

MEKELLE UNIVERSITY



THE IMPACT OF THE TIGRAY WAR (Nov 2020 to Nov 2022) ON THE ECONOMY OF STAR-RATED HOTELS: THE CASE OF AXUM

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By
Tsegay Resom Grmay

Advisors: Kebede Amare (PhD Candidate)
Co- Advisor: Genet Alebachew (MA)

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MEKELLE UNIVERSITY



Approved Board Committee

THE IMPACT OF THE TIGRAY WAR (Nov 2020 to Nov 2022) ON THE ECONOMY OF STAR-RATED HOTELS: THE CASE OF AXUM.

Tsegay Resom Grmay

Approved by:

Chairman, Graduate Program	Signature	Date
_____	_____	_____
Thesis Advisor	Signature	Date
_____	_____	_____
Co-Advisor	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date
_____	_____	_____
External Examiner	Signature	Date
_____	_____	_____

Declarations

I, Tsegay Resom, hereby declare that this thesis, entitled “**The Impact of the Tigray War (Nov 2020 to Nov 2022) on the Economy of Star-Rated Hotels: The Case of Axum,**” is a result of my original research. I affirm that this work has not been submitted for the award of any academic degree, diploma, or certificate in any institution.

I have thoroughly acknowledged the contributions and perspectives of all research participants involved in this study. To the best of my knowledge, I have accurately represented all materials and information utilized throughout this research. Furthermore, I confirm that all research procedures adhered to the standards and regulations set forth by Mekelle University.

This declaration underscores my commitment to academic integrity and the ethical conduct of research.

Researcher: Tsegay Resom Grmay

Signature: _____

Advisor; Kebede Amare (PhD Candidate)

Signature: _____

Date of Submission: January 2025

Program in Hospitality Management

Mekelle University

Mekelle, Ethiopia

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List of acronyms

HRACC - Hotel and Restaurant Approval and Classification Committee.

CCTV - Closed- Circuit Television

UNWTO - United Nation World Tourism Organization

SPSS - Statistical Package for Social Science

GDP- Gross Domestic product

ETB – Ethiopian Birr

\$ - US Dollar

USD - United States Dollar

Std. / SD- Standard Deviation

SDGs – Sustainable Development Goals

E.C – Ethiopian Calendar

WTTC – World Travel and Tourism Council

SAS - Statistical Analysis System

UAV - Unmanned Aerial Vehicles

UAE – United Arab Emirate

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Abstract

The effect of the Tigray War (November 2020–November 2022) on the economy of Axum town's star-rated hotels is assessed in this study. To give a thorough grasp of the war's economic effects on the hospitality sector, a descriptive research design using a mixed-methods approach was used. Using a non-probability purposive sampling technique, primary data was collected from interviews with hotel owners and general managers in Axum as well as questionnaires given to general managers, HR managers, department managers, and supervisors from all-star hotels. Secondary data was gathered from the Tigray Culture and Tourism Bureau, industry reports, and scholarly studies. The results show that star-rated hotels in Axum faced many difficulties during the Tigray War, underscoring the war's complex effects on the hospitality industry. Because of the steep drops in occupancy rates, hotels experienced severe financial losses, which resulted in service delivery being stopped, staff being laid off, and operations being shut down. There were numerous operational disruptions, including supply chain hiccups and challenges obtaining necessary products and goods. In addition, the war severely damaged assets and infrastructure, including property that was looted, destroyed, and vital systems, as well as fixed assets like cars and kitchenware. Operating and financial strains were exacerbated by the loss of consumables. Apart from offering theoretical and practical implications, the study also discusses the unique effects of the war on the star-rated hotels in Axum. Additionally, it's recommended to support the area's recuperation, build resilience, and guide the hospitality industry's future expansion. In order to address the effects of war and encourage long-term growth in the industry, lawmakers, hotel owners, and other interested parties can benefit from this study.

Key Terms:-Tigray War, Star-rated hotels, Hospitality sector, Economic impact, Occupancy rates, Revenue loss, Operational challenges, Recovery process.

Chapter One

1. Introduction

1.1. Background of the study

Hospitality encompasses the act of kindness in welcoming and attending to the essential needs of guests or strangers, particularly in terms of food, drink, and accommodation. A more modern interpretation views hospitality as a relational process between customers and hosts, emphasizing the interactions and emotional connections that develop during these experiences. When we refer to the "Hospitality Industry," we are discussing the companies and organizations that provide food, beverages, and lodging to individuals who are away from home, including hotels, restaurants, and travel services. However, this definition may not capture the full spectrum of hospitality, which also includes elements such as customer service, cultural exchange, and the creation of memorable experiences. Ultimately, hospitality is about fostering a sense of belonging and comfort, making it a vital aspect of human connection and community. (*Manual on Module II Introduction to Hospitality*, n.d.)

Filatova et al (2023) indicated, the tourism and hospitality sectors serve as vital pathways for achieving the Sustainable Development Goals (SDGs). Ranking among the leading industries in both developed and developing nations, hospitality plays a crucial role in job creation, poverty alleviation, the promotion of gender equality, and the enhancement of peaceful relations worldwide issues that are increasingly urgent in today's global landscape. The hospitality business, which encompasses hotels and restaurants, is a fundamental component of the tourism industry. It is dedicated to meeting the travel and recreational needs of people by providing accommodations, meals, transportation, and excursion services. These offerings not only enhance the overall tourism experience but also stimulate local economies and foster cultural exchange. Moreover, the sector supports sustainable practices by encouraging responsible tourism that benefits communities and preserves natural resources. The interconnectedness of hospitality and tourism underscores their importance in building resilient economies and promoting social development on a global scale. The importance of the tourism and hospitality sectors in reaching the Sustainable

Development Goals (SDGs) is immense. It highlights that these sectors not only drive economic growth but also play a crucial role in tackling urgent social challenges. In other words, their impact on both the economy and society is significant and should not be underestimated.

Sampaio (2024) stated the hospitality industry aims to deliver exceptional service and ensure guest satisfaction, but various factors influence the performance of these companies. This sector encompasses a broad array of services, including accommodations, food and beverage operations, as well as additional offerings like transportation, entertainment, and recreational activities. Despite providing similar services, companies within the hospitality sector are not uniform; they exhibit distinct characteristics. However, many hotels share common traits: they operate around the clock, seven days a week; they function as both a production and service industry, blending production and sales in the same environment; they encompass diverse operations that demand a high level of coordination; and they require staff with a wide range of skills.

The tourism and hospitality industry has faced numerous challenges and crises throughout its history. Its roots can be traced back to around 1800 B.C., during a time when European cities experienced significant cultural advancement. It was in the fifteenth century that the idea of commerce began to evolve, highlighting the potential profitability of providing accommodations for travelers. As societies developed, the demand for hospitality services grew, driven by increased mobility and trade. Over the centuries, this industry has adapted to changing economic conditions, social trends, and technological advancements. Despite facing various threats, such as wars, economic downturns, and global pandemics, the resilience of the tourism and hospitality sector has allowed it to recover and transform. Today, it remains a vital component of the global economy and continues to evolve in response to the needs of travelers and the challenges of the modern world. (Strobl, 2021)

In recent years, the international hospitality sector has faced a series of unprecedented crises, risks, and disasters that have adversely affected not only industry stakeholders but also tourists and local communities. These challenges have had both immediate and lasting consequences, highlighting a significant gap in the industry's preparedness and emergency response strategies. As a result, the hospitality sector has struggled to

effectively manage these situations, leaving it vulnerable to future disruptions and unable to safeguard the interests of guests and local populations. This ongoing lack of robust contingency planning underscores the urgent need for the industry to develop comprehensive emergency protocols to better navigate unforeseen challenges. (Albattat et al., n.d.).

The tourism sector, including the hotel industry, is particularly vulnerable to a range of global influences, such as economic downturns, climate change which intensifies extreme weather events like floods and hurricanes natural disasters (including volcanic eruptions and earthquakes), health crises (such as pandemics), and increasing threats from terrorism or ethnic and religious conflicts. These factors create significant safety concerns for tourists in affected regions, which can lead to a drastic reduction in visitor numbers and overall tourist traffic. In recent years, the hotel industry has been especially affected by the risks posed by the COVID-19 pandemic, which brought unprecedented challenges to the sector. Travel restrictions, health guidelines, and changing consumer behavior resulted in a sharp decline in occupancy rates and revenue. As a response, many hotels have had to adapt their operations, implementing enhanced health and safety protocols to reassure guests and comply with regulations. The industry's resilience is being tested as it navigates the recovery process, seeking innovative solutions to attract visitors while ensuring a safe environment. Additionally, the ongoing impacts of climate change and geopolitical tensions continue to pose challenges, underscoring the need for sustainable practices and strategic planning within the hospitality sector. (Tokarz-kocik et al., 2023).

According to the study of Balli & Billah (2022), the economic activities of the hospitality sector play a crucial role in generating income, creating jobs, earning foreign currency, supporting local traditional industries, attracting foreign direct investment, and developing infrastructure. In their investigation, the severe impact of the Russia - Ukraine war on the global economy, with rising inflation and sharp increases in commodity prices being the most prominent indicators. Stock markets worldwide have also felt the effects, although certain economic sectors that deal with relatively inelastic products such as oil and gas, food and beverage, and industrial goods are less likely to see a significant decline in demand despite drastic price fluctuations. Consequently, these sectors are expected to maintain stable revenue levels.

The global contribution of the Travel & Tourism sector to GDP has seen significant fluctuations from 2019 to 2023. In 2019, the direct contribution was USD 3.06 trillion, representing 2.8% of the global GDP, while the total contribution reached USD 9.90 trillion, accounting for 10.4% of global GDP. However, in 2020, the sector faced a drastic decline, with a direct contribution of USD 1.91 trillion, a decrease of 37.4% from 2019, and a total contribution of USD 4.89 trillion, down 50.6%. The sector began to recover in 2021, with a direct contribution of USD 2.25 trillion (2.4% of GDP) and a total contribution of USD 5.81 trillion (6.2% of GDP). By 2022, the direct contribution increased to USD 2.87 trillion (2.7% of GDP), and the total contribution rose to USD 7.94 trillion (8.7% of GDP). In 2023, the direct contribution returned to USD 3.06 trillion (2.8% of GDP), and the total contribution matched the 2019 level at USD 9.90 trillion (9.1% of GDP). In terms of employment, the sector also experienced notable changes over these years. In 2019, there were 121 million direct jobs (3.7% of global employment) and a total of 334 million jobs (10.4% of global employment). The pandemic severely impacted employment in 2020, reducing direct jobs to 90 million, a decrease of 25.6% from 2019, and total jobs to 261 million, down 21.9%. Recovery began in 2021 with direct jobs increasing to 99 million and total jobs rising to 290 million. By 2022, direct jobs had reached 110 million, while total jobs grew to 312 million. In 2023, the sector rebounded to 121 million direct jobs, the same level as in 2019, and a total of 330 million jobs, representing 9.9% of global employment, (*Travel and Tourism Economic Impact 2024*).

The pandemic led to the closure of over 30% of hospitality establishments, resulting in the potential loss of jobs for more than 50 million individuals globally. This situation raises concerns about a looming humanitarian and social crisis, as widespread unemployment in the sector could exacerbate existing vulnerabilities in communities reliant on tourism. The ripple effects extend beyond the immediate economic impact, affecting local economies, social structures, and mental health within affected populations. As the industry grapples with recovery, there is a pressing need for strategic interventions to support both businesses and workers, ensuring a resilient and sustainable future for the hospitality sector. (Nikoliuk et al. 2023)

Tourists prioritize health and safety during their travels, and it is widely recognized that their sense of security is paramount. As articulated by some, humans as travelers

want to feel safe, free, and at home, no matter where they are. When a negative perception of security emerges in a specific location, it can have immediate and far-reaching effects on hotel performance. Guests may choose to avoid destinations perceived as unsafe, leading to declining occupancy rates and revenue losses. Moreover, the impact of such negative perceptions can linger for an extended period, affecting future bookings and the overall reputation of the hotel and its location. This situation highlights the critical need for effective risk management strategies within the hospitality sector. Hotels must proactively address potential security threats and enhance their health and safety protocols to reassure guests. Moreover, fostering positive relationships with local authorities and communities can help mitigate risks and promote a secure environment for travelers. By prioritizing safety and security, hotels can not only protect their business interests but also contribute to a positive travel experience, ultimately ensuring long-term sustainability and success in the competitive tourism landscape (Lu Luo 2017) .

Kozlowski (2023) evaluated the extensive repercussions of war, which extend well beyond immediate conflict. Such situations result in significant casualties, including those among civilians, and lead to widespread destruction of infrastructure, businesses, and personal property. Also, wars contribute to political instability and raise serious security concerns, particularly in areas that are popular with tourists. These factors can deter visitors and have a lasting negative impact on the local economy and overall safety in affected regions.

Africa's travel and tourism sector continues to be a significant engine for economic growth on the continent, contributing 8.5% (or \$194.2 billion) to the GDP in 2018. This marks an increase from 8.1% in 2017 and 7.8% in 2016 (*Hospitality Report Africa* 2019). In 2021, Africa's Travel & Tourism sector began to recover from the severe impact of the COVID-19 pandemic, with its contribution to the regional economy rising by 23.5%, from \$97 billion in 2020 to \$119 billion. This recovery outpaced both the overall regional economic growth rate of 5.8% and the global Travel & Tourism sector's growth rate of 21.7%. As a result, the sector's share of GDP increased from 3.8% in 2020 to 4.4% in 2021. The rebound in GDP contribution also led to an increase in employment within the sector. After the loss of 5.8 million jobs in 2020 due to pandemic-related travel restrictions, Travel & Tourism jobs in

Africa grew by 8.2% in 2021, supporting a total of 21.3 million jobs across the region. (Travel and tourism report 2022)

Hotels encompass a wide range of activities related to providing food, beverages, and accommodations. They play a crucial role in the economic landscape of any community. This significance arises from their ability to generate direct revenue for local economies, as tourists spend money on hotels, restaurants, and entertainment facilities. Furthermore, hotels contribute indirectly to the economy by encouraging tourists to purchase retail goods, pharmacy products, and locally crafted souvenirs. Additionally, the influx of tourists to hotels drives the development of essential infrastructure, including roads and public transportation systems. The economic impact refers to the net changes in economic activity linked to a particular industry, event, or policy within a regional economy. This includes both the direct effects of tourist spending and the broader implications for local businesses and infrastructure development, highlighting the multifaceted benefits that the hotel sector brings to communities. Then the research of economy study in Kenya indicates that the hotel industry is among the fastest-growing sectors, exhibiting a substantial multiplier effect on employment and associated industries. (*Ministry of Tourism & Wildlife, and KAHK. The Economy in Kenya : 2020*).

