International Journal of Advanced Research in Management and Social Sciences
ISSN: 2278-6236
Impact Factor: 7.624

STRATEGIC ALLIANCE READINESS OF STAR-RATED HOTELS IN THE COVID 19 PANDEMIC ENVIRONMENT IN KENYA: A PERSPECTIVE ON COMPETITIVENESS

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ABSTRACT

Two years since the emergence of the Covid-19 global pandemic in early 2020, the hotel industry has found itself in an unprecedented protracted crisis on a global scale. This has had far reaching consequences on the competitiveness of the sector calling for strategic readiness in the sector. Formation of strategic alliances has been demonstrated to be instrumental in crisis recovery in various industries. However, while strategic alliances have also been studied in the hotel industry, they have not been examined in relation to recovery from long term crisis such as the current Covid-19 pandemic. Therefore, the purpose of this study was to find out the strategic alliance readiness influences the competitiveness star-rated hotels in the Covid 19 pandemic environment in Kenya. The study was guided by the Resource Dependence Theory of strategy and used a cross-sectional study design targeting star-rated hotels in Kenya from which 120 were selected using systematic random sampling. Using data collected through questionnaires the study found that strategic alliances readiness revolved around forming partnerships, Ministry of Health, hospitals, survival and marketing with the main motivation being survival. The study concluded that strategic alliance readiness does significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya.The study recommends that the hotels also need to focus on building strategic allainces that will outlast the pandemic. The hotels should refine their strategic policies so as to enable them build wider alliances and encourage Cooepetition among industry players.

Keywords: Strategic Alliance Readiness, Competitiveness, Pandemic Environment, Star-rated Hotels, Covid 19

1. INTRODUCTION

The hotel industry is one of the most competitive industries on earth, responsible for billions of dollars in revenue and employing millions directly and indirectly. The market size of the hotel and resort sector worldwide peaked at 1.47 trillion U.S. dollars in 2019 (Lock, 2021). In 2019, the industry accounted for about seven percent of Africa's GDP and contributed $169 billion to its economy (Monnier, 2022).However, it is also one of the most vulnerable in terms of crises (Coppola, 2010). As a result of the coronavirus (COVID-19) pandemic, the market size dropped to 610 billion U.S. dollars in 2020. In 2021, the market size was forecast to climb back up to nearly 950 billion U.S. dollars (Lock, 2021). At the onset of the global COVID-19 pandemic in March 2020, data published by the global hospitality data indicated a sharp drop of occupancy rates of nearly 96% in the entire global hotel.

Hotels across the U.S. experienced an unprecedented booking cancellations due to the pandemic, which could eliminate up to four million posts (this accounts for 50% of all hotel jobs in America). In Europe, **i**ndustry experts attempting to predict the effect upon the global hotel industry 2020, estimated a profit decline of 11-29% (Deloitte, 2020). The average occupancy in Italy was down by 96%; the United Kingdom down by 67%. The World Tourism and Travel Council (WTTC) (2020) warned that the Asia and the Pacific region would be the most affected. For instance, in China compared to 2019 figures, occupancy was down by as much as 68% in the early days of the pandemic.In India, the hotel industry was hit hard. The domestic hotel companies experienced a weak Quarter 4 Financial Year 2020 and a weaker Quarter 1 Financial Year 2021 thanks to the many large-scale cancellations across the corporate, MICE and leisure segments (PTI, 2021). All over the African continent both international and local hotels closed for a while owing to tourist decline as a result of the Covid-19 pandemic.

