



## The demise of traditional inns

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# Relevance

- Most hospitality businesses are **SMEs**<sup>12,24</sup>, located in **rural areas**<sup>4</sup>.
- SMEs are of **great importance to national economies**<sup>4</sup>:
  - contributing to regional economies and development<sup>9,14,21</sup>
  - job creation<sup>2,4,21</sup>
  - contributing to social progress<sup>21</sup>

Sources: <sup>2</sup>Ayandibu & Houghton (2017); <sup>4</sup>Dobrovič (2015); <sup>9</sup>Greenberg et al. (2018); <sup>12</sup>Julita et al. (2021);  
<sup>14</sup>Kriechbaumer (2019); <sup>21</sup>Mura & Ključnikov (2018); <sup>24</sup>Pikkemaat et al. (2019)



# Problemstatement

- demise of inns<sup>28</sup>:
  - 2012 Austria: 11,811 inns
  - 2021 Austria: 9,348 inns

⇒ reduction of 20.85 %

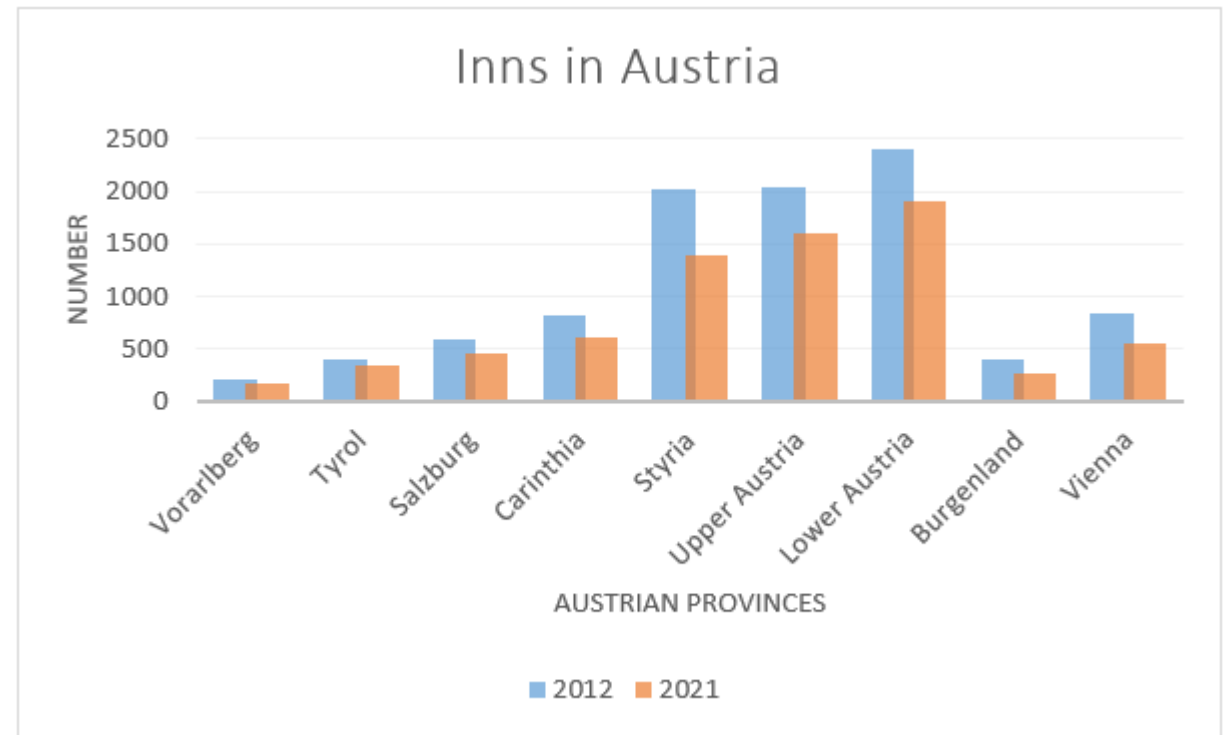


Figure I: Inns in Austria from the year 2012 and from the year 2021 (own presentation)