Mukolwe et al. (2023) explored “the impact of human resource practices on hotel performance during crises, focusing on star-rated hotels in Kenya”. They noted that these Star-rated hotels are essential to the global economy, making substantial contributions to international tourism, job creation, and cross-cultural exchanges. These establishments not only provide luxurious accommodations but also represent excellence and diplomacy. They promote economic growth, attract foreign investment, and act as ambassadors for local culture.

Ethiopia is home to a diverse array of tourism attractions, including natural, religious, historical, cultural, and non-natural sites, all of which contribute significantly to the economy and hold immense potential. However, the sustainable development of the tourism industry in Ethiopia is hindered by various internal and external factors. Key challenges include a shortage of tourist facilities, a lack of skilled human resources, inadequate promotion, insufficient integration, and a lack of political will. (Engda, 2020)

The history of hospitality industry in Ethiopia goes back to more than 100 years with, beginning with the establishment of the Taitu Hotel in Addis Ababa in 1895 by Emperor Menelik II and Empress Taitu. Nestled in the Piassa district, this hotel retains its original name and stands as a symbol of the country's early foray into hospitality. Over the years, the industry has evolved significantly, reflecting Ethiopia's cultural heritage and the growing demand for tourism. Today, more than a hundred years later, the Taitu Hotel remains a prominent landmark, representing not only the beginnings of hospitality in the country but also its ongoing development. The industry now encompasses a diverse range of accommodations and services, contributing to Ethiopia's economy and enhancing its appeal as a travel destination. This historical foundation continues to influence the growth and modernization of hospitality services throughout the country. (Ababa A. 2017).

The Ethiopia economic impact (2023) indicates, in 2019, the Travel & Tourism sector in Ethiopia contributed ETB 169.7 billion directly to the GDP, accounting for 2.5% of the country's total GDP. The total contribution, which includes indirect and induced effects, reached ETB 436.6 billion, representing 6.3% of GDP. By 2020, the direct contribution dropped to ETB 102.4 billion (1.5% of GDP), and the total contribution declined to ETB 270.2 billion (3.9% of GDP), reflecting the significant impact of the COVID-19 pandemic. Recovery began in 2021, with the direct contribution rising to ETB 128.8 billion (1.8% of GDP) and the total contribution increasing to ETB 338 billion (4.5% of GDP). By 2022, the figures improved further, with a direct contribution of ETB 172.2 billion (2.2% of GDP) and a total contribution of ETB 448.8 billion (5.7% of GDP). In 2023, the sector's direct contribution stabilized at ETB 175.5 billion (2.2% of GDP), while the total contribution marginally increased to ETB 450 billion, comprising 5.5% of GDP. Employment followed a similar trend. In 2019, the sector supported 688,600 direct jobs, equivalent to 1.3% of total employment, and 1,942,900 total jobs, accounting for 3.6% of the workforce. By 2020, direct jobs declined to 515,700 (1.0% of employment), and total jobs fell to 1,528,000 (2.9%). In 2021, there was modest recovery, with direct employment rising to 548,000 (1.0%) and total employment reaching 1,567,000 (2.8%). The sector rebounded significantly in 2022, supporting 655,100 direct jobs (1.1%) and 1,862,000 total jobs (3.2%). By 2023, the figures further improved, with direct jobs increasing to

683,367 (1.1%) and total jobs reaching 1,965,054, representing 3.3% of the total workforce.

The Ethiopian hospitality sector, as a key component of the tourism industry, is experiencing positive growth. Despite facing numerous challenges, the hotel industry in Ethiopia has steadily developed over the past two decades. Currently, Ethiopia ranks as a leader in hotel expansion in East Africa, second only to Kenya. This growth reflects the sector's potential and resilience, positioning it as an increasingly important player in the region's tourism landscape.(Dinsa, n.d.).

Hotels play a crucial role in the tourism industry primarily because they fulfill one of the most fundamental needs of travelers: accommodation. However, guests utilize hotels for more than just a place to stay; they also take advantage of a variety of additional services offered. These may include amenities such as playgrounds, tennis courts, restaurants, saunas, bars, swimming pools, and more. This wide range of services enhances the overall guest experience, making hotels an essential component of the broader tourism landscape. (Jamal Ali et al., 2018)

The Tigray Regional State, located in Northern Ethiopia, is recognized as the birthplace of ancient Ethiopian civilization. Its tourism brand, Tigray: The Cradle of Ethiopian Civilization," highlights the region's rich historical significance. For over 3,500 years, Tigray has been the site of various religious, historical, and cultural events, resulting in a wealth of diverse heritage resources.(Atsibha G. Asmelash & Kumar, 2020). Tigray, known as the "Cradle of Ancient Ethiopian Civilization," is a prominent destination in Ethiopia, embodying the essence of the country's rich history. This is evident in its distinctive pre-Christian obelisks, numerous stone inscriptions, a multitude of rock-hewn churches, ancient monasteries, underground palaces, and imperial tombs, all of which reflect its remarkable and captivating heritage.(Gidey & Sharma, 2017). According to the study of Tafere et al. (2021) Tigray contributes to the economy through tourism by generating employment, creating foreign exchange, and influencing various sectors and the job creation across different segments has shown a steady increase, achieving an average growth rate of 15.54% from 2015 to 2019.

Aksum is historically recognized as Tigray Ethiopia's richest tourist destination, celebrated for its cultural attractions such as archaeological sites, religious landmarks,

and historical points of interest. Located in Northern Ethiopia, Aksum is one of the ancient centers of civilization and has held UNESCO World Heritage status since 1980. The town boasts numerous attractions for visitors, including the Aksumite stelae, with the largest measuring approximately 33 meters in height and weighing 520 tons—often considered the world's largest single stone billboard. Furthermore, Aksum is believed to house the Ark of the Covenant, regarded as the most valuable religious treasure globally. With its rich and largely undiscovered archaeological, historical, and religious heritage, Aksum draws significant numbers of foreign and domestic tourists each year, solidifying its status as one of Ethiopia's premier tourist destinations. (Bekele & Mezgebo 2019)

"The number of tourists visiting Axum has generally increased over the years, with notable declines in 1998, 1999, and 2000 due to the Eritrean-Ethiopian border conflict. This conflict resulted in a negative rate of change in tourist numbers during that period. Currently, Axum ranks as one of Ethiopia's premier tourist destinations, experiencing a steady increase in visitor numbers over time. For example, in 1998, there were 6,625 international tourists and 9,480 domestic tourists. By 2010, these figures had risen significantly to 18,032 international tourists and 22,359 domestic tourists. Tourism has a multi-dimensional impact, influencing economic, socio-cultural, environmental, and political aspects. It generates employment for 2,389 individuals, with the number of employed workers among business household heads increasing by 11% annually. Additionally, these households see an income rise of 8.8% each year as tourist flows increase. In terms of revenue, the Culture and Tourism Office collected 676,468 Birr in 2009 and 737,124 Birr in 2010. The church received 364,232 Birr in 2009 and 382,453 Birr in 2010. Overall, the town generated a total of 2,160,277 Birr in revenue over these two years, excluding tourist expenditures on transportation, guides, lodging, and other services. This growth is linked to infrastructural development, which, despite some limitations, has contributed to an increase in tourist numbers and revenue. Beyond its economic benefits, tourism also plays a significant role in socio-cultural, environmental, and political spheres, contributing to infrastructure development, and the preservation of attractions, increased environmental awareness, and the empowerment of women, among other positive effects." (Kidane & Berhe 2017)

The war started on 4 November, when Ethiopian Prime Minister Abiy Ahmed ordered a military offensive against the regional national government of Tigray. He alleged the war was in response to an attack on a military base housing government troops in Tigray. The Involved parties were, the entire Ethiopian defense forces, The Amhara Special Forces and Region Militia, the Eritrean armed forces, and Unmanned Aerial Vehicles (UAV) supplied by the United Arab Emirates (UAE), the above parties are mercilessly mass-killing civilians and destroying civilian infrastructure. (Atsbha, 2021).

The hospitality sector is a vital component of the global economy, significantly contributing to revenue generation, job creation, and economic growth in various regions. Its impact is particularly pronounced in areas where tourism is a primary economic driver. However, the success of hotels and related businesses hinges heavily on tourism demand, which is influenced by numerous factors that can either facilitate or obstruct the arrival of potential guests.

The years 2020, 2021, and 2022 presented formidable challenges for the global tourism and hotel industry. The coronavirus pandemic, which emerged in early 2020, led to unprecedented disruptions, resulting in significant financial losses across the travel and tourism sectors worldwide. Airlines, hotels, and tour operators faced massive declines in bookings, leading to widespread layoffs and closures. While there was a glimmer of hope as restrictions began to ease in most areas, the war in the Tigray region of Ethiopia further complicated recovery efforts in Tigray Ethiopia due to the war. This war has had a profound impact on tourism in the Tigray region area, particularly affecting the star-rated hotels in Axum, which rely heavily on both domestic and international visitors. The combination of pandemic-related challenges and regional instability has created a precarious situation for the industry.

As reported by the Tigray Culture and Tourism bureau, the region of Tigray, located in northern Ethiopia, once experienced significant growth in tourism and hospitality, business activities, and overall development. Currently, Tigray is home to more than 20 star rated hotels, with ratings spanning from one to four stars. However, since November 2020, the region has been plunged into a devastating war with federal government and Eritrean government that has resulted in widespread displacement of populations, the destruction of essential infrastructure, and a tragic loss of civilian

life. The turmoil has had a profound effect on the hospitality industry, a vital contributor to the region's economy, resulting in financial instability and operational difficulties for local hotels. The war has disrupted tourism, leading to a decline in bookings and revenue, which has adversely impacted employment and the broader economic environment. As local hotels navigate these challenges, their capacity to maintain operations and support the community has been significantly undermined.

The primary objective of this thesis is to investigate the effects of the war on Axum, Tigray's star-rated hotels from November 2020 to November 2022. The study intends to contribute to the expanding body of literature by identifying and quantifying the ways in which wars impact the region and by investigating the specific impacts of the war on these hotels. This dual focus offers a thorough grasp of the economic effects of war on the hospitality sector, particularly in the context of Axum, and demonstrates the broader implications for the industry in Tigray. The study intends to provide significant insights into the hospitality industry's resilience and vulnerabilities in challenging circumstances by analyzing these dynamics.

1.2. Statement of the problem

A significant body of literature confirms that war impacts on tourism and the hospitality industry by influencing visitor flow and various other factors. War can also damage visitor attractions, tourism infrastructure, and communication systems. Furthermore, it can harm the destination's image, which in turn affects the promotion and marketing efforts for those accommodations.

According to Viela de Silva & Harb, (2010), study “*the civil war in Lebanon in the period from 1975 to 1992*” had a devastating effect on the tourism sector, leading to the complete destruction of infrastructure and significant damage to the economy. As a result, the number of hotels in Beirut fell from 130 to 44, and visitor overnight stays dropped fivefold between 1974 and 1979. By 1977, tourism’s contribution to Lebanon’s GNP had plummeted to just 7.4%. By 2006, the sector showed promise, with forecasts predicting 1.7 million tourists, \$1.5 billion in revenue, and over 150,000 new jobs. However, this progress was abruptly halted by the 2006 Israel-Hezbollah war, which inflicted billions of dollars in damages to airports, roads, and ports, severing Lebanon from international tourism once more. The war caused the tourism industry to lose hundreds of millions of dollars and reinforced Lebanon’s

marginalized image as a destination plagued by war and insecurity. Then severely impacted the economy and the environment, and taking a particularly heavy toll on the tourism industry. Many businesses were forced to shut down, resulting in widespread layoffs as employees lost their jobs. This history underscores the profound vulnerabilities of the tourism sector in the face of conflict, highlighting the need for resilience and recovery strategies in affected regions.

Kozłowski, (2023) reveals that the ongoing conflict in Ukraine has had a profound impact on the hospitality sector in 2022. The hospitality sector plays a crucial role in economic stability, job creation, and the achievement of Sustainable Development Goals (SDGs). This study examines the impact of the Russian-Ukrainian war on the hotel and restaurant industries and suggests recovery strategies. The war has led to significant operational challenges, with 23% of businesses shutting down entirely and 54% operating at reduced capacity due to safety concerns and logistical disruptions. Financially, over 50% of businesses faced cost increases of 20-50%, and more than 40% of hotels reported profit reductions exceeding 50%. Regional disparities are evident, with western Ukraine experiencing higher occupancy rates due to displaced populations, while eastern regions suffered severe disruptions. Key challenges include supply chain issues, staffing shortages, and reduced consumer purchasing power. In response, businesses have adapted by offering budget-friendly services and focusing on sustainability. Recommendations for recovery include government support, international collaboration, targeted marketing, and the integration of sustainability practices, emphasizing flexibility and adaptability in a changing environment.

The war in Tigray, which began in November 2020, had profound and lasting effects on the region, particularly in the town of Axum accommodations, renowned for its historical significance and tourism potential. The hospitality sector, specifically star-rated hotels, was severely impacted by the war, leading to a dramatic decline in occupancy, revenue, property and equipment and tourist and travelers. This decline not only affected the revenue and sustainability of these hotels but also had broader implications for the local economy and the livelihoods of residents who depended on tourism-related activities.

Despite the critical role that the hospitality industry played in fostering economic growth, job creation, and cultural exchange, there was a lack of comprehensive

analysis regarding the specific economic ramifications of the war on star-rated hotels in Axum. Existing literature on the impacts of war on tourism tended to focus on general trends without delving into localized case studies that highlighted unique challenges and adaptations within specific regions.

This thesis sought to fill this gap by examining the direct and indirect effects of the war on the economy of star-rated hotels in Axum. It assessed the changes in occupancy rates, revenue generation, and property of the hotels, operation and overall economic contributions of these establishments in the context of a protracted war. So, the research aims to provide valuable insights into the resilience of the hospitality sector amidst adversity and contributed to a broader understanding of how war can uniquely affect local economies of star rated hotels.

1.3. Research question

1. How were the pre-war occupancy rates and revenue figures for star-rated hotels in Axum town?
2. How were the occupancy rates and revenue figures for star-rated hotels in Axum town during the war?
3. What is the impact of war on the property and income of the star-rated hotels in the Axum town during the war?
4. What are the difficulties encountered by hotel owners and employees during the war?
5. What strategies can be implemented to support the recovery and revitalization of the star-rated hotel sector in Axum town?

1.4. Objective of the study

1.4.1. General objective

The general objective of the study is to investigate the impact of the war on the economy of star-rated hotels in Axum town.