In 2020 in Africa, an amount of 87 billion U.S. dollars (equivalent to 51 percent of GDP loss in tourism) was estimated to have been lost as a contribution of the tourism sector to gross domestic product (GDP) amidst the coronavirus (COVID-19) pandemic. Furthermore, it was

projected that a total of 105 billion U.S. dollars of GDP contribution coming from this industry would be lost in the continent if there was no improvement on the pandemic situation (Sasu, 2021). In the case of Uganda, the room occupancy rate dropped from an average of 51.9% in 2019 to 20% in 2020. A survey by the Central bank of Kenya (2020) revealed that during the first two months of 2020, hotels in Kenya were apparently performing well as indicated by the monthly average bed occupancy in January 2020 of 64% which rose to 65% in February and then drastically dropped in ensuing months, that is, March (39%), April (7%) and the lowest was May at 6% and 9% in June of the same year.
An imperative then is to save the industry from further damages and collapse, and this requires an assessment of sector vulnerability and readiness. According to Brown et al., (2017), the hotel sector's vulnerabilities are multi-faceted and have complex factors that contribute to risk. For instance, Rittichainuwat & Rattanaphinanchai (2015) asserted that being low-cost destination couldn't motivate tourists to visit, especially hazardous destinations. As such, whether it is man-made or natural disasters, it is very important to be well prepared to mitigate the impact of emergencies and minimize losses. Albattat and Som (2019) further observed that readiness for, response to, recovery from, and mitigation of all emergencies is important to the survival and competitiveness of hotels. Improved levels of ability will mean better levels of readiness to diminish the effects of losses already incurred during the period of crisis such as the pandemic. Therefore, the strategic readiness during and after the pandemic is an imperative.

Strategic readiness refers to the alignment of an organization's human, information, and organizational capital with its strategy (Kaplan & Norton, 2004; Weber, Geneste & Connell, 2015). As a business concept, strategic readiness emerged in a significant way in the early 1990s with the recognition that an increased focus on innovation sets successful organizations apart from competitors. It was recognized that many skills found within organizations could not be transferred because the current stock of skills focused the efforts of people in organizations in specific directions (James, 2018). If an organization's leaders and strategists have clearly modeled their organization's strategic readiness, it means that they have clearly mapped out the organization's resources in the areas of human, information and organizational capital, and conceptualized the degree to which the organization is ready to meet the strategic challenges of both today and the future (Mirabeau & Maguire, 2014).

Such mapping assists managers to decide which resources are most important and how to efficiently make use of them, and which resources maybe under utilized, or even redundant. However, unanticipated shocks (e.g. global pandemics), or paradigm shifts (e.g. disruptive technologies) leave no time for companies to acquire resources on their own and even make it riskier to do so (Contractor, 2021). Further, few firms can afford to do it alone in today's markets. Partnerships, including strategic alliances and joint ventures, provide great flexibility for companies when adapting to disruptions or crises that require fast responses (Day, 2011). Entering into a strategic alliance is a fast and flexible way to access complementary resources – assets and skills – that reside in other companies instead of outright acquisitions. It is a less costly and less risky option.

Already, studies show that Covid-19 has led to a significant drop in the stock value of hotels than previous epidemics (García-Gomez et al., 2021; Aharon et al., 2021).García-Gomez et al., (2021) further show through an Event Study Methodology (ESM) that the negative effects of the new coronavirus outbreak are persistent.While, on the other hand, there is optimism in the African hotel industry as demonstrated by surveys by HTI Consulting suggesting that the hotel and tourism industry in Africa is poised for considerable growth following the end of the pandemic, the key to a resilient recovery will largely depend on their readiness to form strategic alliances with firms that could help them accelerate their recovery of market value and hence investments. However, in the Kenyan hotel industry, which is one of the most valuable hotel industry players in Africa, the concept of strategic alliances has not been examined in regards to the Covid-19 pandemic. Hence, little is known on whether readiness for strategic alliances will be key to the recovery and rebuilding of the industry in the country. This study, therefore, seeks to explore the relationship between strategic alliances readiness and competitiveness of the hotel industry in Kenya.

i. To investigate the effect of strategic alliance readiness of star-rated hotels on competitiveness in the Covid 19 pandemic environment in Kenya

2. LITERATURE REVIEW

2.1 Resource Dependency Theory

Resource dependence theory (RDT) by Pfeffer and Salancik (1978) marked a watershed in organizational research by positioning power at the core of organizational discourse. The theory argues that firms possess resources, a subset of which enables them to achieve competitive advantage, and a subset of those that lead to superior long-term performance. Resources that are valuable and rare can lead to the creation of competitive advantage. The theory also recognizes the limitations of resources and, hence, the theory's central proposition is that organizations will try to manage their resource dependencies with a variety of tactics, such as the cooptation of sources of constraint, in order to achieve greater autonomy and thus reduce uncertainty in the flow of needed resources from the environment (Barney, 1991).