Source: Wirtschaftskammer Österreich (2020)

Source: <sup>28</sup>Wirtschaftskammer Österreich (2020)



# Background of the study I

- The inn is perceived as a **third public space**<sup>16</sup> and thus represents a **home away from home**<sup>22</sup>.
- There are **different motives**<sup>11,19,29</sup> for inn visits:
  - consumption of food and beverages
  - social interaction or communication
- **Design** can increase the attractiveness for visiting an inn<sup>1,13</sup>. Especially the **combination of old and new** arouses the curiosity of guests<sup>26</sup>.

Sources: <sup>1</sup>Ariffin et al. (2012); <sup>11</sup>Ivkov et al. (2016); <sup>13</sup>Kobayashi et al. (2001); <sup>16</sup>Kümin (2005); <sup>19</sup>Marinkovic et al. (2014); <sup>22</sup>Oldenburg & Brissett (1982); <sup>26</sup>Suvittawat (2020); <sup>29</sup>Yost et al. (2020)



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# Background of the study II

The hospitality industry faces **several challenges**:

- demographic change<sup>3,6</sup>
- changing customer preferences<sup>11,23</sup>
- shortage of skilled workers<sup>10,18</sup>
- competition<sup>23,25</sup>
- succession<sup>8</sup>
- COVID-19 pandemic<sup>5,7,27</sup>

⇒ **Innovative strategies** are needed<sup>17,25</sup>.

Sources: <sup>3</sup>Cha & Seo (2020); <sup>5</sup>Duarte Alonso et al. (2020); <sup>6</sup>Durmusoglu et al. (2018); <sup>7</sup>Elshaer (2021); <sup>8</sup>Felden et al. (2019); <sup>10</sup>Guhlemann (2014); <sup>11</sup>Ivkov et al. (2016); <sup>17</sup>Lee et al. (2016); <sup>18</sup>Lintner (2013); <sup>23</sup>Parsa et al. (2005); <sup>25</sup>Seilov (2015); <sup>27</sup>Thukral (2021)



# Aim of the study



The research question is:

## What makes inns resilient to change and challenges?

The aim of this study is to (1) **identify resilient approaches** and (2) **outline recommendations for innkeepers** to mitigate inns' demise.

The results show that **resilient strategies are needed** to respond to the existing challenges.



# Procedure and Method

- **empirical design:** qualitative research with semi-structured interviews
- **analysis:** qualitative content analysis<sup>20</sup> and computer-assisted using MAXQDA<sup>15</sup>
- **five sub-studies:** 43 interviews with 44 interviewees in Tyrol and Upper Austria between 2020 and 2022
- **average duration** of an interview: 45 minutes

Sources: <sup>15</sup>Kuckartz (2018); <sup>20</sup>Mayring (2014)

	innkeepers		experts and representatives of public institutions	
	designation	designation	designation	designation
<b>1<sup>st</sup> sub-study</b>	W1	W2	B1	B2
	W3	W4	B3	
<b>2<sup>nd</sup> and 3<sup>rd</sup> sub-study</b>	IPV1	IPS1	IP8	IP9
	IP2	IP3	IP10	IP11
	IP4	IP5	IP12	IP13
	IP6	IP7	IP14	IP15
<b>4<sup>th</sup> sub-study</b>	G3	G4	E1	E2
	G6	G7	E5	E9
	G8	G10		
<b>5<sup>th</sup> sub-study</b>	GW1	GW2	EX1	EX2
	GW3	GW4	EX3	EX4
	GW5		EX5	BV1

