said et al. (2023), outlines a comprehensive approach to resilience strategies for hospitality organizations in response to the COVID-19 crisis. Initially, during the Anticipation stage prior to the crisis, organizations are engaged in proactive actions such as observation, identification, and preparation to establish a solid groundwork for crisis management. As the crisis unfolds, the Coping stage demands concurrent actions: meticulous COVID-19 response planning, enhanced safety and hygiene protocols, cost reduction strategies, strengthened financing and liquidity measures, improved stakeholder

communication, and adaptable sales strategies for quick wins. In the Adaptation stage, which extends during and after the crisis, organizations focus on long-term focused actions. These mainly include accelerating digital transformation, learning from the crisis for future preparedness, forming strategic partnerships, creating a flexible and agile organizational structure, and innovating the business model to suit new market realities.

This resilience framework operates within an environment shaped by external factors such as COVID-19 support from various entities, the widespread vaccination efforts, and government and industry policies affecting operational capacities. Central to the framework's efficacy is the adaptive learning loop, a process that underscores the importance of continuous learning and applying feedback to adjust and refine strategies (El-Said et al., 2023). This holistic approach highlights the dynamic nature of resilience in the hospitality industry, suggesting that organizations must continuously evolve their strategies to navigate the complexities of crises like COVID-19 and emerge stronger in the aftermath.

1.4.3 Bleisure Marketing Scheme

As the lines between business and leisure tourism increasingly overlap, Bleisure tourism has gained popularity. Chung et al. (2020) carried out a case study to devise a Bleisure tourism experience chain, exploring the development of Bleisure marketing strategies. Their research focuses on enhancing the experiences of business travellers and encouraging them to extend their spending beyond just business-related events. The Bleisure Marketing Scheme, as detailed in the work of Chung et al. (2020), provides a theoretical framework for understanding and enhancing the Bleisure travel experience within the context of destination marketing, especially relevant in the recovery of hotel industry in the wake of the pandemic. This scheme is particularly important as

it addresses the integration of business and leisure travel - a trend that has been on the rise and is expected to continue growing.

As shown in the Figure 2 below, the Bleisure Marketing Scheme framework is divided into four strategic quadrants:

- 1) Promoting local business: This quadrant focuses on strategies that include providing information to travellers, advertising local services and attractions, and offering gift vouchers. By doing so, hotels can encourage guests to explore and support the local economy, which in turn, enhances the overall travel experience.
- 2) Developing ancillary programs: This involves creating additional programs that complement the main travel purpose. Factory tours, local-themed tours, and team-building activities enrich the travel experience and provide opportunities for business travellers to engage in leisure activities, contributing to the Bleisure concept.
- 3) Facilitating access to local business: To make it easier for travellers to explore local offerings, strategies such as providing unique venue access, free one-day passes to attractions, or shuttle services to local shops are essential. This not only benefits the traveller but also the local businesses by increasing their visibility and customer base.
- 4) Sharing value and profit with stakeholders: The final quadrant is about creating partnerships and shared value with local businesses and stakeholders. This could involve collaborative marketing efforts, shared loyalty programs, or other joint initiatives that benefit all parties involved - the guests, the hotel, and the local businesses.

By implementing the Bleisure Marketing Scheme, hotels and destinations can cater more effectively to the needs of modern travellers who are increasingly

looking to blend business with leisure activities. This is particularly relevant in the Chinese hotel industry, where there is a growing opportunity to capture the Bleisure market by offering experiences that seamlessly combine business with leisure, enhancing the attractiveness of the destination in the post-pandemic era.