An important way to understand the limits in the explanatory power of resource dependence theory is to recognize that organizations are not always capable to take actions to manage external dependencies. The building block of an alliance is inter-firm sharing of tangible and intangible resources that creates superior competitive position for the involved firms. It becomes essential for service industries to support the concepts underlying RDT to be able to assess this business strategy as a source to sustain firm competitiveness. However, in its current form, resource dependence theory identifies conditions under which an organization is subjected to external constraints, and a variety of tactics with which organizations attempt to manage them; but it does not identify the conditions under which an organization's attempts to use such tactics would be successful. However, in viewing the need to create lasting bonds, such as, strategic alliances, the RDT can give insight into how the constraints of resource dependency can be overcome by sharing resources among alliance partner in such a way as to ensure constant resource availability and interdependency. Thus, the resource dependency theory in the present study provides theoretical insight on the interdependency of firms on resources of partners so as to increase their efficiency and mitigate costs.

2.2 Strategic Alliance Readiness of the Hotel Industry for Competitiveness

A strategic alliance can be defined as a cooperative agreement involving two or more firms through which linkages are built to share resources, leading to the joint accomplishment of individual goals (Parkhe, 2011). According to Gulati et al., (2012), strategic alliances involve exchange, sharing, or co-development, while Gomes-Casseres (2009) term alliances as an ''organizational structure to govern an incomplete contract between separate firms'' (p. 4). From both a resourced based view and transaction cost theory, strategic alliances are key in become the vehicles through which involved firms gain access to the specialized assets. From an economic perspective, an allying firm needs to weigh the pros and cons of the transaction costs involved in relation to other available options (Buckley &Casson, 1988). Alliances between firms is necessary when firms in their individual capacities are unable to afford particular specialized resources internally or acquire them through the market. Access to specialized strategic resources at low cost makes the alliance alternative an attractive proposition for companies to consider as part of strategy formulation. Therefore, strategic alliances can be considered a possible source of value creation as allying firms use each other's strengths to tap market opportunities, optimally using the firms' resources and at the lowest opportunity cost.

Strategic alliances are especially important in times of crisis, for crisis survival and recovery. Indeed, Dubrovski (2016) argues that the management of a crisis situation itself does not serve any purpose, since a crisis situation is considered *de facto* managed only when the turnaround of a negative direction trend towards a positive direction is achieved. In the Covid-19 crises, it has been observed that the pandemic and associated economic and social crises have indeed led to the accelerated emergence of an ecosystem of novel alliances (Cojoianu et al., 2020). Further, the alliances focus on three main categories of needs: core healthcare, pandemic management, and underlying social needs. However, the needs of the hotel industry which has been significantly affected by the pandemic go beyond the three and demand more solutions that could help rebuild and reposition them competitively in the market after the pandemic. This means that rebuilding the industry could take a significantly longer period in the absence of alliances with other firms which could help it rebuild its value.

Chathoth and Olsen (2003) study of strategic alliances through a hospitality industry perspective found that; the hospitality alliances will evolve from equity joint ventures to collaborative joint ventures (non-equity) as competitor alliances will emerge; Contractual agreements will evolve from simple franchise and management contracts to more complex resource-sharing, non-equity agreements; Complex resource sharing between allying partners will help incumbent firms build relationships with partner firms that will lead to the development of competitor alliances, and; Technology will help in the development of competitor alliances, which will also help to increase incumbent firms' productivity and profitability.