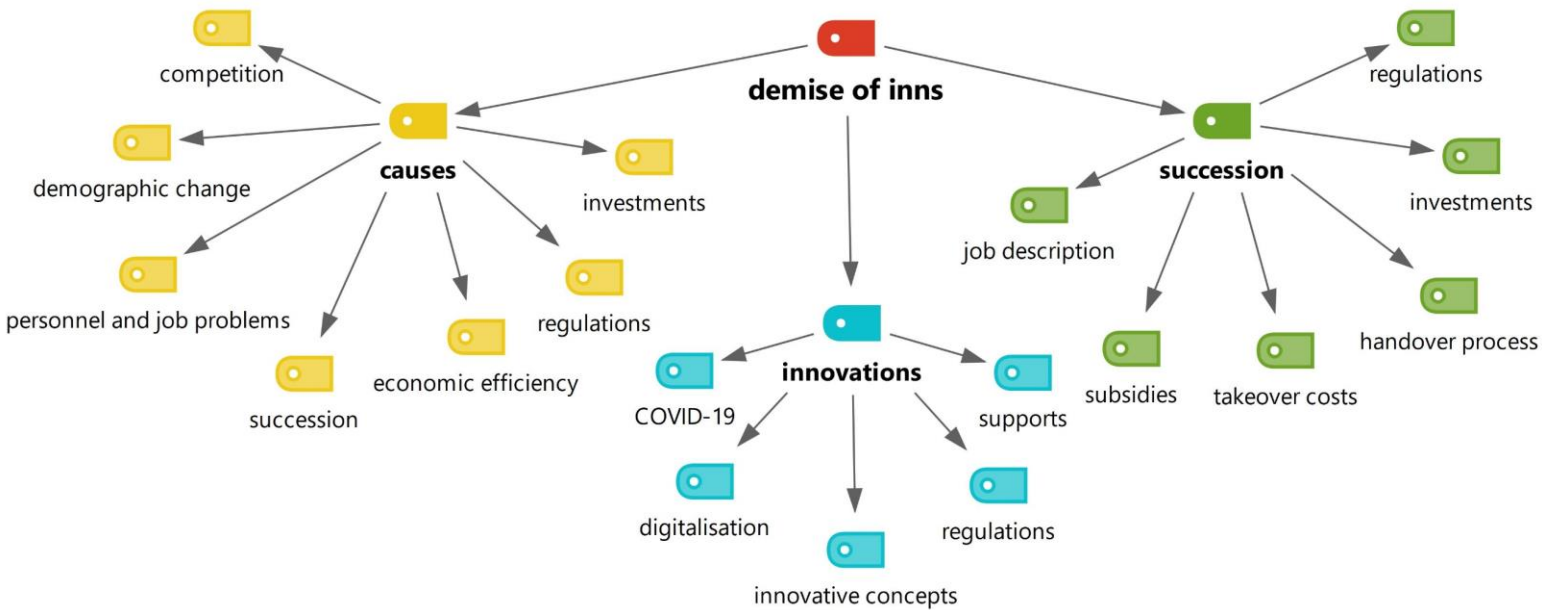
Table I: Group affiliation of the interviewees (own presentation)

W=WirtIn (innkeeper), B=Behörde (authority), IP=InterviewpartnerIn (interviewee), V=Vater (father), S=Sohn (son), G=GastronomIn (restaurateur), E=ExpertIn (expert), GW=GastwirtIn (innkeeper), EX=ExpertIn (expert), BV=BehördenvertreterIn (representative of authority)

sub-studies	focus
<b>1<sup>st</sup> sub-study</b>	background and challenges of the demise of inns
<b>2<sup>nd</sup> sub-study</b>	new marketing concepts in the regional gastronomy
<b>3<sup>rd</sup> sub-study</b>	new distribution concepts in the regional gastronomy
<b>4<sup>th</sup> sub-study</b>	succession process and derivation of good practice examples on the basis of the federal state comparison Tyrol and Upper Austria
<b>5<sup>th</sup> sub-study</b>	design of traditional inns