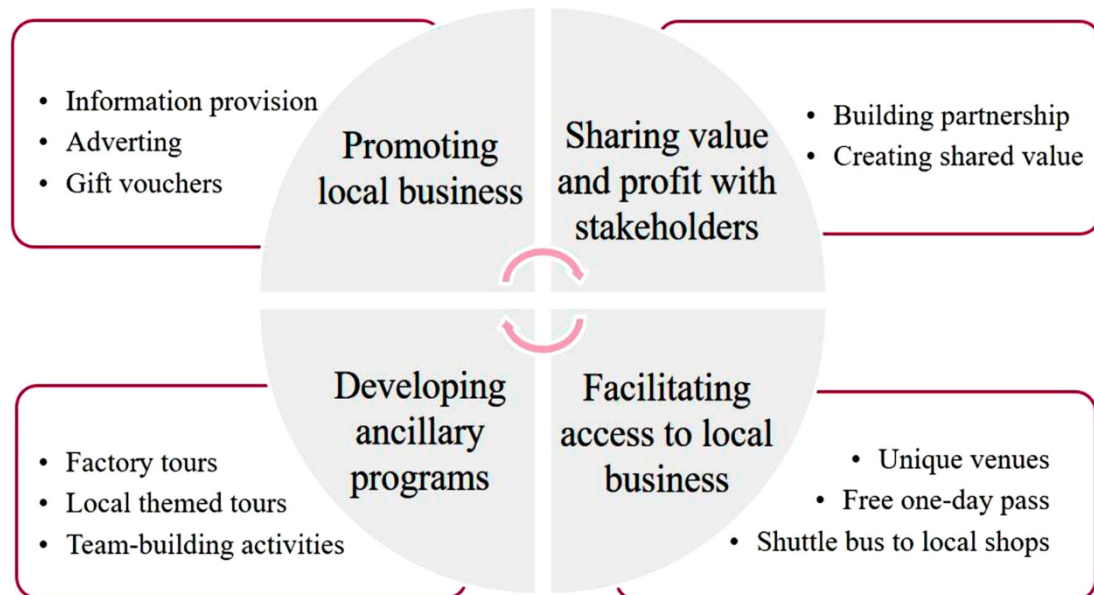


Figure 2: Bleisure Marketing Scheme (Chung et al., 2020).

2. Application to the Multinational Hotel Group – Intercontinental Hotels Group (IHG)

2.1 Background of IHG

As a global hospitality company, IHG Hotels & Resorts prioritize harnessing their scale and speciality to generate outstanding customer experiences and profitable returns for hotel owners, growing the brand in the best global markets. As of 30 September 2023, IHG has over 911,000 guest rooms in 6,261 open hotels, with around 345,000 colleagues across the world. With a portfolio of 19 brands in more than 100 countries around the world, including Suites, Essentials, Premium, and Luxury & Lifestyle categories, the hotel's mission is

to provide 'True Hospitality for Good'. IHG are dedicated to practicing 'True Hospitality for Good' by actively contributing to the well-being of their staff, guests and communities, as well as preserving the environment. This commitment is deeply embedded in the company culture and is instrumental in the success and popularity of hotel brands, generating substantial returns for hotel owners and shareholders (IHG official website, 2024). The recovery from the Covid-19 pandemic accelerated in 2022, with demand rebounding robustly as restrictions eased in most markets. IHG realizes that customers are seeking greater flexibility to recalibrate their lifestyles, and the hotel group is committed to adapting and investing in the integrated Bleisure travel sector to cater to the new expectations of travellers (IHG, 2022).



Figure 3: IHG Development Strategy. Adopted from IHG official website, available at <https://www.ihgplc.com/en/about-us/our-strategy> (Accessed: 23 January 2024).