1.4.2. Specific objective

- ✓ To assess the pre-war the occupancy rates and revenue figures for star-rated hotels in Axum town.
- ✓ To outline the occupancy rates and revenue figures for star-rated hotels in Axum town during the war period.
- ✓ Assess the impact on the property and income of star-rated hotels in Axum.

- ✓ To investigate the difficulties encountered by hotel owners and staff during the war.
- ✓ To identify the strategies that can be implemented to support the recovery and revitalization of the star-rated hotel in Axum town.

1.5. Significance of the study

This study holds significant importance as it investigates the impact of the war on the star-rated hotel industry in Axum, Tigray. The findings of this research contribute to a deeper understanding of how protracted war affects the hospitality sector, particularly in regions with rich historical and cultural significance. By focusing on Axum, a town renowned for its archaeological heritage and tourism potential.

The results provide valuable insights for policymakers, stakeholders, and practitioners in the tourism and hospitality sectors, informing strategies for recovery and resilience in the aftermath of the war.

Firstly, it addresses a critical gap in the existing literature by focusing on the specific effects of war on the economy of star-rated hotels in war-affected areas. While the broader implications of war on the hospitality sector are recognized, there is a scarcity of comprehensive studies specifically targeting this segment. By filling this gap, this research contributes new knowledge and a deeper understanding of the unique challenges faced by star-rated hotels in Axum during the war.

Secondly, the findings serve as a crucial resource for various stakeholders in the hotel industry. Hotel operators, particularly those managing star-rated establishments, will benefit from insights into how the war has affected their economic performance. Equipped with this information, hoteliers can make informed decisions, adapt their business strategies, and explore new opportunities for growth and resilience in difficult circumstances. Additionally, the research has significant implications for policymakers, tourism boards, and industry associations. The insights gained can inform policy development and help create targeted interventions to support the recovery and revitalization of the star-rated hotel sector in Tigray. Through understanding the specific challenges faced by hotels in Axum, stakeholders can collaborate to foster a favorable environment that promotes the success and sustainability of the hospitality industry in the region.

Furthermore, this study lays the foundation for future research, encouraging further exploration of the economic impacts of war on tourism-related sectors and other areas in similar contexts.

1.6. Scope of the study

This research focused on the impact of the war on the economy of star-rated hotels in Axum, Tigray, during the war. It specifically examined how the Tigray War influenced the economic conditions of these hotels, providing a detailed analysis of the various dimensions of their operations.

The primary emphasis of the study was to explore the effects of the Tigray War on several key aspects of the star-rated hotels' economy, including revenue generation, occupancy level, operational challenge and property damage. By investigating these areas, the research aimed to discover the specific challenges and disruptions faced by these establishments in the context of war. In addition, the study sought to provide actionable recommendations for stakeholders within the hotel industry. These recommendations addressed critical areas such as policy enhancements, investment strategies, preventive measures, and improved collaboration among industry stakeholders. By offering these insights, the research intended to contribute to the recovery and resilience of the star-rated hotel sector in Tigray, ultimately supporting the industry's revitalization in the aftermath of the war.

The scope of this study is thus limited to the economic implications of the war on star-rated hotels in Axum, ensuring that the findings are relevant and targeted to the specific context of the Tigray region Axum town during the war time.

1.7. Limitations of the study

This study acknowledged several limitations that may have influenced the research outcomes. These limitations pertained to data availability, access to stakeholders, and the generalizability of the findings beyond Axum, Tigray.

Firstly, the impact of war on the hospitality sector was a relatively recent area of study in Ethiopia. As such, there was a scarcity of existing research specifically addressing the effects of the Tigray War on the economy of star-rated hotels in Axum. While the broader implications of the war had been explored, the specific dynamics impacting the hospitality sector had not been thoroughly investigated. This lack of relevant

literature necessitated a more descriptive approach, which limited the depth of analysis regarding the nuanced impacts of the war on these hotels.

Secondly, obtaining accurate and comprehensive data on the star-rated hotel industry in Axum, both before and during the war, proved challenging. The limited availability of reliable data constrained the analysis, potentially hindering the study's ability to draw more precise conclusions about economic performance and the challenges faced by these establishments.

Additionally, the generalizability of the findings was a critical consideration. The results of this study had limited applicability outside of Axum, as the unique context, cultural dynamics, and conditions of the region restricted the transferability of the research outcomes to other areas or war-affected regions.

In summary, this study provided valuable insights into the economic impact of the war on star-rated hotels in Axum, it is crucial to recognize these limitations, as they affected the depth and applicability of the findings. Future research could benefit from addressing these gaps to enhance understanding of the hospitality sector in war affected areas.

1.8. Ethical considerations

Mazzuchi and Soyer (1991) states Ethics is the principles and standards that influence moral decisions regarding behavior and relationships with others. In research, the primary aim of ethics is to ensure that no individuals are harmed or face negative consequences as a result of research activities. Every person is entitled to privacy, and researchers are obligated to uphold this right. Research should be structured to prevent any physical harm, discomfort, pain, embarrassment, or violation of privacy for participants. To protect against these risks, researchers should adhere to three key guidelines: 1. clearly outline the benefits of the study. 2. Communicate participants' rights and the protections in place for them. 3. Secure informed consent from participants.

Before initiating data collection, the researcher visited the selected star-rated hotels with a letter of support from Mekelle University, ensuring adherence to the university's research policies. Data collection began only after securing voluntary and informed consent from the participating hotels. The researcher took significant

measures to protect the privacy and rights of the respondents by assuring them that all collected data would remain confidential and used solely for academic purposes. Participants were informed that their participation in the study was entirely voluntary, allowing them the freedom to decide whether to take part without any coercion.

The study aimed to assess the impact of war on the economy of star-rated hotels in Axum during the war. Throughout the research process, the researcher adhered to a strict set of ethical guidelines. This included obtaining informed consent from all participants, which involved providing comprehensive information about the study's aims, procedures, and any potential risks involved. In addition, the researcher made efforts to ensure confidentiality by safeguarding personal information and ensuring that data would not be disclosed without the participants' consent.

The researcher was dedicated to protecting the rights of participants, respecting their autonomy, and acknowledging their contributions to the research. By prioritizing these ethical standards, the study aimed to generate valuable insights into the challenges faced by the hospitality sector in Axum during a time of war.

1.9. Operational Definition

1. **Tigray War:** The Tigray War refers to the war that took place in the Tigray region of Ethiopia from November 2020 to November 2022. It involved the Ethiopian Federal government forces, Amhara militia, and special force of all regional state of Ethiopia supported by Eritrean military forces, against the Tigray People's Liberation Front (TPLF), a regional political government.

2. **Star-rated hotels:** Star-rated hotels refer to establishments in the hospitality industry that have received official ratings or classifications based on their quality, services, facilities, and amenities. These ratings range from one to five stars, with a higher number of stars indicating a higher level of luxury, comfort, and service provided by the hotel.

3. **Economy:** The economy refers to indicate the hotel financial aspects of its operations and the factors that contribute to its profitability and success. It involves various elements, cost management, and overall financial performance or the overall revenue of the hotels.

4. **Hospitality industry:** The hospitality industry comprises businesses that provide lodging, accommodation, food and beverage services, and other related services to travelers and guests. It includes various establishments such as hotels, resorts, restaurants, bars, event venues, and tourism companies. The hospitality industry plays a significant role in promoting tourism, generating employment, and contributing to the local economy.

5. **Impact of war:** The impact of war refers to the wide-ranging effects and consequences that armed conflicts have on various aspects of society, including individuals, communities, economies, infrastructure, and the environment. These impacts can be both immediate and long-term, and they can manifest in various ways

6. **Star:** In the context of ratings, star refers to a symbol or indicator used to classify and evaluate the quality, standard, or performance of a product, service, or establishment. The higher the number of stars, the higher the perceived quality or excellence.

8. **Hotel:** A hotel is an establishment that provides lodging, accommodation, and other related services to travelers, tourists, and guests. Hotels typically offer rooms or suites for guests to stay overnight or for an extended period. They may also provide amenities such as restaurants, spas, fitness centers, meeting rooms, and concierge services.

9. **Tigray:** Tigray is a region located in northern Ethiopia. It is one of the nine regional states of Ethiopia and is known for its rich history, cultural heritage, and scenic landscapes. Tigray has faced various challenges, including armed conflicts and political tensions, such as the Tigray War.

1.10. Organization of the paper

This thesis is structured to provide a comprehensive examination of the impact of war on the economy of star-rated hotels in Axum, Tigray. The organization of the thesis is as follows:

Chapter 1: Introduction

This chapter introduces the research topic, providing background information on the hospitality industry in Axum and the context of the war. It outlines the research objectives, significance, and the specific questions the study aims to address.

Chapter 2: Literature Review

In this chapter, a review of existing literature related to the impact of war on the economy of hospitality sector is presented. It discusses relevant theories, previous research findings, and gaps in the literature that the current study seeks to fill.

Chapter 3: Methodology

This chapter details the research design and methods employed in the study. It describes the data collection process, including the sampling of hotels, the instruments used for data gathering, and the ethical considerations that guided the research.

Chapter 4: Findings and Discussion

This combined chapter presents the data collected from the star-rated hotels and discusses the implications of those findings. It includes both qualitative and quantitative analyses, highlighting key themes and trends identified during the research. The discussion interprets the results in relation to existing literature, exploring their significance and the broader context of the hospitality sector in a post-war environment.

Chapter 5: Conclusion and Recommendations

The final chapter summarizes the main findings of the study, discussing their relevance and implications for stakeholders in the hospitality industry. It offers recommendations for future research and practical strategies to support the recovery of the sector in Axum.

References

All references cited in the thesis are carefully organized and formatted according to academic standards, using Mendeley and following the APA 7th edition guidelines.

Appendices This section includes supplementary materials, such as survey instruments, interview guides, and any additional data relevant to the study.

Chapter Two

2. Review of Related Literature

This section delves into a comprehensive review of relevant literature within the context of the tourism and hospitality industry. It covered theoretical, empirical, and conceptual studies that provide foundational insights into the subject matter.

The review specifically assessed literature that is closely linked to the impact of war on the economy of star-rated hotels, evaluating how war influenced various aspects of the hospitality sector. By examining these interconnected themes, the study aimed to highlight key findings and insights from previous research.

Finally, this chapter presented a conceptual framework for the study, which is developed based on the insights collected from the prior theoretical and empirical literature. This framework serves as a guiding structure for analyzing the research questions and objectives, ensuring that the study is grounded in established knowledge by addressing the unique context of the current investigation.

2.1. The Concept of Hospitality

The hospitality industry encompasses a wide range of sectors within the service industry, including lodging, restaurants, event planning, theme parks, transportation, cruise lines, and other areas related to tourism. This multi-billion dollar industry largely relies on people's leisure time and disposable income. A hospitality establishment, such as a restaurant, hotel, or amusement park, comprises various teams, including facility maintenance, direct operations (such as servers, housekeepers, porters, kitchen staff, and bartenders), as well as management, marketing, and human resources (Walker, John R, 2014).

The hospitality industry is a component of the broader travel and tourism sector, which encompasses a wide array of businesses united by a common goal: providing essential or desirable products and services to travelers. Hospitality can be described as a deliberate and sustained effort to foster mutual understanding between an organization and the public, emphasizing the importance of building and maintaining relationships and creating an atmosphere of goodwill. According to the Oxford Dictionary, hospitality is defined as "the reception and entertainment of guests,

visitors, or strangers with liberality and goodwill." The term has its roots in the Latin word "hospitalitas" (Godfrey, 2012).

Broadly speaking, Hospitality is the act of kindness in welcoming and looking after the basic needs of customers or strangers, mainly in relation to food, drink and accommodation. A contemporary explanation of Hospitality refers to the relationship process between a customer and a host. When we talk about the Hospitality Industry, we are referring to the companies or organizations which provide food and/or drink and/or accommodation to people who are away from home. However, this definition of the Hospitality Industry only satisfies most situations (Mackenzie & Chan, 2013).

The hospitality industry encompasses a diverse array of organizations that provide food services and accommodations. It is categorized into various sectors based on the skill sets needed for the associated tasks. These sectors include accommodation, food and beverage, meetings and events, gaming, entertainment and recreation, tourism services, and visitor information (Walker, John R, 2014).

According to Adolph, (2016) Providing guests with lodging, food, drinks, and recreational amenities like a spa or health club, among many other things is known as the hospitality industry. The hospitality sector encompasses more than just hotels; it also includes airlines, cruise lines, restaurants, ancillaries, etc.

2.1.1. Characteristics of the Hospitality Industry

The exploration of various products and services in the hospitality industry revealed essential attributes of professional staff in this field. It became clear that working in hospitality can be quite challenging. Unlike other sectors, the hospitality industry is uniquely service-oriented, emphasizing human interaction throughout the service delivery process. A summary of the key characteristics associated with the hospitality industry is presented below (Mackenzie & Chan, 2013)

Product-Service Mix

In the hospitality industry, several factors beyond just food or room facilities contribute to overall enjoyment and satisfaction for customers in restaurants and hotels. Typically, customers engage with a blend of products and services; for example, dining at a restaurant involves paying not only for food and beverages but also for the service provided by the staff. Tangible features include the main course,

such as steak, drinks like a glass of house wine, well-groomed staff, and the decor of the restaurant. In contrast, intangible features encompass elements like a comfortable dining atmosphere and the friendly demeanor of the staff.

A successful hospitality business relies not only on its products and services but also on how these are delivered. The quality of staff and their service approach often play a more crucial role than the tangible products in determining whether the hospitality experience is satisfactory. Since tangible products can be easily replicated by competitors, hospitality operations targeting high-end customers and seeking to provide superior quality increasingly invest in enhancing service standards as a strategy for differentiation.

Two-way Communication

To achieve service excellence in the hospitality industry, two-way communication is a crucial factor that necessitates the involvement and participation of both customers and service staff in the service delivery process. Through interactions with customers, service staff can gather important insights regarding their needs and expectations, enabling them to take immediate actions that foster customer satisfaction. Additionally, communication among internal staff and across departments is essential, as the overall experience for customers using lodging or food and beverage services typically relies on teamwork and the exchange of information within the organization.

Relationship Building

The hospitality industry highly depends on repeated customers for survival. Building long term relationship with customers can benefit the organizations for generating stable revenues regardless of the instability of seasons and at the same time, developing brand reputations through positive word-of-mouth of the repeated customers. In order to develop brand loyalty, different methods are currently applied by the lodging and food service sectors, such as membership programs which give privileges and incentives to frequent customers. However, top management of organizations do believe that the informal ways of building “friendship” between front-line staff and customers through high degree of personal attention and customization can win the loyalty of customers in long run.