A qualitative survey by Ochenga (2016) on the opportunities and challenges in strategic tourism marketing alliances in the tour operator sector in Nairobi concluded that strategic alliances are important in the tour operator sector because of the many advantages they present for profit making and improved service delivery. The findings also revealed that the basis for the formation of strategic alliances included factors such as independence to make individual decisions, shared resources and commitment, symbiotic relationships (give and take) and shared risk by partners. Other factors mentioned were technological advancements and competitive advantage.

Çakar (2018) looked at the critical success factors for crisis management and business continuity using a case study of Turkish hotels. Findings show that the critical success factors of responsiveness, shared roles, strategy formation, and collaboration are vital for effective crisis management. The study also highlighted the fact that in the area of shared roles and collaboration, encompassing the characteristics of coordination, communication, cooperation, and knowledge transfer, stakeholders are proving ineffectual, thereby obstructing the development of necessary strategies for crisis management and the recovery process. The findings also indicated that strategy formulation, collaboration with external and internal stakeholders, efficient communication and crisis management policies are key contributors to crisis management. These factors were identified as critical in enhancing recovery and consequently enhancing business continuity.

Koskey (2013) examined strategic alliances in the hotel industry focusing on the Sarova Group of Hotels (SGH) in Kenya. The findings revealed that SGH realized that they could not cost cut their way into growth and prosperity, because there is a limit to how much they could

grow earnings by improving margins. As such, alliance was seen as one of solution for accessing those capabilities. The findings of this study revealed that the success rate of alliance formation was positively impacted by pre and post alliance formation factors. The study also revealed the motive that led to the formation of strategic alliance: transaction-cost motives; resource-based motives; strategic motivations with regard to competitive position of the firm; learning objectives; and motives relating to risk reduction, new market entry, and first-mover advantage. The research findings show that the highest ranked motive of strategic alliance are “knowledge sharing; cooperative learning and embedded skills”, followed by “improving performance. This fact further led to some interesting findings with the lowest ranked being “adjusting to environmental changes”, followed by “reduced financial and political risk”, and followed by “entering new markets”.

3. RESEARCH METHODOLOGY

The study applied both qualitative and quantitative approaches in a cross-sectional study design to assess the strategic alliance readiness of the star-rated hotel for competitiveness in the Covid 19 pandemic environment in Kenya. The study focused on star-rated hotels due to their international and local competitiveness, their size (Bayo-Moriones*et al.*, 2010) and also their longevity in the hotel sector in the region and specifically in Kenya. There are 211 Star-rated hotels in Kenya according to data from Kenya’s Tourism Regulatory Authority (TRA) (2017). The hotels which range from 1-star to 5-star are located in a total of 19 out of the 47 counties of Kenya. Therefore, the unit of analysis was the Star-rated hotels while the unit of observation was the hotel managers. To obtain the required sample size, the study used the Nassuima (2000) formula which yielded a sample size of 120 star-rated hotels. The study used systematic random sampling to select the star-rated hotels while purposive sampling was used to select the managers as recommended by Oso and Onen (2011).

Questionnaires and interview schedules were used for data collection and were administred to the top management as data collection instruments in the study. The constructs used in the instruments were derived from the literature review on certification, preparedness and competitiveness. Following Veal (2017), the study used both instruments after pilot testing them for correctness and accuracy on 14 non-participating (10% of the sample size), non-star-rated hotels sample from different counties in Kenya. Gathii*et al.,* (2019) explained that concerns often arise in analysis owing to the validity of the instruments that can affect the internal and external validity of the study. The instruments were, therefore, then given to independent experts for evaluation for face and content validity as well as for conceptual clarity and investigative bias. The constructs had a communality value of more than 0.49 and were therefore, all retained. The internal consistency method was used to determine the reliability of the questionnaire whereby the Cronbach's alpha coefficient for all the sections of the questionnaire was calculated, resulting in an overall reliability index of 0.825 which was above the 0.7 threshold recommended by Cronbach and Azuma (1962).