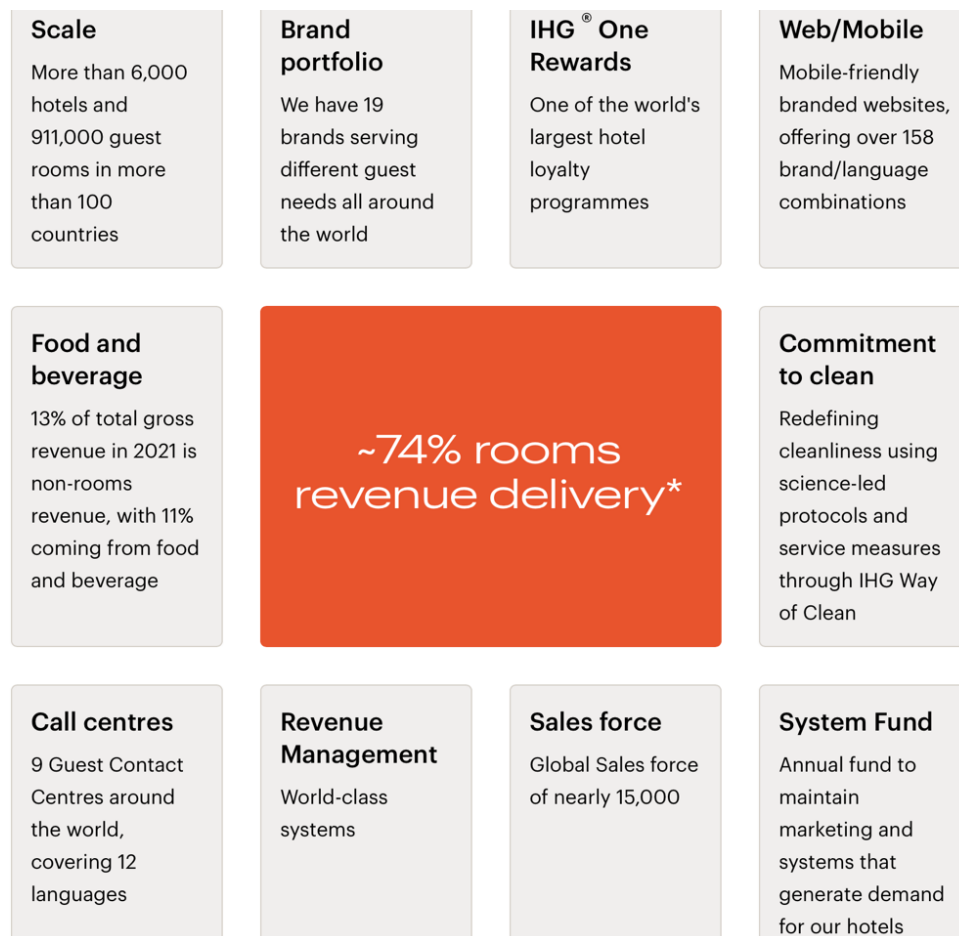


Figure 4: How IHG Drive Demand? Adopted from IHG official website, available at <https://www.ihgplc.com/en/about-us/our-strategy> (Accessed: 23 January 2024).

2.2 Responses of IHG to Revive Bleisure Market after

COVID-19

2.2.1 Overview

IHG has shown remarkable resilience in the face of macroeconomic uncertainties in recent years. The hotels group is benefiting from strong structural growth drivers, such as the essential demand and appetite for both corporate and leisure trip, population expansion, and the rising affluence of the burgeoning middle class in the developing marketplace. Expenditure on tourism

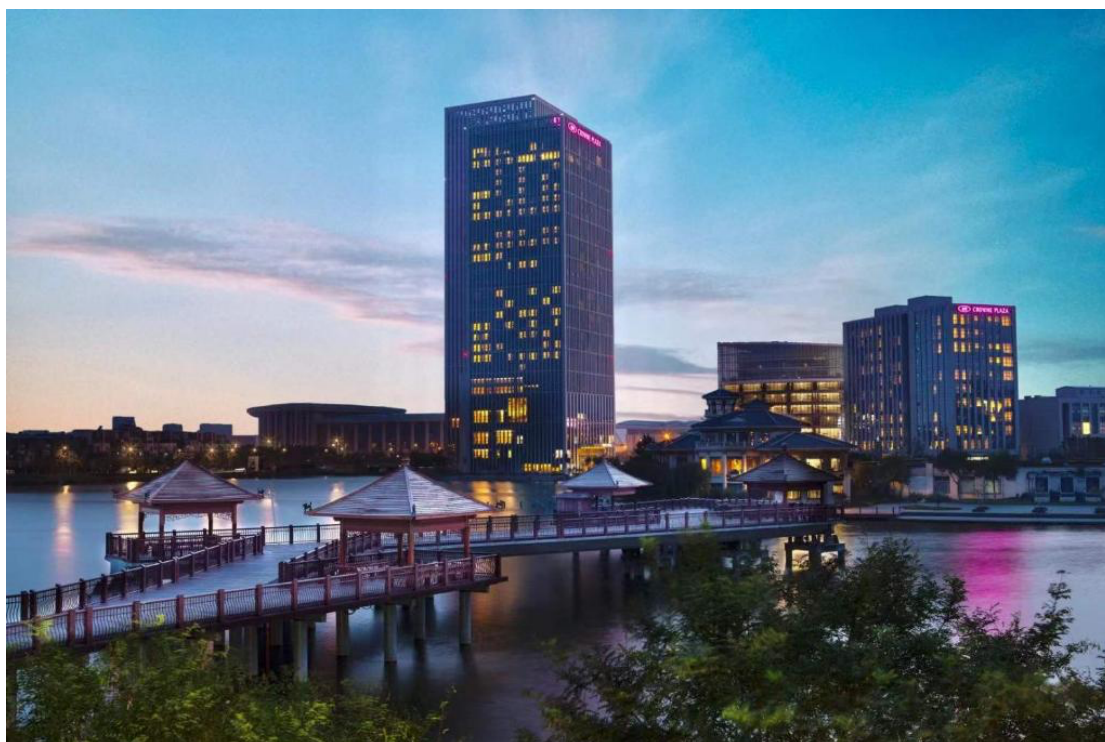
and relaxation remain one of the most enduring areas for consumers, and there is still robust desire for corporate travel. In the face of these trends, the hotel sector is supposed to adjust to customers' demands for blended tour during the post-pandemic time (Gill, 2023). The presence of branded hotel has consistently risen, which is anticipated to keep growing since customers tend to look for reputable logo that can fulfil their shifting needs (IHG, 2022). This includes the demand for cutting-edge application of digitalisation and knowledge, scope and materials to offer travellers accommodations which are not only pleasant but also efficient and sustainable. As a global enterprise with a presence in over 100 countries, IHG appears to possess a knack for navigating shifts and unpredictability, which remains a key asset for the company. IHG anticipated in the year 2022 that the resurgence of corporate and leisure trip would enhance its sales in 2023 in spite of the persistence of 'economic uncertainties' globally (Figures for the year 2023 are not yet available). The hotel company notes in its 2022 performance report that its trading momentum was sustained by robust demand for leisure travel, bolstered by an increase in business and team bookings in the latter part of the year. In the following text, the author of this report will elaborate a series of measures taken by IHG in order to adapt to the trend of blending business and leisure travel, extend the stay time of Bleisure guests, bring efficient and diversified Bleisure travel experience to customers, and ultimately revitalize the Bleisure travel market mainly from three aspects: flexibility, digitalisation, and sustainability & wellbeing.