Diversity in Culture

The hospitality industry, closely linked to tourism, inherently involves a diversity of cultures as both customers and staff interact with one another. Hospitality employees frequently engage with customers from various regions and collaborate with colleagues from different backgrounds. These cultural differences, including varying religious beliefs and values, can sometimes lead to conflicts and misunderstandings. To navigate these challenges, staff should adopt an open-minded attitude and work together to find solutions. For instance, some customers may abstain from meat due to religious beliefs, necessitating that restaurants offer vegetarian options to meet their needs. Similarly, staff members should avoid consuming pork or dishes containing pork if they have Muslim colleagues, demonstrating respect for their beliefs. This cultural diversity underscores the importance of local staff understanding different cultures, allowing for flexible services that cater to customers' national backgrounds and fostering harmonious cooperation among colleagues of diverse nationalities.

Labor Intensive

The hospitality industry is inherently service-oriented, requiring a substantial workforce to create memorable experiences for customers. This is particularly evident in establishments that cater to high-end clientele, such as fine dining restaurants and five-star hotels, where the staff-to-guest ratios are often high to ensure personalized, one-on-one service. While technological advancements have streamlined some simple tasks within the service process, customers who value the element of care typically expect a high degree of human interaction and personalized attention during their experiences. This demand for personal service explains why the industry consistently seeks labor and invests significant time and resources in training and recruiting qualified candidates to join its workforce.

2.2. History of the Hotel Industry

W, Walker and John R, (2014) noted that the hospitality industry is one of the oldest commercial activities in the world, fundamentally serving the diverse needs of travelers. Its origins and development are closely linked to the evolution of the tourism industry. When individuals journey away from home, they require accommodation, which is not something they can transport. Historically, primitive lodging houses or inns emerged to fulfill these needs, providing a place for rest and respite for travelers.

Across different cultures and regions, establishments providing hospitality have been known by various names, reflecting local customs and practices. In Japan, traditional inns called ryokans offer a unique blend of hospitality and cultural experience. In the United States, coffee houses serve as social hubs for travelers and locals, providing food, drink, and a space for community interaction. Similarly, in India, dharamshalas and sarais have historically provided lodging to weary travelers, often emphasizing hospitality rooted in cultural and religious traditions (W, Walker and John R, 2014).

The hospitality industry has undergone considerable transformation over the centuries, responding to shifting societal demands and expectations. It has progressed from basic accommodations to complex hotels and resorts, now offering a diverse array of services and amenities aimed at enhancing the travel experience. This evolution demonstrates the industry's capacity for innovation while staying true to its core mission: to offer comfort and care to individuals away from home. As global travel expands, the hospitality sector remains vital in supporting tourism and enriching travelers' experiences (W, Walker and John R, 2014).

The term "hotel" originates from the French word *hôtel*, which comes from *hôte*, meaning host. Initially, it referred to a townhouse or similar building rather than a place for accommodation. A hotel is defined as an establishment that provides paid lodging and meals on a short-term basis. According to British law, a hotel is a place where a bona fide traveler can receive food and shelter, provided they are capable of paying and are in a suitable condition to be accommodated. The emergence of hospitality as a commercial activity was significantly influenced by the invention of currency and the wheel (W, Walker and John R, 2014).

From the modest ancient inns to today's luxurious hotel properties, the industry has undergone substantial evolution. This development can be categorized into three main eras:

Ancient Era: Early inns provided basic accommodations, typically consisting of a room with a bed, cupboard, small table, and washstand, often run by a husband-and-wife team. They offered simple meals and beverages like wine and alcohol. Travel during this time was primarily for religious or survival purposes. Travelers often rode horses, and hosts provided stables for them. Entertainment was usually offered by the host's family. This situation persisted for centuries until the Industrial Revolution in

England, which shifted the focus of travel from religious or educational purposes to business (W, Walker and John R, 2014).

Grand Tour: The French Revolution marked a golden age of travel. In 1670, Richard Lassell coined the term "Grand Tour" in his book *Voyage to Italy*. This tour was popular among wealthy young travelers who could afford to spend years abroad, visiting culturally significant cities such as Paris, Rome, and Venice. Grand Tourists often spent weeks in smaller cities and several months in major ones, with Paris being the most favored destination due to its cultural significance and accessibility. The goal of the Grand Tour was educational, preparing travelers to assume aristocratic responsibilities upon their return to England (W, Walker and John R, 2014).

Modern Era: The Industrial Revolution transformed travel from a necessity for religious or health reasons to one focused on leisure and holidays. This shift increased the demand for quick, luxurious, and clean services. By 1800, the United States led the way in developing modern first-class hotels, while European hotels primarily catered to aristocrats. American hotels became accessible to anyone who could afford nominal rates, significantly impacting the industry. The City Hotel, erected in New York in 1794, was notable as the city's first skyscraper. As the 20th century approached, the hotel industry faced the challenge of catering to a new generation. Throughout the 19th century, numerous luxurious hotels were established, including The Palace in San Francisco (800 rooms), the Sultan Hotel in Jakarta (1,104 rooms), and the Grand Sierra Resort in Nevada (1,995 rooms) (W, Walker and John R, 2014).

2.3. The Concept of Hotel

According Walker, John R,(2014) defines a hotel as one that offers lodging, meals, and refreshments for a range of durations to visitors who may book their stay in advance or when they arrive. In general, hotels are made to accommodate contemporary tourists' needs. A hotel can be defined by dictionaries as a place that provides lodging and board, a place to entertain tourists, or a prestigious public structure. A hotel is a place that welcomes anyone who can pay for their stay and behaves properly, according to common law.

The definition provided by International College of Hospitality Management, (2010) Hotels are establishments that provide guests with lodging, meals, and additional services. Therefore, a hotel is a place where a legitimate traveler who can afford it and

is in a fit state to receive it can get food and lodging. Hotels now provide a wide range of extra services beyond just accommodation and food, depending on the needs of the guest. For example, many hotels offer childcare, a health club, and other amenities.

In 1933, during discussions with the National Recovery Administration, hotel operators presented a definition of hotels as a business entity, articulated by Stuart McNamara. He stated that hotels offer accommodations, meals, and refreshments for varying periods, catering to guests who may reserve their stay in advance or upon arrival. Broadly speaking, hotels are designed to meet the needs of modern travelers. Dictionaries define a hotel in several ways: as "a place that supplies board and lodging," "a venue for entertaining travelers," "a distinguished large city establishment," and "a public building." According to common law, a hotel is defined as "a place where anyone who behaves properly and is able and willing to pay for their stay is welcomed." The hotel industry is a segment of the service industry responsible for providing food and shelter. Establishments that offer only accommodations are referred to as lodges, while those that serve food exclusively are called restaurants (Walker, John R, 2014)

As a part of the service industry, the hotel sector exhibits distinct characteristics compared to other industries. Hotels operate year-round, twenty-four hours a day, often requiring longer hours than many other fields. Individuals aspiring to senior positions in hospitality may work ten to twelve-hour days, including evenings and weekends, which means working while others are enjoying their free time. The industry heavily relies on shift work, with employees typically assigned to one of four shifts. Supervisors and managers often start their shifts in the morning and can work until late evening. The schedule includes early morning shifts starting at 7 A.M., mid-shifts from 10 A.M. to 7 P.M., evening shifts from 3 P.M. to 11:30 P.M., and overnight shifts from 11 P.M. to 7:30 A.M. Success in this field requires dedication and a willingness to adapt to its demanding nature. Many hotels rely solely on interior designers for the development of their hotel concept. But a hotel cannot thrive on design alone. A hotel concept goes beyond aesthetics and integrates all the constituent elements of hotel operation into a coherent and compelling whole. Starting with its unique story, it defines what a hotel looks like, what services it offers, how it presents and markets itself and how its staff interacts with guests. (*Hotel Concept Handbook*, n.d.)

2.3.1. Classification of Hotels Based on Stars

In accordance with the April 2016 First Edition of the Introduction to Hospitality Management Student Handbook, the following hotel categories are listed: 5 Star Deluxe, 5 Star, 4 Star, 3 Star, 2 Star, and 1 Star.

The Fifteen Group, (2018) states that in India Hotels are assessed and inspected by the Hotel & Restaurant Approval and Classification Committee (HRACC) according to the amenities and services they offer. The amenities and services required by star-rated hotels are listed below.

Five Star Hotels

These are luxurious hotels located mostly in the big cities. These hotels provide all the modern facilities for accommodation and recreation matching international standards in hospitality. The architectural features and general features of the building should be exceptionally good. There should be ample parking facilities. The hotel should be centrally air-conditioned. The ambiance and décor of the hotel should be good. There should be a lounge or seating area in the lobby with Door Man on duty. There should be a reception facility with a reservation and information facility. The staff should be well trained and in proper uniform. Proper standards of hygiene and sanitation must be followed.

All the rooms should be spacious and should have an attached bathroom. The rooms should have a television with cable. At least one room for the differently-abled guest should be provided. Verification of guests, CCTV installed at strategic locations, Metal detectors (door frame or hand-held), underbelly scanners to screen vehicles, and X-ray machines are safety and security measures to be taken by the hotels.

There should be provision of a business center, swimming pool, conference, health and fitness facility, souvenir shop, utility shop, book shop and left luggage facility is mandatory. The hotel must have one multi-cuisine restaurant cum coffee shop, specialty restaurant, and 24 hr. room service and bar.

Four Star Hotels

The architectural features and general features of the building should be exceptionally good. There should be ample parking facilities. The hotel should be centrally air-conditioned. The ambiance and décor of the hotel should be good. There should be a

business center, and left luggage facility. All the rooms should be spacious and should have an attached bathroom.

The rooms should have a television with cable. At least one room for the differently-abled guest should be provided. There should be a lounge or seating area in the lobby with Door Man on duty. There should be a reception facility with a reservation and information facility. The staff should be well trained and in proper uniform. Proper standards of hygiene and sanitation must be followed.

There should be one multi-cuisine restaurant cum coffee shop, one specialty restaurant, and 24 hr. room service and bar. Verification of guests, CCTV installed at strategic locations, Metal detectors (door frame or handheld) and underbelly scanners to screen vehicles are safety and security measures to be taken by the hotels.

Three Star Hotels

These are mainly economy-class hotels located in bigger and smaller cities and catering to the needs of budget travelers. The architectural features and general features of the building should be good. There should be ample parking facilities. At least 50% of the rooms should be air-conditioned. The ambiance and décor of the hotel should be good. All the rooms should have attached bathrooms. The rooms should have a television with cable. At least one room for the differently-abled guest should be provided.

There should be a lounge or seating area in the lobby with Door Man on duty. There should be a reception facility with a reservation and information facility. The staff must be well trained and proper standards of hygiene and sanitation must be followed. There should be one multi-cuisine restaurant cum coffee shop and 24 hr. room service. Verification of guests, CCTV installed at strategic locations, and Metal detectors (door frame or handheld) are safety and security measures to be taken by the hotels.

Two Star Hotels

These hotels are most available in small cities and particular areas of larger cities. Catering to the backpacker tourist traffic, these hotels provide all the basic facilities needed for general accommodation and offer the lowest prices. There should be a lounge or seating area in the lobby with Door Man on duty. There should be a

reception facility with a reservation and information facility. The staff must be well trained and proper standards of hygiene and sanitation must be followed. At least 25% of the rooms should be air-conditioned. All the rooms should have attached bathrooms. At least one room for the differently-abled guest should be provided. There should be a minimum of one dining room serving all meals. Room service is not necessary.

One Star Hotels

These hotels provide the most basic facilities and services. These hotels are best when looking for the cheapest available accommodation option (apart from camps and hostels). There should be a lounge or seating area in the lobby with Door Man on duty. There should be a reception facility with a reservation and information facility. The staff must be well trained and proper standards of hygiene and sanitation must be followed. At least 25% of the rooms should be air-conditioned. All the rooms should have attached bathrooms. At least one room for the differently-abled guest should be provided. There should be a minimum of one dining room serving all meals and room service is not necessary.

2.4. Hotel Equipment and Property

According to law insider, (2024) in the hotel industry, property refers to the tangible real estate and structures that form the hotel, which includes both the land and the buildings. This definition covers the main hotel structure that contains guest accommodations and various public areas like lobbies and restaurants, as well as supplementary buildings such as conference centers, fitness facilities, and spa areas. Conversely, equipment encompasses the movable items and tools essential for the hotel's operations and for providing services to guests. This category includes kitchen appliances like ovens and refrigerators, furnishings in guest rooms such as beds and mini-fridges, housekeeping tools like vacuum cleaners and laundry machines, and technology systems including computers and security cameras. While property represents the physical infrastructure of the hotel, equipment comprises the vital tools and items necessary for day-to-day operations, both of which are crucial for the overall functionality and guest satisfaction within the hospitality setting.

Hotel equipment and property are vital physical assets that guarantee efficient operations and improve the visitor experience. In addition to public spaces like

lobbies, lounges, and dining areas, the main building usually has a variety of lodging options, including standard rooms, suites, and accessible options. Outbuildings can have specialized uses, such as spas, fitness centers, and conference spaces. Mini-fridges, cozy furnishings, and smart devices like TVs and tablets in the guest rooms all help to make visitors happy. While outdoor spaces offer welcoming settings for rest, public areas are designed with comfort in mind, showcasing chic furniture and a variety of dining arrangements. To maintain hygiene, housekeeping depends on cleaning supplies like industrial laundry facilities and commercial vacuum cleaners. Operations heavily rely on technology, with guest room technology and cloud-based property management systems guaranteeing connectivity and convenience. While maintenance tools are required for repairs and landscaping, recreational equipment, such as exercise machines and safety gear, improves leisure activities. Property and equipment work together to provide excellent hospitality and a positive visitor experience.

2.5. Hotel Revenue

According to Miller et al. (2002), hotel revenue is the sum of the money a hotel makes from all of its different sources of income. It includes the money made from the sale of rooms, food and drink, conference and event reservations, ancillary services (like parking or spa treatments), and any other revenue streams that are directly associated with the hotel's operations. One important financial indicator that shows the hotel's overall success and financial performance is its revenue. Usually, it is determined by totaling the money received from the hotels various divisions and offerings. Sales of units which may include individual menu items, lunches, dinners, drinks, or any other hotel offerings provide revenue. It varies according to how many people come and how much each person spends. Serving more guests, increasing the average amount spent per guest, or combining the two tactics can all boost revenue.