Data was analyzed using both descriptive and inferential statistical methods aided by the Statistical Package for Social Sciences (SPSS) software. Descriptive statistical analysis was done using frequencies, percentages, means and standard deviations to describe the basic characteristics of the data. Inferential data analysis was done using the bivariate regression analysis to assess the relationship between variables and to test the hypothesis. The decision rule was to accept the hypotheses if the corresponding p-values was greater than $p > 0.05$ and reject otherwise. The bivariate regression equation was assumed to hold under;

$Y= \beta_0+\beta_1X_1+\varepsilon$……………………………………………………………. (i)

Where, Y is the dependent variable- Competitiveness of the star-rated hotels in the Covid-19 pandemic environment in Kenya.

B_0 is the intercept

β_1 are the coefficients of the independent variables

X_1 represents Strategic Alliance Readiness

4. RESULTS

The study administered 120 instruments to the respondents and 101 were returned duly filled and useable for the study purposes. This represented an 84% response rate which was considered acceptable for the study purposes.

4.1Strategic Alliance Readiness of Star-Rated Hotels in Kenya

The objective of the study was to examine the strategic alliance readiness of star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. This variable was assessed in terms of; Coordination, Resources and Alliance Management Capabilities (AMC) of the hotels staff in relation to the Covid 19 pandemic environment. The findings are presented in Table 1.

Table 1

Strategic alliance readiness of star-rated hotels for competitiveness

Statement	SA %	A %	N %	D %	SD %	Mean	Std. Dev
The hotel is aware of the need to form alliances with other service providers to share resources more so during the pandemic	37	30	15	11	8	4.03	0.902
The hotel has worked out strategic alliances to share material resources with its partners	26	39	16	11	9	3.92	0.657
The hotel has worked out strategic alliances to share non-material resources like knowledge resources with its partners	311	36	14	11	9	3.98	0.679
The hotel leaders explain the need to break the status quo in our alliance so as to improve our performance	20	48	17	9	8	3.85	0.799
The hotel leaders sensitize staff members about of the need to overcome tendency towards	18	45	17	11	10	3.49	0.925

unpredictability and improve our performance							
The hotel leaders encourage staff members to perceive and embrace change so as to improve alliance performance	19	47	13	12	10	3.52	0.784
We have designed a flatter alliance management structure that allows us to communicate efficiently in the alliance	22	50	18	8	3	3.79	1.001
Our management exercises oversight over our alliance performance objectives frequently	11	56	21	11	2	3.72	0.859
The alliance often augments the capacities of members with low capabilities	23	36	11	20	10	3.43	0.96
Aggregate Score						3.737	0.841

Table 1 shows that with an aggregate mean of 3.737; SD = 0.8406, there was low variation on respondents' views on the readiness of star-rated hotels to form strategic alliances for competitiveness in the Covid-19 pandemic environment in Kenya. There was strong agreement that the hotels were aware of the need to form alliances with other service providers to share resources more so during the pandemic as indicated by 36% who strongly agreed and a mean of 4.03. Most hotels have worked out strategic alliances to share material resources with their partners (mean = 3.92) and have also worked out strategic alliances to share non-material resources like knowledge resources with their partners (mean = 3.98).

Most of the hotel leaders explained the need to break the status quo in the alliances so as to improve their performance (mean = 3.85) and also sensitize staff members about the need to overcome tendency towards unpredictability so as to improve their performance (mean = 3.49). The hotel leaders encourage staff members to perceive and embrace change so as to improve alliance performance (mean = 3.52). The findings also indicate that the alliance members have designed a flatter alliance management structure that allows them to communicate efficiently in the alliance (mean = 3.79). The management exercises oversight over the alliance performance objectives frequently (mean = 3.72). The alliance often augments the capacities of members with low capabilities (mean = 3.43).