2.2.2 Flexibility

Flexibility stands as a core aspect of evolving work practices, with 59% of consumers worldwide noting that the working remotely has spurred them to discover new destinations, subsequently enhancing their effectiveness (Leesbourne, 2023). The integration of business and leisure tourism is not just

a trend, but also a transformative shift, it is evident that visionaries who skilfully integrate flexibility and experience in the Bleisure travel industry will enjoy benefits. As mentioned in first section, it is important to understand customers' need, market dynamics, and design a customer-oriented marketing strategy (Kotler and Keller, 2016).

Crowne Plaza Hotels & Resorts, a premium brand within IHG tailored for the contemporary business traveller, is introducing an innovative concept named Meetings Without Boundaries, specifically for the Greater China market (IHG, 2023). This initiative taps into the growing trend of domestic cultural tourism and Bleisure travel. By utilizing the collective strengths and professional knowledge in creating unique experiences and tourist attractions, the Meetings Without Boundaries concept meets the demands of today's Bleisure travellers who seek both quality lifestyle and advanced innovation. This flexible meeting experience blends elements like inviting atmospheres and health & safety measures, creating a space that enhances social interaction and offers a new take on traditional conferences (IHG, 2023). Adapting to current and emerging trends, this novel approach to gatherings reshapes the balance between business and leisure. For instance, Crowne Plaza focuses on openings in popular tourist cities such as Shanghai, Hangzhou, Xiamen, Tianjing, et al. The Crowne Plaza Tianjin Meijiangnan boasts a distinctive advantage in terms of resources and location, situated close to the Tianjin Meijiang Convention and Exhibition Centre, Tianjin Municipal People's Government, and the Xiqing Economic Development Zone (IHG, 2023). Meanwhile, it is very convenient for customers to enjoy the charming lake view as well as visit famous tourists' attractions such as Nanshi food street and ancient culture street, creating a dynamic environment for guests, marked by comprehensive, personalized services that seamlessly integrate business and leisure, crafting a unique and memorable journey.



Crowne Plaza Tianjin Meijiangnan (Photo by IHG).

In addition, on February 8, 2023, IHG signed a contract with Shanghai Snow World to establish Crowne Plaza Shanghai Snow World (IHG, 2023). The Shanghai Snow World complex is a comprehensive sports entertainment tourism resort with the world's largest alpine-themed indoor ski park, which is expected to open in 2024 and will become a major tourist destination in Shanghai (Shanghai Municipal People's Government, 2023). The signing demonstrates that IHG is committed to providing customers with diverse living and play experiences. The location of the hotel in conjunction with popular tourist destinations not only extends the stay of Bleisure guests, but also provides entertainment for their family and friends to spend spare time. Moreover, the hybrid spaces at Crowne Plaza Workspace offer a range of options for both intimate and larger gatherings, including secluded areas, group seating, and individual workstations to enhance productivity (Crowne Plaza, 2022).