2.6. Hotel Occupancy

As stated by Asiva, Noor Rachmayani. (2015), in the hotel industry, occupancy refers to the proportion of available rooms that guests use during a specific time frame. For assessing a hotel's operational effectiveness and financial stability, this metric is a crucial performance indicator. High occupancy rates are often the result of strong guest satisfaction, competitive pricing, and successful marketing campaigns. Understanding occupancy levels is essential for revenue management because hotels can adjust their pricing strategies based on anticipated demand to maximize revenue. Because occupancy can fluctuate significantly with the

seasons, holidays, and local events, hotels also need to look at these trends for effective staffing and inventory management. Hotels commonly compare in order to evaluate their performance and identify areas for improvement. Although higher occupancy rates typically result in higher revenue, hotels must fully understand profitability by taking associated costs like housekeeping and maintenance into account. Identifying important visitor segments through the analysis of occupancy trends also enables the development of focused marketing campaigns. When it comes to hotel management, occupancy is a crucial metric that affects everything from operations and marketing to financial planning and strategic decision-making.

2.7. Employs of the hotels

According to Towns et al. (2019), an employee is defined by law as a person, typically below the executive level, who is employed by another to perform a service, specifically for pay or salary, and who is under the control of the other. "Any individual who is employed by an employer" is the definition of an employee under the Fair Labor Standards Act. According to the Act, "employment includes suffering or permitting work." In the hotel industry, the term "employee" refers to people who are hired and employed by hotels or other hospitality establishments to carry out a variety of tasks and responsibilities in order to guarantee the efficient operation and provision of services within the hotel. The hotel industry employs people in a variety of departments, including human resources, finance, sales and marketing, food and beverage, housekeeping, and the front desk. Their contribution to the overall success of the hotel and the creation of a positive guest experience are crucial.

Footnote: The Fair Labor Standards Act (FLSA) is a federal law that sets guidelines for minimum wage, overtime pay, and other labor standards to protect workers in the United States.

The owner, as the primary investor, sets the hotel's vision, strategic goals, and long-term direction, working closely with the general manager to ensure success. The general manager oversees daily operations, budgeting, and staffing, fostering a positive experience for staff and guests. Supporting them, the assistant general manager handles guest relations, staff training, and operational continuity. The human resources manager focuses on employee recruitment, training, and compliance, while the finance manager ensures financial health through budgeting, cost control, and revenue optimization. The food and beverage controller manages dining operations'

financial aspects, including inventory and cost management. The executive housekeeper ensures cleanliness and order throughout the property, while the security manager oversees guest and staff safety. The marketing and sales manager drives revenue through promotions, market analysis, and client relationships. Front office managers ensure seamless guest experiences at reception, and food and beverage managers oversee all dining services, ensuring quality, profitability, and guest satisfaction. Together, these roles ensure the hotel operates efficiently and provides an exceptional guest.

2.8. Definition of War

The concept of war has been examined and defined by various thinkers throughout history, each contributing to a broader understanding of this complex phenomenon. The Roman philosopher and statesman Cicero, writing in the 1st century B.C., characterized war as “a contending by force.” This definition emphasizes the inherent conflict and struggle involved in war, highlighting the notion that armed conflict arises from competing interests or objectives. ‘Then war is the use of force by a human entity for rational or irrational principles.(Vigneault, 2007)

According to Levy's (1998) review, war is defined as widespread organized violence between political groups, and theories of war causation are divided into three levels of analysis: systemic, national, and individual. While the lack of a central authority anarchy fosters conflict on a systemic level, it is insufficient to explain why war occurs in different ways. Individual and household factors are important in determining how systemic conditions interact to cause particular conflicts. Stability, according to realist theories like the Balance of Power, results from the distribution of power to keep no one state from gaining too much influence. Critics point out that this theory frequently lacks reliable predictive ability, though. Although the evidence for diversionary theories is conflicting, they suggest that leaders may start external conflicts to divert attention from internal problems. Civil wars and ethno national disputes are examples of smaller-scale conflicts that have recently drawn more attention from scholars than great power wars. Researchers are looking more closely at dyadic interactions between states, especially when it comes to trade relations, long-standing rivalries, and territorial disputes. Understanding decision-making procedures and psychological aspects is also essential to comprehending war. According to Prospect Theory, leaders' decisions can be greatly influenced by their

propensity to be risk-averse when facing gains and risk-seeking when facing losses. Decisions pertaining to war are also significantly influenced by the opinions, biases, and misconceptions of leaders. Lastly, elements like global economic integration and democracy are viewed as stabilizing forces.

MacDonald and Waddams, (1981), war has always been a common way for states and other political entities to interact. One of the most destructive human behaviors, they say, it has far-reaching effects, such as the destruction of resources, the impediment of economic growth, the deterioration of the environment, the spread of disease, the growth of the government, the militarization of society, the alteration of culture, the disruption of families, and severe psychological trauma. They also point out that war preparations, whether for protection or conquest, frequently take important resources away from beneficial social initiatives, compromising security rather than boosting it. Through its effects on the distribution of military power, wealth, and global structure, war is a major mechanism for change in the global system and has a significant impact on the evolution of world politics and state behavior.

2.9. The impact of war on hotels

The hospitality industry is particularly susceptible to crises, making it one of the most vulnerable sectors in the economy. In recent years, the frequency and complexity of crises have increased significantly, impacting not only the hospitality industry but also various related activities and sectors. These crises can take many forms, including natural disasters, public health emergencies, and man-made events such as terrorism or political unrest. Given this heightened vulnerability, it is essential for stakeholders within the hospitality sector to prioritize preparedness. Developing comprehensive strategies to mitigate and minimize the potential impacts of these crises is crucial. Whether the threat arises from natural forces or human actions, a proactive approach can help ensure business continuity, protect employees and guests, and safeguard the overall integrity of the hospitality operation. By being well-prepared, businesses can navigate challenges more effectively and enhance their resilience in the face of adversity (Albattat et al., n.d.).

A prolonged conflict could lead to an estimated global loss of approximately US\$ 14 billion in tourism receipts in 2022. Such significant financial implications highlight the need to examine the effects of conflict on hospitality sector markets. Prior

research has extensively tested stock market reactions to economic wars, crises, and sanctions, often utilizing the efficient market hypothesis as a framework (Ball, 2010). This body of literature underscores the relationship between geopolitical events and market performance, suggesting that the hospitality industry, as a key player in the tourism economy, is likely to experience similar vulnerabilities in the face of ongoing conflicts. Thus, understanding these dynamics is essential for evaluating the broader economic impact on the hospitality sector (Ball, 2010).

The hospitality and tourism industry has a substantial impact on the world's economy and has achieved worldwide recognition for encouraging sustainable development, economic growth, and employment generation. However, the industry is highly sensitive to many internal and external influences that can disrupt its operations such as natural disasters, epidemics, war, economic crises, and acts of terrorism (Henderson & Ng, 2004; Huang, Tseng & Petrick, 2007).

According to Lu Luo ,(2017) such expansion also brings one hidden trouble, namely an increased likelihood for the tourism industry of getting involved in a wider range of risks. These risks could be crises generated within the industry and disasters that happen unexpectedly from outside proved that the influence of terrorist attacks on hotel occupancy drop is sudden and substantial.

2.10. Empirical Review

Garg, (2009) on his research study entitled, *“Crisis in Hospitality and Tourism: A Study on The Impacts of Terrorism on Indian Hospitality and Tourism Industry”* he founds Terrorist attacks, notably the 26/11 Mumbai incident, severely impacted India's hospitality and tourism sector, leading to loss of life, revenue, and damage to the country's image. High-profile hotels faced declines in foreign tourist arrivals (FTA) and occupancy rates, while security measures often proved inadequate. This resulted in increased cancellations, particularly from international visitors, undermining campaigns like "Incredible India" and reducing foreign exchange earnings. On his study suggested that to improve safety and restore confidence, hotels should introduce robust security protocols, including thorough employee background checks and airport-style security measures. Regular training for staff and technological upgrades, such as surveillance systems, are essential. Strategic planning with crisis management teams and collaboration with international tourism bodies can help address these

challenges. Additionally, emphasizing guest safety and incorporating security training into hospitality education is crucial for future industry professionals.

Bobek et al., (2023) on their study entitled “*Impacts of the 2022 war in Ukraine on the travel habits of Ukrainian tourists*” They founded the ongoing war has significantly altered travel habits among Ukrainians, who now travel less frequently than before, with a noticeable shift towards domestic travel for safety and familiarity. Economic constraints have kept travel budgets consistent, yet tourists are more price-sensitive, prioritizing essential expenses over leisure activities. Popular domestic destinations include historical and cultural sites, while international travel has decreased, with neighboring European countries remaining the preferred options for those traveling abroad. Then they proposed that to promote domestic tourism, targeted campaigns should encourage visits to safe regions, while enhancing infrastructure and safety at popular sites. Addressing financial concerns through affordable travel packages and collaborations with local businesses can attract budget-conscious tourists. Cultural and heritage tourism that emphasizes national pride should also be promoted. Post-war, investments in rebuilding damaged tourism infrastructure and programs to restore confidence in Ukraine as a safe destination will be crucial. Destination marketing efforts should highlight resilience and recovery, engaging with international tourism bodies to improve Ukraine's global image.

Kozłowski, (2023) on his study entitled, “*the war and tourism: security issues and business opportunities in shadow of Russian war against Ukraine*” founded the War has extensive and lasting consequences, resulting in numerous casualties, including civilians, as well as the destruction of infrastructure, businesses, and personal property. It creates political instability and heightens security concerns, particularly in tourist areas. Historical evidences suggests that the tourism industry typically suffers negative impacts for at least three years following a conflict. The tourism sector in Ukraine has been severely impacted by Russia's invasion, resulting in significant infrastructure damage and restricted travel. Popular destinations such as Crimea and the Black Sea are now unsafe or inaccessible, prompting a shift in domestic tourism toward western and central regions that serve as refuges for displaced individuals. The war has also led to sanctions that limit travel options for Russian citizens, causing a decline in traditional European destinations due to visa issues and geopolitical tensions. Consequently, Ukraine's tourism industry is nearly non-existent, exacerbated

by the ongoing effects of the COVID-19 pandemic. Russian tourists are redirecting their travel to Asia and other regions less impacted by sanctions, although they face challenges like currency depreciation. However, opportunities for reconstruction exist, as rebuilding Ukraine's tourism infrastructure may attract foreign investment. Ukrainian authorities and Western allies are actively seeking international funding and business involvement. To facilitate this, an international fund should be established for reconstructing tourism infrastructure, ensuring safety and accessibility. Promoting tourism in safer regions can help sustain industry activity during the war, while enhancing facilities in refuge areas will support both displaced populations and tourists. Collaborating with international organizations can create frameworks for post-war tourism development, and partnerships between Ukrainian and global businesses can foster investment. Prioritizing tourist safety in reconstruction plans and developing crisis management strategies are essential. Finally, post-war marketing efforts should aim to position Ukraine as a resilient tourist destination that highlights its rich historical and cultural heritage.

Melashu Gebremeskel, (2023) in her research titled *“The Impact of Political Instability on the Tourism Sector in Ethiopia,”* the findings indicate that various factors significantly affect the tourism market. Elements such as civil disobedience, civil unrest, states of emergency, and war have all negatively impacted the tourism sector. The conclusion drawn highlights how each of these factors influences the tourism market. Tourism, often referred to as the smokeless industry, is crucial for the economies of countries like Ethiopia. However, it has become evident that this sector is quite vulnerable, easily disrupted by public unrest and unstable political and social conditions.

Filatova et al., (2023) entitled *“The hospitality market in Ukraine: War challenges and restoration possibilities”* the war on February 24, 2022, highlights the significant impact of the war that began on February 24, 2022, leading to substantial loss of life and a humanitarian crisis, which further intensified economic, political, and social instability. To revitalize Ukraine's economy, it is essential for all businesses, including the hospitality sector (hotels and restaurants), to remain operational, despite the considerable challenges involved. This study aims to analyze the current state of the hospitality market under wartime conditions in Ukraine and evaluate the potential for its recovery and growth. An online survey was conducted

with 282 representatives from the hospitality sector in various regions. The results revealed that in 2022, nearly 23% of hospitality businesses completely ceased operations, while 54% operated at reduced capacity. Additionally, 36% of the surveyed hotels and restaurants adapted their business strategies in response to the ongoing crisis. More than half of these representatives reported an increase in expenses of about 20-50%, alongside a decline in profits exceeding 20%.

The findings underscore several critical consequences of the full-scale war on the Ukrainian hospitality market, including disruptions in supply chains, a decrease in consumers' purchasing power, shifts in consumer demand, shortages of specific products, a lack of personnel, and overall business unprofitability. This study presents several recommendations for adapting the hospitality sector in Ukraine to facilitate post-war reconstruction and ensure sustainable development. First, it emphasizes the importance of negotiating with global hotel chains to encourage their entry into Ukraine and develop strategies for the future. Collaborative efforts can enhance competitiveness and aid in the recovery of the hotel industry during wartime.

Ummah, (2019) on his study entitled "*Effect of Civil War on the Performance of Tourism Industry in Africa*" "The paper employed a desk study review methodology, analyzing relevant empirical literature to identify key themes and knowledge gaps. It concluded that tourists are unlikely to visit countries or regions within larger nations where they feel unsafe. Recent examples include the September 11, 2001 attacks in the United States, the Bali bombing on October 12, 2002, and the ongoing Iraq war, which have all led to significant disruptions in travel and adversely affected tourism performance, particularly in Africa. The researcher advises tourism managers to enhance the perceived value of their offerings to remain competitive in the global market. Additionally, they should seek strong political support for tourism initiatives from high-level government officials.

Lu Luo , (2017) in his thesis titled entitled, "*The impact of riots on hotel revenue performance*" the author collected quarterly hotel revenue data from ten European countries covering the period from 1996 to 2005. He conducted several regression analyses to examine the effects of riots from various perspectives, aiming to uncover how different characteristics of riots influence hotel revenue. The findings revealed that, overall, riots do not significantly affect hotel revenues. However, when the

author categorized riots based on specific features such as their type, duration, and location the researcher identified a notable negative impact. Particularly, riots instigated by disruptive state actions and those occurring in specific locations were found to have a significant adverse effect on hotel revenue performance.

Harb, (n.d.) On his study titled "Impact of War and Terrorism on Tourism and Hospitality Sector in Lebanon" examines how political instability, conflicts, and terrorism have profoundly influenced Lebanon's tourism and hospitality industry. Key findings indicate that during the Civil War from 1975 to 1992, tourism is a crucial economic driver suffered greatly, with the number of hotels in Beirut plummeting from 130 to 44. The sector's contribution to GDP fell from 20% before the war to just 7.4% in 1977, and tourist overnights declined dramatically, from 2,307,122 in 1974 to only 469,272 in 1979. The July 2006 war between Israel and Hezbollah further devastated Lebanon's tourism infrastructure, including significant damage to Beirut's airport, leading to hundreds of millions of dollars in losses that hindered recovery efforts from the civil war. Terrorist acts in 2005 led to a sharp decline in hotel occupancy rates, which plummeted from 90% to 30%. This incident damaged Lebanon's international image, deterring foreign investment and tourist arrivals. The hotel industry continued to struggle, with occupancy rates dropping from 68% in 2010 to 52% in 2014, accompanied by significant reductions in room rates and revenue per room. Lebanon's position on the Travel and Tourism Competitiveness Index fell from 69th in 2013 to 94th in 2015, with safety and security concerns ranking 130th globally. To address these challenges, the paper recommends implementing crisis management strategies, enhancing media perception, and providing targeted incentives to support the tourism sector.