Table II: Focus of each sub-study (own presentation)

# 1<sup>st</sup> to 4<sup>th</sup> sub-study – Coding tree & Key statements



*“[..] the customer is changing or has already changed a lot.” (G4)*

*“[..] most [people] simply want a more modern concept.” (IP2)*

*“[..] I think there are exciting concepts, [...] [one] concept called the “gute Stube”, where they have turned an inn into a workshop and [an] event space [...]” (IP8)*

Figure II: Coding tree of the 1<sup>st</sup> to 4<sup>th</sup> sub-study (created with MAXQDA-22)



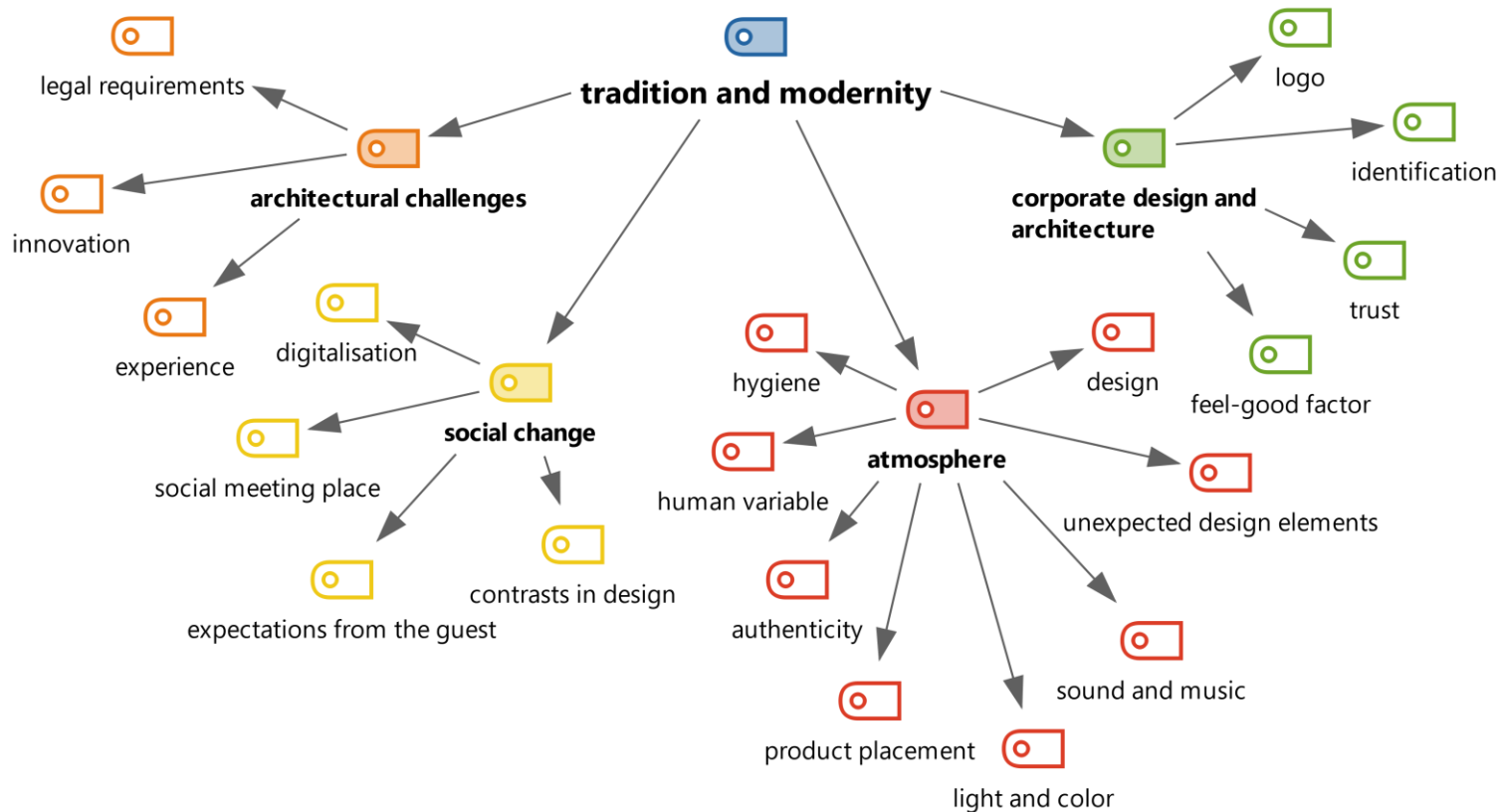
# 1<sup>st</sup> to 4<sup>th</sup> sub-study – Main Results