2.2.3 Digitalisation

In order to provide Bleisure travellers with convenient one-stop conference services and create an efficient Bleisure travel experience, hotels need to take full advantage of digital applications. Recent research conducted by Oracle Hospitality (2022) and Skift (2022) reveals that 71% of customers are keen to utilize their mobile gadgets in controlling their stay in hotel, illustrating the critical role of technology and digital transformation in every stage of the guest experience. In addition to the basic high-speed internet, IHG is developing a new digital concierge service to provide guests with better self-service. Following the introduction of the new IHG app, 58% of online reservations were made via mobile devices, offering customer more personal choices and unlocked discounts. Another instance involves the rising utilization of artificial intelligence in their booking and customer service centres, resulting in more efficient call handling, enhanced guest satisfaction, and relieving the workload of on-site teams. (IHG, 2022)

As noted by IHG Annual Report (2022), the hotels group collaborates with tech partners like Encore and Weframe to provide hybrid meeting solutions, facilitating connections between in-person and virtual participants. What's more, IHG attempts to adopt new technology to boost the Bleisure market. For instance, it plans to introduce technology from the American start-up Humu - sending personalized behavioural nudges to employees to help refine their remote working habits (IHG, 2022). An employee might receive a prompt like: "You have a meeting this afternoon - try speaking up in the first 10 minutes", which might foster a psychologically safe environment for remote workers (Lucas, 2023).