2.11. Research/ knowledge gap

The effects of war have far-reaching consequences. They bring with them numerous casualties, including civilian casualties and, the destruction of infrastructure, businesses, and property of citizens. Cause political instability, lead to high security concerns, especially in tourist destinations and hotel accommodation.

To the best of the researcher's knowledge, studies focusing specifically on the impact of war on the economy of star-rated hotels in Axum, Tigray, Ethiopia. Accordingly, this research aims to address this gap by shedding light on how the war has affected

the economic performance of star-rated hotels in the region in Axum. The researcher is optimistic that this study will provide important new information about the financial difficulties these establishments are facing as a result of the war. Furthermore, during times of war, the study indicates a number of factors that both support and undermine the financial stability of hotels with a star rating.

The researcher believed this study played a crucial role in contributing to generate knowledge by providing insights into the war impact on the economy of star rated hotels in Axum and inputting the way forward for the region star rated hotels and other war impacted areas.

2.12. Conceptual Frame Work

The conceptual framework of the study, which gives a vivid explanation regarding the relationship of variables, expressed in a pictorial diagram down from here. There are two variables discussed in this study, i.e. independent and dependent variables.

The study on the impact of riots on hotel revenue performance in European cities classified hotel revenue as the dependent variable, reflecting the varying trends in hotel revenues across ten cities on a quarterly basis from 1996 to 2005. Additionally, the primary independent variables pertain to riots, examining both their occurrence and the factors that influence them (Lu Luo 2017).

These frameworks provide a theoretical foundation for understanding the dynamics of the hospitality industry during the Tigray War; the impact of war on the economy of star rated hotels in Axum town.

A dependent variable is one that relies on or results from another variable, while the variable that precedes it and influences it is known as the independent variable.(Carnegie, 2020).

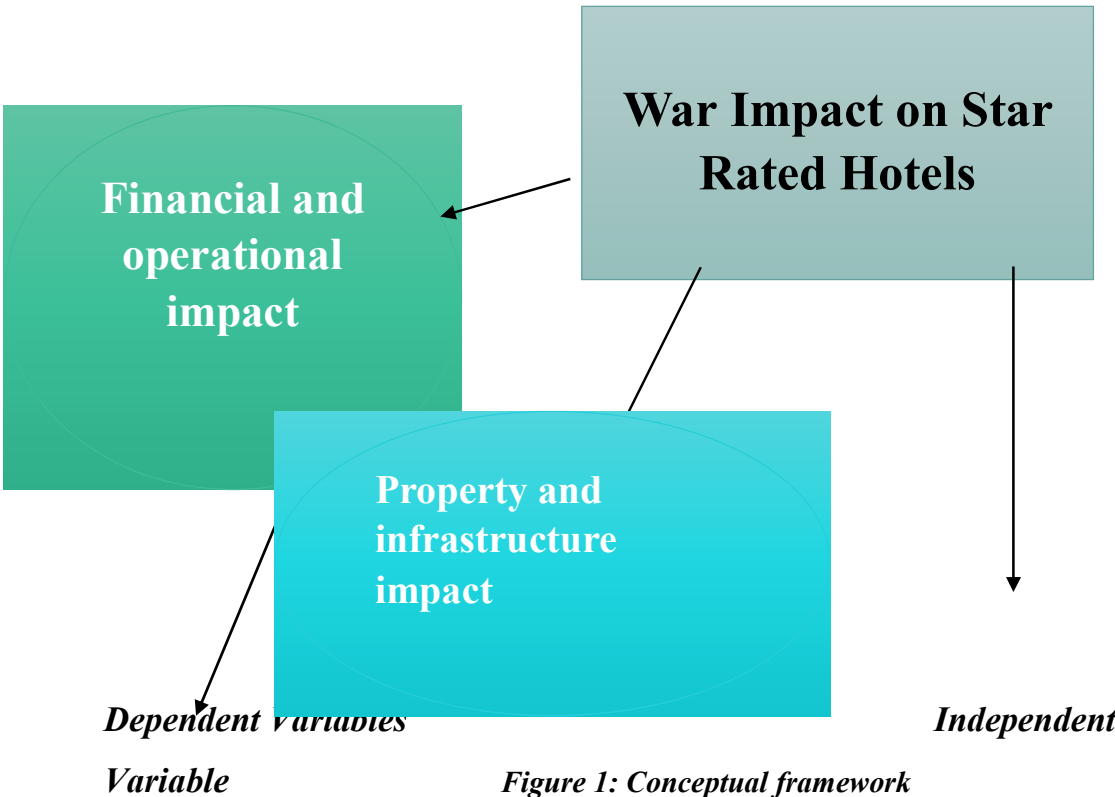


Figure 1: Conceptual framework

Source; - Survey result 2024

Chapter Three

3. Research Methodology

According to Goeldner, C.R and Ritchie, (2017) Research methodology refers to a collection of specific procedures or techniques employed to identify, select, process, and analyze information related to a particular topic.

This section outlines the methods employed in conducting the study. It details the methodology used, including the research approach, research design, sources of data, population and sampling procedure, sample size, data collection methods, methods of data analysis, validity and reliability and each aspect is accompanied by appropriate justifications.

3.1. Description of the study area

The capital of Tigray's region central zone, Axum, is the subject of this study. Axum is the name of both the empire and its capital, in the northern highlands of Ethiopia that flourished especially in the first six centuries AD. Although its greatest extent is uncertain, the empire encompassed both sides of the southern Red Sea and so controlled all seaborne commerce between Rome/Byzantium and India/Indian Ocean (Phillips, 2016).

David W. Phillipson (2012) claims that the community moved its center from Beta Giyorgis to the region at the foot of the hill in the early 1st century AD, when a larger settlement known as Axum started to take shape. As this city's wealth quickly increased, it also expanded politically, taking control of nearby areas that had previously been independent kingdoms. Via the mid-1st century, Aksum had established itself as a trading metropolis, engaging in commerce with the outside world through the port of Adulis, located on the Red Sea coast of present-day Eritrea. Axum's access to valuable ivory, highly sought after in the Roman Empire, likely fueled its rapid wealth accumulation. Inscriptions from the 2nd and 3rd centuries reference the names of kingdoms and rulers that came under Aksumite authority. In the late 3rd century, significant resources were devoted to the burial of successive Aksumite kings in elaborate tombs marked by massive monolithic stelae resembling multi-story buildings. Coins were minted in gold, silver, and copper alloy, featuring the names of these kings. In the early 4th century, under King Ezana, further

advancements were recorded in a series of lengthy inscriptions written in both Greek and the Semitic language, Ge'ez, often presented in parallel texts.

Three eras can be distinguished in the history of the Aksumite region: pre-Aksumite, Aksumite, and post-Aksumite. Pre-Aksumite civilization (c. 8th century BC–1st century AD) was characterized by Southern Arabian cultural influences that preserved native customs while introducing inscriptions, sculptures, and architecture; the foundation for Aksum's ascent was established by settlements such as Beta Giyorgis. Known for its ivory exports and coinage, the Aksumite civilization (first to seventh centuries AD) was a thriving trading hub whose power was symbolized by monumental stelae. During the reign of King Ezana in the fourth century, Christianity emerged as a powerful force that influenced local politics and culture. But by the seventh century, Axum was in decline due to political and economic issues, such as changing trade routes. After the 7th century AD, or the post-Aksumite period, Axum remained Christian but became increasingly isolated as the political center shifted eastward. Despite its diminished prominence, rock-hewn churches, like those in Lalibela, represented its continuing cultural and religious influence (Munro-hay, 1991).

Axum is renowned for its magnificent monuments, which range from simple stones designating gravel pits to enormous sculpted towers representing multi-story palaces. The largest of these is a huge stela that was once over 33 meters tall and had a base that measured 3 by 2 meters. It was larger than a nearby 24-meter stela, with twelve stories and carvings on all four sides. Every monarch appeared to strive to outdo the accomplishments of their forebears. It's possible that some stela, including the biggest one, collapsed shortly after being erected, seriously damaging the structure. Despite some erosion, the third-tallest, which is roughly 21 meters high, is still noticeable. The Aksumite stela are among the biggest in the ancient world in terms of size; the Baalbek trilithon is the only one that is larger in bulk (Munro-hay, 1991) .

Axum was the only African state in antiquity to print its own currency, aside from the Roman dependent states. The Aksumite coinage seems to have been used for both internal and external trade from approximately 270 AD, and a little later, into the early seventh century. Although coin discoveries have been reported from every Aksumite site that has been excavated so far, it is still unknown how far the entire kingdom was

able to establish a monetized economy. Coinage, composed of precious metals and designed to be easily handled, played a significant role in the Aksumite civilization's economy and trade. As part of the Romano-Byzantine monetary system, the coins made domestic and foreign transactions easier. By facilitating trade, collecting taxes in coins, and using coins to pay for services, the Aksumite state probably promoted coin use. Because a single currency took the place of the intricate system of bartering with different commodities, transactions became quicker and easier. Supported by the Aksumite ruler's authority, the coins' value was primarily symbolic. In general, Aksum's introduction of coinage boosted economic activity and improved the effectiveness and efficiency of trade with neighboring regions (Munro-hay, 1991).

Numerous indications suggest that the Aksumite state's problems started in the late sixth and early seventh centuries. Although some kind of peace was restored after his passing, Kaleb appears to have lost both prestige and an expensive war as a result of his conflicts with Abreha. The invasion might have been too expensive for Axum at the time, and the financial and manpower investment must have hurt Aksumite authority at home (Munro-hay, 1991) and according to Yohannes G. Selassie, (2011), it is commonly accepted that the expansion and development of Islam in Arabia was a contributing factor in the Aksumite Empire's downfall.

The largest and most significant city in the Aksumite Empire, Axum is located at an elevation of more than 7,220 feet (2,200 meters) above sea level on the highland plateau of Tigray in northern Ethiopia. It is roughly 180 kilometers (112 miles) from the coast of the Red Sea. (Bauer & Díaz-andreu, 2014) and Axum is located between 14° 40N' and 38' E in Tigray, at the northern most tip of the Ethiopian plateau (Tewodros G, 2019).

Since 1980, Axum, one of Northern Ethiopia's oldest centers of civilization, has been recognized as a UNESCO World Heritage site. Among the many tourist attractions in the town are the Aksumite stelae, the largest of which is approximately 33 meters tall and weighs 520 tons, making it the largest single stone monument in the world. The Ark of the Covenant, regarded as the most priceless religious relic in the world, is also located there. In terms of unexplored archaeological, historical, and religious heritage, Axum is regarded as Ethiopia's most abundant site. As a result, a sizable portion of

both domestic and foreign tourists travel to the town annually, making a substantial contribution to Ethiopia's total tourist population (Bekele & Mezgebo, 2019).

Axum is currently the administrative center of Tigray's central zone, which is located about 250 kilometers west of Mekelle, the Tigray Regional State capital. It has a total population of 44,629, with 23,900 females and 20,729 males residing there (C.S.A, 2007).

Axum, a city of immense historical and cultural importance in Ethiopia, is home to a range of star-rated hotels designed to cater to the needs of tourists. These hotels, offering exceptional services and modern amenities, cater to both business and leisure travelers. Many are strategically located near key historical sites, providing easy access to Axum's rich cultural heritage. These star-rated hotels play a vital role not only in enhancing the tourist experience but also in contributing to the city's economic growth. By offering quality accommodations and dining, they attract both local and international visitors. In doing so, they stimulate the local economy by generating income, creating jobs, and driving tourism-related activities. Their presence also encourages investments in infrastructure and public services, benefiting the wider community. Also, these hotels promote cultural exchange by showcasing local traditions and culture.

According to the Culture and Tourism Bureau of Tigray 2018, there are seven star-rated hotels in Axum, and this study focuses on these establishments. Offering a range of choices from one-star to two-star ratings, these hotels provide flexibility and convenience for visitors. Among the prominent two-star options are Brana Hotel, Sabean International Hotel, Consolar International Hotel, and Yared Zema International Hotel, all of which offer comfort and are conveniently located near Axum's historical landmarks, making them excellent choices for tourists. Meanwhile, one-star hotels such as Yeha Hotel, Ramhai Hotel, and Armah Hotel. Collectively, these hotels play a crucial role in enhancing Axum's attractiveness as a tourist destination. They contribute to the city's economic growth, encourage cultural exchange, and help preserve Axum's historical heritage, establishing the city as a competitive tourism hub in Ethiopia.

3.2. Research Approach and Design

Research approaches are frameworks that outline the procedures for conducting research, encompassing everything from broad assumptions to specific methods of data collection, analysis, and interpretation. This planning process involves making several decisions, which do not necessarily need to be made in the order presented here. The primary decision centers on which approach to adopt for studying a topic, guided by the philosophical assumptions the researcher brings to the study. Three main research approaches are proposed: (a) qualitative, (b) quantitative, and (c) mixed methods (Creswell, 2014).

Research designs are plans and the procedures for research that span the decisions from broad assumptions to detailed methods of data collection and analysis. This plan involves several decisions, and they need not be taken in the order in which they make sense to me and the order of their presentation here. The overall decision involves which design should be used to study a topic. Informing this decision should be the worldview assumptions the researcher brings to the study; procedures of inquiry (called strategies); and specific methods of data collection, analysis, and interpretation. The selection of a research design is also based on the nature of the research problem or issue being addressed, the researchers' personal experiences, and the audiences for the study. (Stadtländer, 2009)

A research design is a procedural plan that is adopted by a researcher to answer questions in a valid way. It is very objective and accurate. Normally, a research design will determine the type of analysis you should carry out to get the desired results. To what extent your design is good or bad will depend on whether you are able to get the answers to your research questions. Research design is defined as a framework of methods and techniques chosen by a researcher to combine various components of research in a reasonably logical manner so that the research problem is efficiently handled. It provides insights about "how" to conduct research using a particular methodology. Research design is a logical and systematic plan prepared for directing a research study. It specifies the objectives of the study, the methodology and techniques to be adopted for achieving the objectives. It constitutes the blue print for the collection, measurement and analysis of data. It is the plan, structure and strategy of investigation conceived so as to obtain answer to research question. (Schantz & Lindeman, 1982)

A research design serves as a framework or plan for a study, guiding the collection and analysis of data. It acts as a blueprint to follow throughout the research process. Essentially, it is a detailed map created to direct the research efforts.(Carnegie, 2020).