- Inns are **important meeting places** for society.
- Traditional inns face **various challenges** (e.g., demographic change, competition, lack of skilled workers, lack of successors).
- **Resilient approaches are needed** to address these challenges:
  - development of new target groups
  - establishment of new distribution channels (e.g., takeaway, delivery service)
  - adaptation of offers to guest requirements (e.g., events, farm stores)
  - combining tradition and modernity (e.g., food, furnishing)
- The **COVID-19 pandemic** is seen as an **opportunity** (e.g., distribution) as well as a **risk** (e.g., investment, lack of skilled workers).



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# 5<sup>th</sup> sub-study – Coding tree & Key statements



*“[...] tradition alone is not enough. We have to transport tradition into our present time.” (W5)*

*“However, the transfer of such traditional elements into modernity must always be done in combination [...].” (EX2)*

*“But in general, you see that people want traditional and, above all, an authentic design.” (EX1)*

Figure III: Coding tree of the 5<sup>th</sup> sub-study (created with MAXQDA-22)

## 5<sup>th</sup> sub-study – Main Results

- Inns are **meaningful meeting places** and **important places of communication**.
- A traditional inn is especially characterized by the **social factor**.
- The social functions of an inn have been **taken over by the cell phone** (can be used by customers to report on the inn experience or by innkeepers for social media (e.g., stories)).
- The **legal requirements are a challenge** to work innovatively.
- The **light is essential** for a successful design.
- The **feel-good factor is decisive** for whether guests visit the inn again or not.
- **Trust** is formed by consistency in **product quality**, in the **handling of table culture** and in **cleanliness**.





# Implications & Recommendation

- Inns are **meeting places** for people of **different social classes**.
- Innkeepers need to use **social media** to **showcase local products and their locations**, but also to **attract people** to their business **through regular posts and stories**.
- **Combining old and new** arouses customers' curiosity.
- **Resilient approaches are needed** in response to demographic change (e.g., developing new target groups (through events, farm stores), combining old and new).
- The development goes in the **direction of experience places and customer involvement**.



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# Implementation of the results in the new canteen in Innsbruck

- **team building:** involvement of students
- **purpose** of the canteen: eating and learning
- What is needed to **create a place of learning?**
  - noise level may not be too high
  - e.g., power sockets at tables
  - difficulty of various lighting for eating and studying (solution: dimmable lighting)
- **choose furniture** that encourages people to **stay in the room** (e.g., chairs with a backrest (conveys safety))



# Limitation & Future Research

## Limitations:

- local limitation of the interviews to two Austrian provinces (Tyrol and Upper Austria)
- not all stakeholders (e.g., customers, employees) were interviewed
- conducting the study during the COVID-19 pandemic

## Future Research:

- open stakeholder interests (e.g., consumers [tourists & locals], as well as employee view)
- investigate the trend of co-creation and hospitality as an experience
- research in other rural areas



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# Discussion



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To what extent can the presented results be generalized internationally?

If you might have concrete interest into future research cooperation's please inform us what you might bring in: [KMU-Tourismus@uibk.ac.at](mailto:KMU-Tourismus@uibk.ac.at)



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