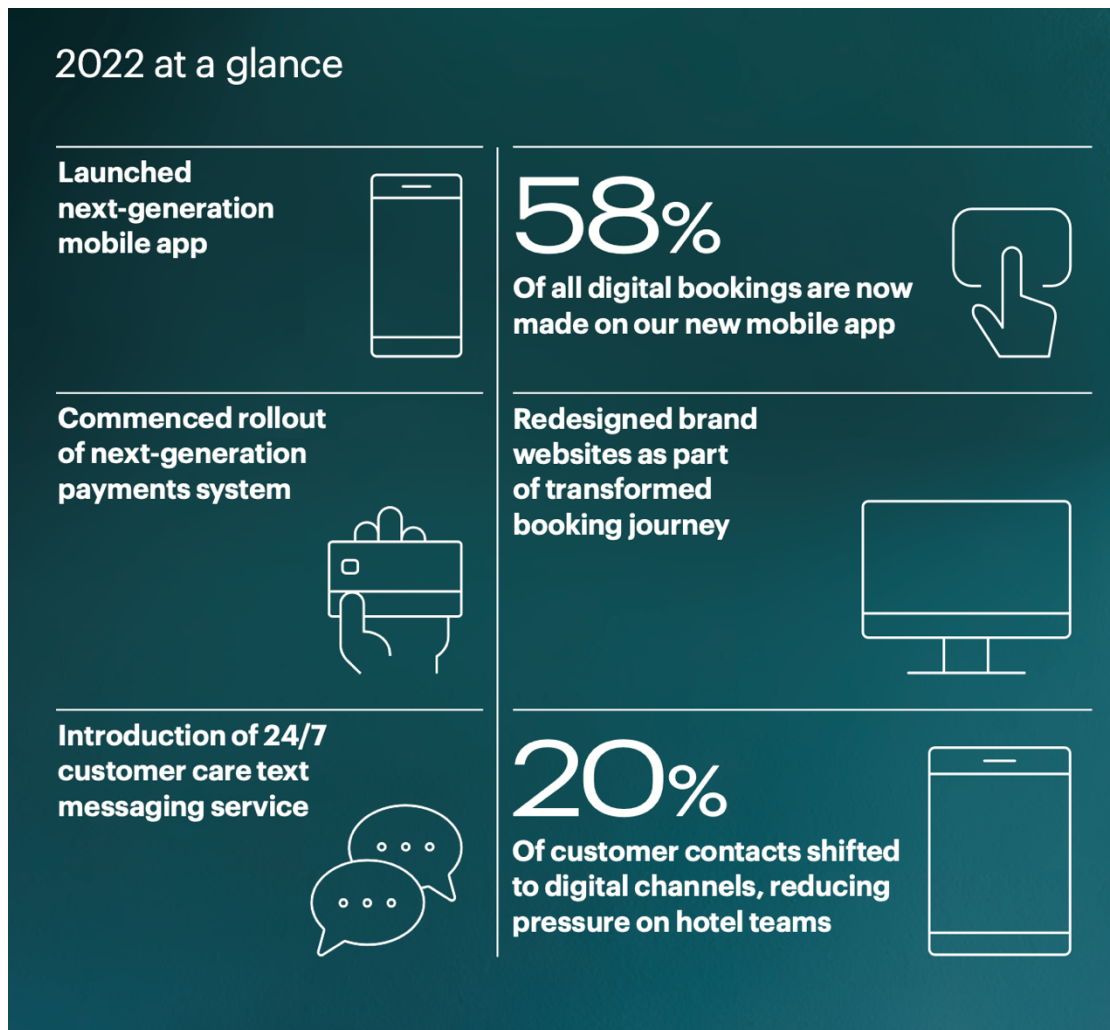


Figure 5: Create Digital Advantage (Adopted from IHG Annual Report, 2022).

2.2.4 Sustainability & Wellbeing

46% of travellers report that the pandemic has increased their desire to travel more sustainably in the future, and 63% of them assert that immediate action is necessary to preserve the planet for future generations (Booking.com, 2021). IHG's 'Journey To Tomorrow' initiatives are centred on aligning with climate science by reducing energy usage and carbon emissions, implementing strategies to minimize waste, and focusing on the conservation and securing of water resources in the most vulnerable regions (IHG, 2022). At the same time, Bleisure travellers are looking to make the most of their travel time, with over half of the consumers (58%) expressing a willingness to reduce the number of

trips but spend more time at a single destination (Stoimenov, 2023), which benefits the sustainable development of the tourism and hospitality industries. In response, IHG offers off-property itineraries that blend personal experiences with local culture and cuisine to encourage longer stays, such as arranging cooking classes and guided tours (IHG, 2022). The concept embodies extensive local knowledge and a commitment to providing ground-breaking experiences that resonate with the needs of modern business travellers. IHG is poised to sustain robust expansion in both the corporate and recreational travel sectors, delivering steadfastly excellent lodging experiences that ensure guests stay productive, connected, and refreshed throughout their sojourn.

In addition, after the epidemic, consumers are more concerned about their physical and mental health, and they believe that travel can help improve their mental health (Kim and Han, 2022). Similarly, in Crowne Plaza's survey (2022), 33% of respondents say they pay more attention to their physical and mental wellbeing after the pandemic. Hence, IHG has focused on enhancing wellness offerings, reflecting the importance of health and wellbeing in sustainability. For instance, 33% of travellers who mix work and leisure cited the provision of food and drink as a key advantage of opting for work-from-hotel arrangements (Jinglv, 2023). IHG recognizes that whether their guests are on business or leisure trips, it's essential to provide a diverse range of dining choices, which includes a focus on health, wellbeing, and responsible sourcing practices, like sustainable seafood and animal welfare considerations. Consequently, IHG mandates hotels to provide food sourced locally to reduce carbon footprint, while diverse food choices provide both sustenance and inspiration for customers' body and mind (IHG, 2022). Besides, IHG introduced 'myWellbeing'— a comprehensive program aimed at assisting employees in various key aspects such as health, lifestyle, and their work environment in March 2022. In turn, this enables hotel staff to provide even more meticulous

and attentive service to guests, which can increase customers' sense of contentment and happiness (Chen, Han and Wang, 2022).



Figure 6: Care for our people, communities and planet. (Adopted from IHG Annual Report, 2022)

3. Recommendation and Implementation for Independent

Hotel - Imperial Hot Spring Hotel in Zhuhai, China

Based on the outline of general theories and the analysis of IHG practical responses, this chapter will put forward innovative solutions to address the challenge of COVID-19 and revive the Bleisure travel market within hotel industry, especially in China. Then Lewin's Change Management Model will be adopted to assess the potential impact of these solutions on independent hotels, taking Imperial Hot Spring Hotel in Zhuhai, China as an example. Finally, some recommendations will be proposed in order to make these solutions more adaptable to particular circumstance.