Descriptive research design focuses on thoroughly describing specific situations or cases within a study. This theory-driven approach involves gathering, analyzing, and presenting data systematically. The primary aim is to make careful observations and document a phenomenon of interest, all grounded in the scientific method (Florida, 2012). According to (Goeldner, C.R and Ritchie, 2017), descriptive research seeks to clarify various elements such as situations, problems, phenomena, services, or programs. It provides insights into community living conditions and explores public attitudes towards specific issues. This method systematically addresses fundamental questions related to who, what, when, where, and how concerning a particular research question or problem.

Convergent parallel mixed methods is a type of mixed methods design where the researcher combines quantitative and qualitative data to deliver a comprehensive analysis of the research problem. In this approach, the investigator typically gathers both types of data simultaneously and then integrates the information during the interpretation of the overall results. This strategy involves collecting quantitative and qualitative data, analyzing them separately, and then comparing the findings to determine whether they support or contradict each other (Asenahabi, 2019). Convergent parallel mixed methods is a type of mixed methods design where the researcher combines quantitative and qualitative data to offer a thorough analysis of the research problem. In this approach, the investigator generally collects both types of data simultaneously and then integrates the findings during the interpretation of the overall results. (Creswell, 2014)

The researcher used a descriptive research design for the study. This approach aimed to describe the war's impact on the economy of star-rated hotels in Axum, which was critical for emphasizing key aspects of the research. Specifically, the study focused on evaluating how the Tigray war affected these hotels economically from December 2020 to December 2022.

To enhance the research's depth, a mixed-methods approach was employed, integrating both qualitative and quantitative methodologies through a convergent

parallel strategy. This approach enables the collection and integration of both types of data. The researcher were selected using a purposive non-probability sampling method to ensure that all relevant stakeholders, including owners, general managers, human resource managers, departmental managers, and supervisors, were included.

The research relied on both primary and secondary data as its main sources of information. A variety of instruments were utilized for data collection, including questionnaires, interviews, observations, and document analysis, which collectively provided a robust foundation for the study's findings.

3.3. Target population

For this study, data were collected from all-star-rated hotels in Axum, including hotel owners, general managers, human resource managers, departmental managers, and supervisors for questionnaire responses. Also, interviews were conducted with either the general manager or the owner of each hotel to gather insights on the impact of the war on the hotel economy. According to data from the Tigray Tourism and Cultural Office, there are currently around seven star-rated hotels in Axum that serve both local and international guests. Participants for the study were purposefully selected from all-star-rated hotels to ensure comprehensive data collection.

3.4. Sampling Size and Sampling Procedures

Sampling procedures encompass the various methods and techniques employed to select a subset of individuals, items, or observations from a larger population for research purposes. These procedures guide the selection process, ensuring that the samples are representative and aligned with the objectives of the study. On the other hand, sampling size refers to the number of individuals or observations included in the sample derived from the larger population. This aspect is crucial in research design, as it greatly influences the reliability and validity of the findings. The determination of an appropriate sampling size is influenced by several factors, including the research objectives, the total population size, the desired accuracy level, and the statistical methods intended for analysis and Purposive sampling is chosen using a specific method because it is believed to represent the overall population or to create well-matched groups. The aim is to select samples based on criteria deemed important for the study. This method is suitable when the research focuses on controlling particular variables. (Carnegie, 2020).

Non-probability sampling is a technique in which samples are collected in a manner that does not provide all individuals in the population with an equal opportunity for selection. A key feature of non-probability sampling methods is that samples are chosen based on the researcher's subjective judgment.(Goeldner, C.R and Ritchie, 2017).

Purposive sampling is a technique where sample sizes are determined by specific research objectives, involving the selection of participants based on particular criteria or the researcher's judgment. This non-random approach may lead to findings that do not accurately represent the entire population. Unlike random sampling, which uses statistical formulas to determine sample size, purposive sampling is guided by the unique characteristics of the population and the context of the study. Researchers must assess how many samples are necessary to meet their aims, making this method suitable only for specific purposes. As highlighted by (Ajay & Micah, 2014) and (Mohanasundaram, 2024).

In this study, a non-probability purposive sampling procedure was employed, resulting in a sample size of 42 participants specifically chosen to fulfill the research criteria from all-star rated hotels in Axum town which are seven star-rated hotels in Axum, categorized as follows: four hotels are two-star rated, and three hotels are one-star rated.

To establish a representative sample size, the purposive sampling method was implemented. This included selecting respondents from the total target population, which comprised seven general managers, four human resource personnel, three owners, and 28 department managers and supervisors from all-star-rated hotel. These individuals were purposefully chosen to gather necessary data on the research issues and potential solutions. Overall, 42 respondents from all-star rated hotels participated in the study, providing primary information through structured and unstructured questionnaires. In addition, ten owners and general managers were included for interviews. To achieve the desired outcomes, the purposive sampling technique was applied, focusing on units that were most accessible and relevant to the research.

3.5. Source of data

The study examining the impact of war on the economy of star-rated hotels in Axum during the war time utilized a blend of both primary and secondary data sources to

achieve comprehensive results. Primary data were collected directly through methods such as surveys and interviews with hotel owners, and staff, providing firsthand insights into the immediate effects of the war on occupancy rates, revenue, and operational challenges. In addition, secondary data were gathered from existing literature, industry reports, and industry analyses, which offered valuable context and historical perspectives on the hotel sector's performance before, during, and after the war. By integrating these two types of data, the research was able to paint a more complete picture of how the war influenced the economic landscape of star-rated hotels in Axum, revealing. This mixed-methods approach ensured a robust analysis, enhancing the reliability and depth of the findings.

3.5.1. Primary data

This study gathered data through questionnaires completed by general managers, human resource managers, departmental managers, and department supervisors. In-depth interviews were conducted with hotel owners and general managers of all-star-rated hotels. The data collection included both open-ended and closed-ended questionnaires, structured interviews along with observational methods.

3.5.2. Secondary data

In this study, data were collected through the analysis of relevant documents, including reports, books, articles, and also unpublished materials from the Tigray Culture and Tourism Bureau a research conducted by Axum University and the Axum Hotels Association on the topic of "Post-War Damage and Loss Assessment for Hotels in Axum".

3.6. Methods of data collection

3.6.1. Questionnaire

The study used concurrent mixed method of data collection such as questionnaire, to collect the adequate, valid and reliable research data. The questionnaire were designed and used as the main instrument for primary data collection with the aim to assess the impact of the war on the economy of star rated hotel in Axum town on key performance indicators such as revenue, occupancy and property status via both open-ended and closed-ended questionnaires.

3.6.2. Interview

The researcher used a structured interview approach to ensure consistency and reliability in data collection. A detailed interview guide with predefined and standardized questions was developed to align with the research objectives. Participants were carefully selected based on specific criteria relevant to the study to ensure they could provide valuable insights. The interviews were scheduled at times and locations convenient for the participants. During the process, the researcher followed the same sequence of questions for all participants to maintain uniformity. Depending on accessibility and participant preferences, the interviews were conducted face-to-face, with General Managers and owners of the hotels. Responses were documented through audio recordings (with participants' consent) and supplemented with detailed notes for accuracy and clarity during transcription and analysis. Ethical considerations were adhered to, including securing informed consent, explaining the study's purpose, ensuring confidentiality, and guaranteeing the participants' right to withdraw at any stage. This structured approach allowed the researcher to collect consistent, relevant, and reliable data for the study.

3.6.3. Observation

The researcher observed several impacts of the war on star-rated hotels in Axum town. Remarkably, many hotel properties sustained significant physical damage, resulting in structural issues that required extensive repairs and led to increased costs and temporary closures. Furthermore, essential equipment, such as kitchen appliances, and furniture, suffered damage, necessitating costly replacements or repairs. The demographic landscape also shifted, with a marked decline in international tourists and only a few domestic travelers, which adversely affected pricing and service levels. The recovery process for these hotels has been slow, facing ongoing challenges in rebuilding trust among potential visitors and restoring the area's reputation as a tourist destination. Following the war, many hotels experienced substantial drops in occupancy rates due to decreased tourism and travel restrictions, leading to significant revenue losses, as fewer guests translated into diminished income from room bookings, dining services, and other amenities.

3.6.4. Secondary Data

In order to support the research, secondary data was gathered from pertinent books, journals, articles, reports, and other materials. The primary source of this kind of data

was the Post War Damage and Loss Assessment for Hotels in Axum, which was collected in Ethiopia in December 2024.

3.7. Methods of Data Analysis

This study utilized both quantitative and qualitative approaches. The analysis included the identification of patterns and themes within the data. Questionnaire responses were cleaned, coded, and entered into SPSS V-27 for statistical analysis. Descriptive statistics, including frequency, percentage, mean, and standard deviation, were applied. Additionally, thematic analysis was employed to evaluate and present the findings from open-ended questions, as well as insights gained from interviews and personal observations made during data collection.

3.7.1. Quantitative Data Analysis

The data gathered through close-ended self-administered questionnaires were analyzed through descriptive statistical techniques. Descriptive statistical analysis was selected purposefully to present data in tables, percent, frequency, mean and standard deviation. To analysis, the gathered data, on the first step, data were prepared for analysis by organizing into similar category (objectives). On the next stage, variables within each category were coded accordingly to avoid any confusion during analysis and to make any correction if required. After coding, the data was checked to prepare for analysis and to avoid any inconsistencies before moving on to the analysis stage. Following the completion of the data coding, data entered into Statistical Package for Social Science (SPSS) of 27 versions analysis. Finally, data analyzed in descriptive statistics that included summarizing and describing the data in subsequent tables or figures. The result of the analysis was interpreted and discussed using frequency, percentages, standard deviation and mean.

Finally, data analyzed in descriptive statistics that included summarizing and describing the data in subsequent tables or figures. The result of the analysis was interpreted and discussed using frequency, percentages, standard deviation and mean.

3.7.2. Qualitative Data Analysis

The researcher employed a linear analysis methodology, acknowledging that qualitative research analysis generally proceeds through discrete stages. In contrast to structured interviews, open-ended questionnaires yielded rich and nuanced qualitative data because they allowed participants to freely express their opinions. To preserve

consistency in responses and allow for a more thorough examination of particular subjects, the structured interviews were methodically examined in the interim. In order to create a final report that was comprehensive, logical, and consistent with the objectives of the investigation, the results of the two data collection methods were carefully analyzed, examined, and combined.

3.8. Validity

The content validity employed in this thesis assesses how effectively information was gathered through tools such as questionnaires, interviews, and observations. Several strategies were implemented to ensure the validity of the measurement instruments. First, respondents were informed about the study's purpose and its significance, enhancing their understanding. Second, the variables included in the model were carefully selected based on established theories and empirical research. Third, the questionnaire underwent a thorough review for both content and technical aspects, leading to necessary revisions. To further ensure validity, experts in the field reviewed the instrument, and pilot tests were conducted among selected star-rated hotels.

3.9. Reliability

Table 1: Reliability Statistics

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.784	.727	40

The provided reliability statistics from the thesis indicate that the measurement instrument exhibits good internal consistency. With a Cronbach's Alpha of 0.784, the 40 items in the scale demonstrate a strong correlation, effectively measuring a common construct. This value exceeds the acceptable threshold of 0.7, confirming the reliability of the tool. Overall, these results affirm that the instrument is reliable, thereby supporting the validity of the findings derived from its use in the research.

So, this study employed Cronbach's α to assess the internal consistency of the survey items. A score of 0.784 or higher indicates acceptable reliability, suggesting that the items effectively reflect the different aspects of the war's impact.

Chapter Four

4. Data Analysis and Results

To arrive at a conclusion, data analysis and discussion are essential components of the scientific methodology of the research process. As a result, the study's first section covers the respondents' profiles, and its second section covers the data analysis, findings, and discussion.

4.1. Demographic characteristics of respondents

This research were enclosed the main demographic characteristics such as gender, age, level of education, position and work experience. Gender was considered to find out whether male or female which is highly involved in questioner. Age group of respondents was considered to find out the age groups that were dominant educational level was considered to find out the employee/employer level of educations that were mostly engaged, position showed in which level respondent is focused the researcher and experience indicated for how long were working on the hotel organization.

4.1.1. Sex of Respondents

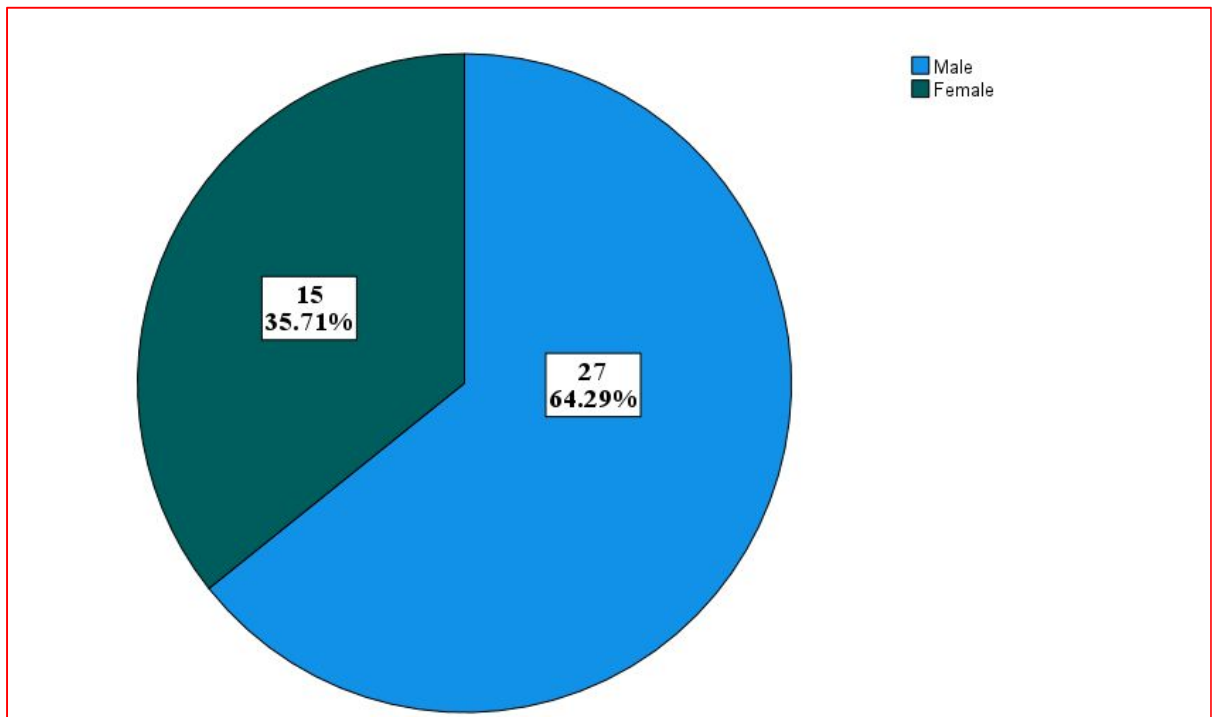


Figure 2: Sex of Respondents

Source; survey 2024

As illustrated in the pie chart the distribution of respondents by sex, revealing that 15 individuals, or 35.71%, identify as female, while a larger group of 27 individuals, representing 64.29%, identify as male. This results in a total of 42 respondents, highlighting a significant majority of male in the surveyed population.