4.2 Competitiveness of Star-rated Hotels in the Covid 19 Pandemic Environment in Kenya.

The study also sought to determine the competitiveness of star-rated hotels in the Covid 19 pandemic environment in Kenya. The status of this variable was described in terms of due diligence, auditing procedures and risk management. The results are presented in Table 2.

Table 2

Competitiveness of Star-rated Hotels in the Covid 19 Environment in Kenya

Statement	SA %	A %	N %	D %	SD %	Mean	Std. Dev
We have been able to open new hotel branches in areas with high visitor potential	10	9	11	45	25	2.86	1.26
Our new branches are fully resource independent	7	12	8	44	30	2.65	0.957
We have been able to acquire hotels from other investors and rebrand them successfully	12	4	30	43	11	2.82	0.719
Our growth strategies have led to good returns on investment	13	20	23	39	5	3.04	1.258
Our hotels are attracting more international visitors of late	5	16	14	27	38	2.91	1.006
Our bookings outlook has improved considerably	5	15	15	40	24	2.89	1.256
Investors are showing considerable interest in partnering with us	3	25	17	21	34	2.87	0.962
We have been able to absorb many new employees while maintaining a low staff turnover rate	7	22	13	46	12	3.09	0.922
We have been able to increase our product portfolio	9	15	8	29	39	2.8	0.843
Aggregate						2.881	1.020

Table 2 indicates that with an aggregate mean of 2.881 and standard deviation of 1.020, most of the hotels were performing below average in terms of competitiveness. This could be majorly attributed to the pandemic effect that led to the slowing down of the industry. Most hotels had not been able to open new hotel branches in areas with high visitor potential (mean = 2.86) and, were also not been able to acquire hotels from other investors and rebrand them successfully (mean = 2.82). The bookings outlook were still low (mean = 2.89) and fewer investors were showing considerable interest in partnering with most of the hotels (mean = 2.87). Most hotels also had not been able to increase their product portfolio (mean = 2.80).

4.3 Regression analysis of technological systems readiness on competitiveness of hotels

Bivariate regression analysis was carried out to evaluate the relationships between the dependent and independent variable. The findings are summarized in Table 3.

Table 3

Regression Analysis

Model Summary		R	R Square	Adjusted R Square	Std. Error of the Estimate	
		0.261a	0.0681	0.06199	6.258086	
ANOVAa		Sum of Squares	df	Mean Square	F	Sig.
	Regression	319.521	1	319.521	8.1586142	.000 b
	Residual	3877.2	99	39.163636		
	Total	4196.72 1	100			
Model Coefficients		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		

(Constant)	8.202	1.964		4.1761711	0.000
Certification readiness	0.194	0.087	0.261	2.2298851	0.080

a Dependent Variable: Competitiveness of the star-rated hotels

Table 3 indicate that alliance readiness of star-rated hotels significantly influenced their competitiveness in the Covid 19 pandemic environment in Kenya ($\beta = 0.261$, $p < 0.05$). The results further suggest that the model with alliance readiness as the independent variable could explain 6.2% (adjusted R-Square) of the variations in the dependent variable, competitiveness. Therefore, the corresponding null hypothesis;

H_{03}: Certification readiness does not significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya

Was rejected as looking at the results in Table 3, it is evident that there was a significant association between the variables ($\beta = 0.261$, $p < 0.05$). Therefore, it can be inferred that alliance readiness does significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya.

4.4 DISCUSSIONS

According to the results from the correlation and regression analysis, strategic alliance readiness does significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. There was strong agreement that the hotels were aware of the need to form alliances with other service providers to share resources more so during the pandemic. Most hotels had worked out strategic alliances to share material resources with their partners and have also worked out strategic alliances to share non-material resources like knowledge resources with their partners. Most of the hotel leaders explain the need to break the status quo in the alliances so as to improve their performance and also sensitize staff members about the need to overcome tendency towards unpredictability so as to improve their performance. The hotel leaders encourage staff members to perceive and embrace change so as to improve alliance performance. The findings also indicate that the alliance members have designed a flatter alliance management structure that allows them to communicate efficiently in the alliance. The management exercises oversight over the alliance performance objectives frequently and the alliance often augments the capacities of members with low capabilities.