3.1 Solutions for Chinese Hotel Industry to Regenerate

Bleisure Travel Market after COVID-19

3.1.1 Flexibility in Services and Offerings

The global spread of the COVID-19 pandemic has impacted the global economy and the tourism sector, leading to a shift in the expectations of Bleisure travellers. Kotler and Keller (2016) encourage hoteliers to thoroughly comprehend these changing market and consumer demands to create targeted marketing strategies. IHG's initiatives like "Meetings Without Boundaries" in the Greater China market indicates a shift towards more flexible business travel experiences (IHG, 2023). Therefore, hotels in China should integrate business and leisure elements, offering unique experiences that cater to both aspects. This includes creating flexible meeting spaces and providing services that allow guests to blend work with leisure effectively. For example, hotels in popular tourist cities could leverage their locations to offer guests easy access to local tourists' attractions, combining professional needs with leisure activities. Besides, flexible booking policies also can be part of targeting and positioning strategies of hotels to address the unique requirements of Bleisure guests who want fast check-in and extended check-out times.

3.1.2 Digitalisation and Technological Integration

The use of digital technology to enhance guest experiences is crucial. As pointed out by El-Said et al. (2023), during the adaptation phase of the resilience framework, organisations should focus on longer-term actions such as accelerating digital transformation and enhancing sustainability to adapt to changing market conditions and consumer demands, which can increase

organisational resilience management to the crisis. The application of digital technology includes offering one-stop conference services, high-speed internet, digital concierge services, mobile applications for personalizing stays and unlocking discounts and so on. Leisure and business travellers can use personal mobile devices to enable interaction with smart machines for optimal itineraries and advice while on the go, as well as scientific management of business travel services. Meanwhile, considering the ongoing impact of the epidemic, customers are becoming more comfortable with touchless services such as self-check-in and self-check-out (Hu et al., 2021). The integration of AI in booking and customer service can improve efficiency and guest satisfaction. Moreover, hotels should also collaborate with tech partners to provide hybrid meeting solutions, connecting in-person and virtual participants effectively.

3.1.3 Focusing on Sustainability & Wellbeing

Today's blended travellers are looking for more than just the traditional conveniences and amenities of business and leisure travel, they are placing a high priority on health and safety protocols. They tend to favour destinations that provide a combination of secure work settings and nearby leisure activities (Walia et al., 2023). The centre of the organisational resilience framework is the adaptive learning loop, indicating corporations are subjected to learn for the future and emphasis on sustainable practices (El-Said et al., 2023). Thus, aligning with sustainable practices and understand customers' consideration on hygiene and health are both essential for Chinese hotel industry. Summarised from IHG's practices, these measures involve reducing energy usage, minimizing waste, conserving water resources, and offering itineraries that blend personal experiences with local culture and cuisine to encourage longer stay. Additionally, focusing on guests' physical and mental wellbeing by offering diverse dining choices with a focus on health, wellbeing, and responsible sourcing practices is important. Providing locally sourced food to reduce carbon

footprint and enable Bleisure travellers to better experience local culture. What's more, considering the extended 8Ps marketing plan (Kotler and Keller, 2016), the People aspect takes on new significance as companies need to focus on the wellbeing of their employees and the diverse needs of their customers. Hence, introducing comprehensive wellness programs for employees can not only enhances the professionalism and sense of belonging of the employees, but also enhance the overall guest experience and further increase their satisfaction and happiness.

3.2 Implication in Independent Hotel - Imperial Hot Spring

Hotel in Zhuhai, China

3.2.1 Introduction of Imperial Hot Spring Hotel in Zhuhai,

China

Imperial Hot Spring is a comprehensive resort hotel located in Zhuhai, China. In addition to the hot spring, visitors can also enjoy The Executive lounge, two four-star resort hotels, several meeting banquet facilities as well as catering and entertainment venues. The company strives to provide personalized and diverse experiences for guests, and it is dedicated to promoting Chinese hot spring culture and pursuing sustainable development. The hot springs are entirely natural and never artificially heated or reused. The outdoor garden features over ten varieties of communal, private, and special hot springs. With its innovative Tang style accommodations, The Classical Hotel offers a tranquil and sophisticated retreat. The Cozy Hamlet Hotel has been combined to create an enjoyable environment for guests to unwind. The original "cuisine fair in hot spring town" offers four-hour unlimited dining and entertainment. As a brand, Imperial Hot Spring aims to establish a hot spring resort enterprise with

continuous and sustainable management, as well as the responsible utilization of hot spring resources. (Imperial Hot Spring, 2023)



Imperial Hot Spring Hotel (Adopted from Imperial Hot Spring official website).