The results reveal the importance of developing strategic alliances to overcome the effects of the pandemic on the hotel industry and become competitive once again. The findings, therefore, agree with Ochenga (2016) whose study on the opportunities and challenges in strategic tourism marketing alliances in the tour operator sector in Nairobi, Kenya concluded that strategic alliances are important in the tour operator sector because of the many advantages they present for profit making and improved service delivery. The findings also support those of Koskey (2013) whose examination of strategic alliances in the hotel industry focusing on the Sarova Group of Hotels (SGH) in Kenya found that formation of alliances with other industry players was one of solution for accessing dynamic capabilities. Koskey (2013), however, found that the success rate of alliance formation was positively impacted by pre and post alliance formation factors. Further, the highest ranked motives of strategic alliance were “knowledge sharing; cooperative learning and embedded skills”, followed by “improving performance. This fact further led to some interesting findings with the lowest ranked being “adjusting to environmental changes”, followed by “reduced financial and political risk”, and followed by “entering new markets”. Chathoth and Olsen (2003) study of strategic alliances through a hospitality industry perspective found that use of technology to develop competitor alliances helps to increase incumbent firms’ productivity and profitability.

In terms of recovery from crisis, Çakar (2018) also highlighted the fact that shared roles and collaboration, encompassing the characteristics of coordination, communication, cooperation, and knowledge transfer, stakeholders are proving ineffectual, thereby obstructing the development of necessary strategies for crisis management and the recovery process. Campiranon and Scott (2014) also reviewed the critical success factors for crisis recovery using evidence from Phuket hotels in Thailand and found that strategic planning, staff involvement and stakeholder engagement leads to reduction of loses and improve the chances of business recovery. Chowdhury et al (2018) review of the impact of cooperation strategies in reducing the adverse effects of a crisis found that relational capital; having a favorable relationship with suppliers, customers, government and competitors reduces the impact of a crisis and enhances the chances of business continuity. Shehawy and Ragab (2017) examination of crisis management actions adopted by the Egyptian travel agencies also revealed that external cooperation with other industry players and the government helped in reducing the adverse effects and ensured quicker restoration of normalcy.

5. CONCLUSIONS

The study concludes that strategic alliance readiness does significantly affect the competitiveness star-rated hotels for competitiveness in the Covid 19 pandemic environment in Kenya. There was strong agreement that the hotels were aware of the need to form alliances with other service providers to share resources more so during the pandemic. There were also mixed views on whether the hotels had built strategic alliances to enhance their operations during the pandemic. Of those which had opted to build strategic alliances with other firms, their motivation was survival. However, some were struggling to get the right partners as most have been affected by the pandemic and some of the partners have already closed operations. The strategic alliances readiness revolved around forming partnerships, Ministry of health, hospitals, survival and marketing. This indicates that finding the right partners for the alliances was important for making the alliance work. The ministry of Health was also an important alliance partner as being rather responsible for providing guidelines and also accrediting the hotels as being ready to operate. The hotels also formed the alliances as a marketing strategy so as to enable them tap into other non-traditional markets. Partnering with hospitals and ambulance services was also important in ensuring that the hotels.

6. RECOMMENDATIONS

Drawing from the foregoing findings, the study makes the following reconmmendations; The hotels also need to focus on building strategic allainces that will outlast the pandemic. The strategic alliances should be broad and multisectoral so as to enasure the hotels can develop key competencies in diffrent areas and develop products for diverse clientele as well. The hotels can leverage on these alliances to survivive crises such as the pandemic and other disastsers. In this vein the hotels should focus on building more strategic alliances to help them tap into potential markets, to leverage on the synergies and become more resilience. The hotels should refine their strategic policies so as to enable them build wider alliances and encourage Cooepetition among industry players.

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