3.2.2 Evaluation and Recommendations

Change management is the foundation of organisational development and can guide organisations as well as their members in adapting to change. Kurt Lewin proposes a straightforward three-step model of change, containing Unfreeze, Change and Refreeze stages (Malik, 2024). Unfreeze means that the organisation prepares for change and communicates the need for change to stakeholders. Change refers to a concrete implementation process. Problems and challenges such as employee resistance to change, lack of resources, and miscommunication may arise during this process. The final freezing phase aims to integrate the successful transformation into the organisational culture to create a stable pattern. In the following pages, this report will analyse the opportunities and challenges that may arise if solutions to revitalise the post-pandemic Bleisure travel market are applied to independent hotels and propose

corresponding recommendations based on Lewin's Change Management Model.

Firstly, the creation of flexible meeting spaces and diversification of services as well as products are desirable for independent hotels. During the Unfreezing phase, Imperial Hot Spring need to reassess and adapt services to the changes in the post-epidemic Bleisure travel market, and educate the staff on the importance of providing flexible and diverse services and products on the same time (Malik, 2024). For hosting small-scale meetings or group events, its existing meeting rooms and banquet halls can be fully utilised. Meanwhile, the spa resort allows business guests to enjoy leisure time after work. However, Imperial Hot Spring is established in the suburb of Zhuhai due to the geographical location of the natural hot springs, which is neither close to the business convention centre, nor near the bustling city centre, airport or railway station (Imperial Hot Spring, 2023), so business tourists generally would not stay in this hotel as their first choice for business trips. Additionally, as an independent hot spring themed hotel, it lacks rich resources and broad coverage that international hotel groups possess, making it challenging to relocate or open new branches. Therefore, combined with the Bleisure Marketing Scheme mentioned in the first section (Chung et al., 2020), Imperial Hot Spring Hotel can build partnership with local business hotel and create shared value with stakeholders at the stage of change. Besides, developing ancillary programs such as Chinese traditional massage, rural tours and team-building activities will enable Imperial Hot Spring Hotel to provide opportunities for business travellers to engage in leisure activities, contributing to the Bleisure concept.

Secondly, digitalization is playing an increasingly crucial role in the contemporary hotel industry. However, compared to multinational hotel chains,

independent hotels may have limited capacity to invest in advanced technologies and hotel staff might resist new technologies and operational methods (Mäkirinne, 2020). According to Lewin's Change Management Model, during the Change phase, Imperial Hot Spring Hotel is supposed to opt for cost-effective technological solutions that are easy to implement, including upgrading mobile applications to offer personalized accommodation experiences, as well as enhancing efficiency and customer satisfaction through streamlined online booking and customer service systems (Chung et al., 2020). Additionally, hotel could also consider collaborating with technology suppliers and local government departments to reduce costs by sharing resources. What's more, providing professional training and education to help staff adapt to new systems and demonstrating the benefits of new technologies are also essential to independent hotel.

Thirdly, referring to sustainable practice and wellbeing, during the Unfreezing stage, it is crucial for independent hotels and their staff to recognize that sustainability development not only contributes to environmental protection but also enhances the brand image and attractiveness of the hotel, which is significant for independent hotels in the post-pandemic era (Malik, 2024). While implementing sustainability practice and wellbeing programme may increase short-term costs for Imperial Hot Spring Hotel, it should focus on the long-term return on investment instead. Sustainable practices can be used as a differentiating factor to attract an increasing number of Bleisure travellers who prioritize eco-friendliness and personal health. For example, hotel can offer locally sourced food, promote local culture and cuisine, and develop comprehensive health and wellness programmes involving personalized training and work support for staff. Ultimately, hotel should integrate the vision of creating a sustainable hot spring theme hotel in China into the corporate culture to achieve the Refreeze (Mäkirinne, 2020).

3.3 Conclusion

In summary, to regenerate the Bleisure travel market in the post-COVID era, the Chinese hotel industry should focus on flexibility in blending business and leisure activities, harnessing digital technologies for enhanced guest experiences, and committing to sustainability and wellbeing in their operations and services. When applied to independent hotel, several challenges may occur such as resistance to change, inadequate resources, lack of support and training, etc. Some recommendations are suggested by author to address these problems. Although the effectiveness of the recommendations requires further verification through on-site inspections and data collection, author of this report believes they can still serve as a reference for independent hotels in China to develop and revitalize the Bleisure travel market in the post-epidemic era.

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