4.1.2. Age of Respondents

Table 2: Age of Respondents

Age of respondents		
Age interval	Frequency	Percent
18-28	22	52.4
29-39	11	26.2
40-49	8	19.0
Above 50	1	2.4
Total	42	100.0

Source; survey 2024

As displayed in the Table, the respondent's age were divided into four age categories. The first category, consisting of individuals aged 18-28 years, included 22 respondents, representing 52.4% of the total. The second category, covering ages 29-39, had 11 respondents, or 26.2%. In the third category, which included those aged 40-49, there were 8 respondents, accounting for 19.0%. Lastly, there was 1 respondent (2.4%) aged 50 and above.

4.1.3. Position of the Respondents

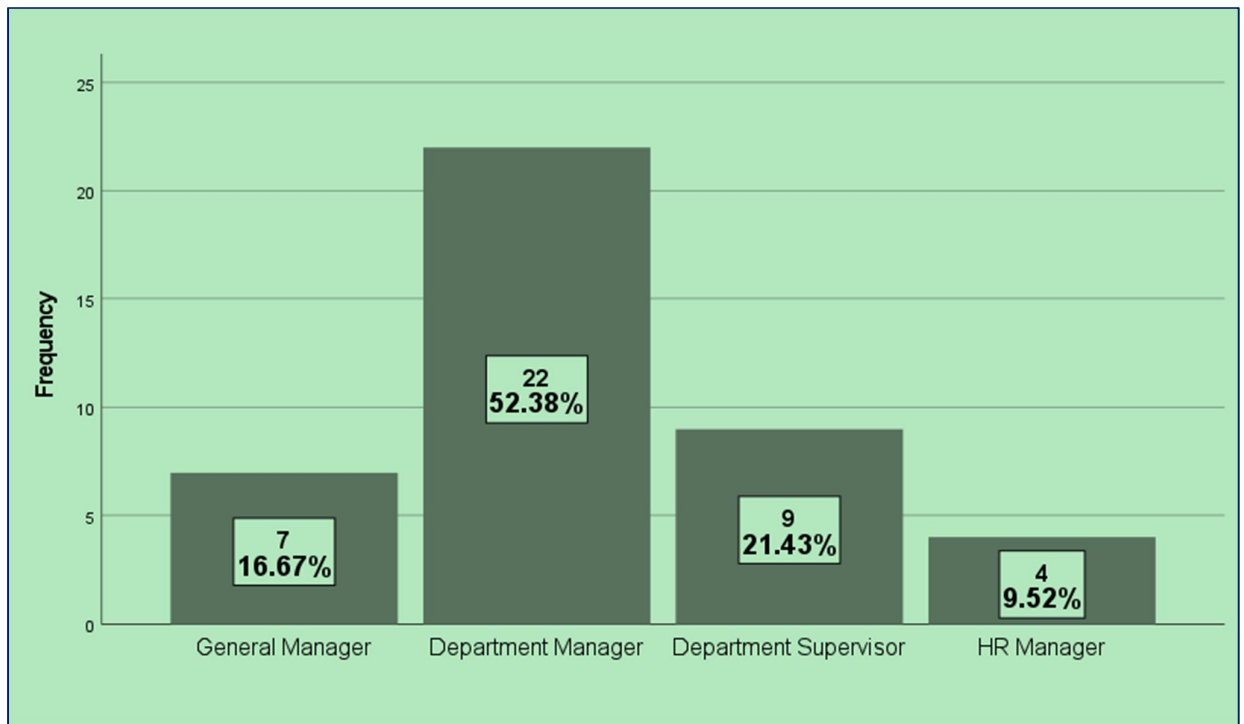


Figure 3: Position of Respondents

Source; survey 2024

Based on the bar chart above, the frequency of respondents across various job positions, revealing that the Department Manager role is the most prevalent, with 22 respondents, accounting for 52.38% of the total. Following this, the Department Supervisor position has 9 respondents, making up 21.43%. The General Manager role includes 7 respondents, representing 16.67%, while the HR Manager position has the least representation, with only 4 respondents, or 9.52%.

4.1.4. Educational Background of respondents

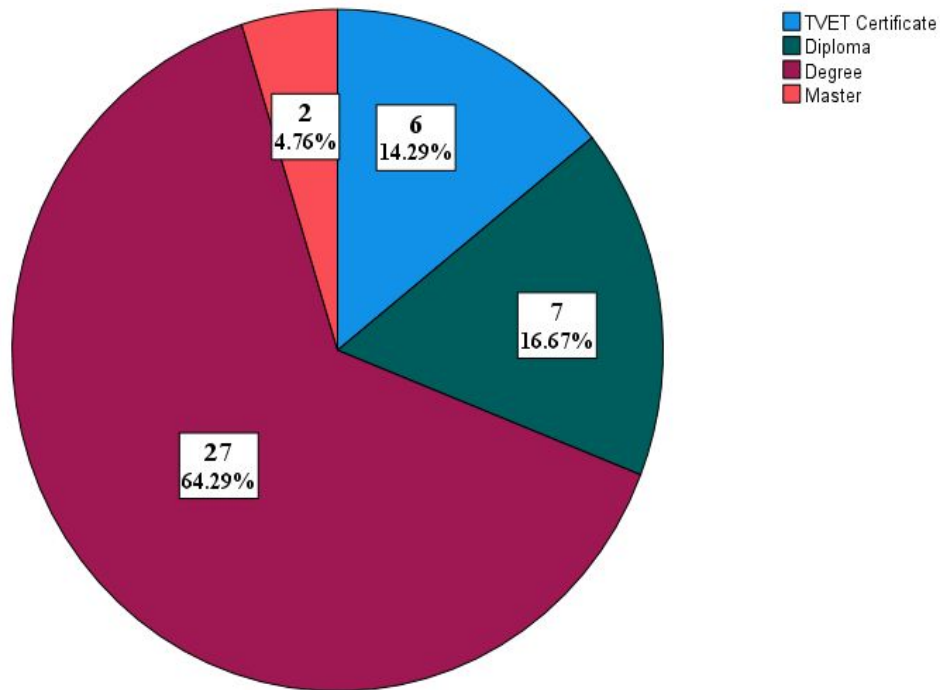


Figure 4: Education Background of Respondents

Source; survey 2024

According to the figure above, the educational levels of the respondents were evaluated. Of the respondents, 6 (14.29%) held a TVET Certificate, while 7 (16.67%) have a Diploma. A significant majority, 27 respondents (64.29%), possessed a bachelor's degree, and 2 respondents (4.76%) have a master's degree.

This data indicates that a large proportion of respondents have attained a bachelor's degree, suggesting a strong educational background overall. The representation of those with TVET Certificates and Diplomas is relatively low, while the presence of respondents with master's degrees is minimal. This trend reflects positively on the educational qualifications of the participants, indicating a well-educated group that may contribute to the reliability of the study's findings.

4.1.5. Work Experience of Respondents

Table 3: Work Experience of Respondents

Work experience of respondents	
Frequency	Percent

Below 5	0	
5-10	24	57.1
11-15	18	42.9
Total	42	100.0

Source; survey 2024

According to the survey, among the total respondents, 24 (57.1%) had work experience ranging from 5 to 10 years. Meanwhile, 18 respondents (42.9%) had between 11 to 15 years of experience in the hotel industry. Additionally, there were no respondents with less than five years of experience and those with more than 16 years of experience included in the selection.

4.2. War impact on the economy of star rated hotels in Axum town

4.2.1. The annual Average occupancy during 2011E.C

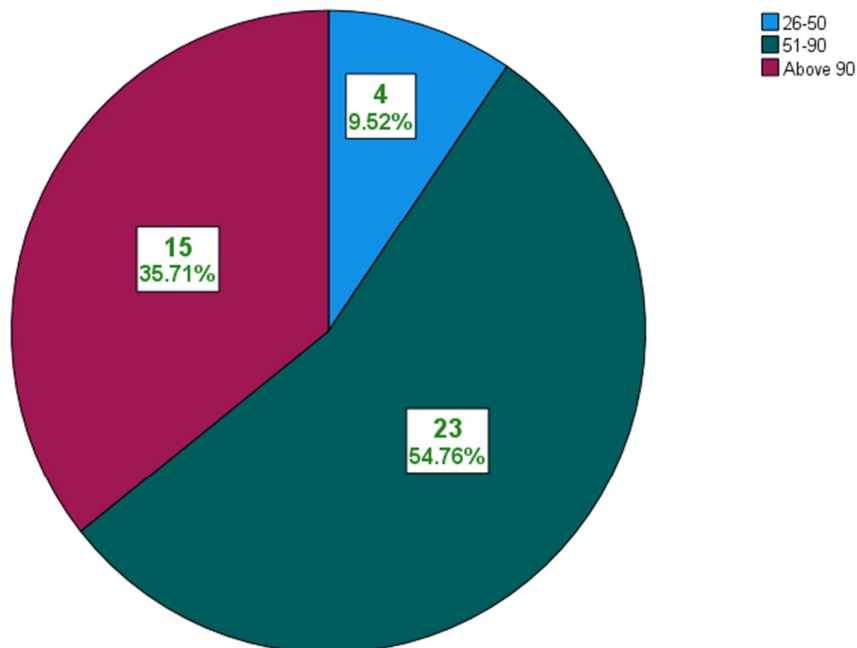


Figure 5: Occupancy Rate of 2011 E.C

Source, survey 2024

The pie chart provides a detailed breakdown of the annual average occupancy rates of star rated hotels before the war in 2011 E.C in Axum town. The data is presented in a structured format, allowing for a comprehensive analysis. The analysis of hotel

occupancy rates before the war in 2011 E.C. includes a total of 42 respondents. In the frequency distribution of occupancy categories, 4 respondents, accounting for 9.52%, had occupancy rates between 26-50%. This represents a small portion of the total, indicating that only a few hotels experienced low occupancy levels. In contrast, the majority of hotels, 23 in total respondents, or 54.76%, fell within the 51-90% occupancy range, suggesting a relatively stable and healthy level of business for more than half of the hotels surveyed. Furthermore, a significant number of hotels, 15 respondents, representing 35.71%, maintained occupancy rates above 90%.

4.2.2. The annual occupancy rate of during 2012E.C

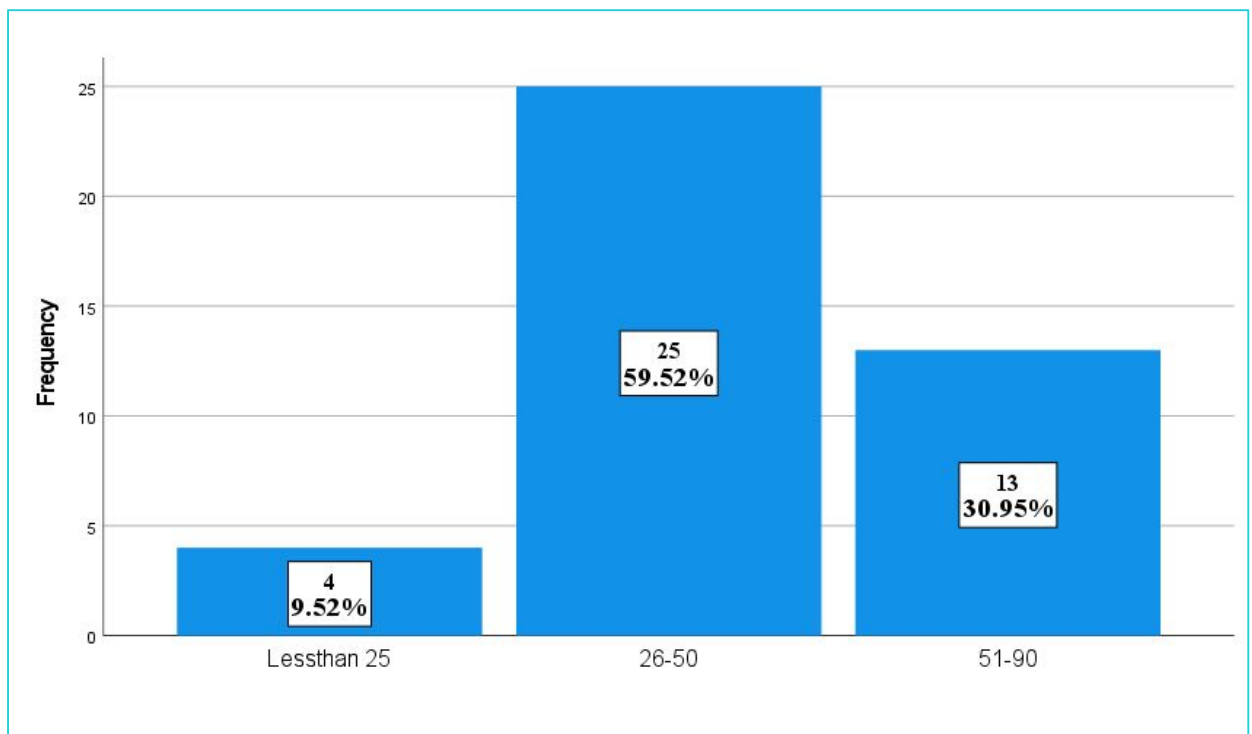


Figure 6: Occupancy Rate of 2011E.C

Source, survey 2024

The bar chart outlines the annual average occupancy rates of hotels before the war in 2012 E.C. The finding reveals that the most common category is the 26-50% occupancy rate, with 25 respondents from the selected hotels (about 59.52%) falling within this range. This indicates that a significant portion of hotels experienced moderate occupancy levels during this period.

The next largest group is the 51-90% category, which concluded 13 respondents from the selected hotels (approximately 30.95%). This suggests that a fair number of establishments were able to maintain relatively good occupancy rates, though not as high as the majority in the 26-50% range.

In contrast, the "Less than 25%" category has a frequency of 4 respondents from the selected hotels (around 9.52%), indicating that only a small fraction of hotels struggled to attract guests, operating at very low occupancy levels.

4.2.3. The annual revenue of the hotels during 2011E.C

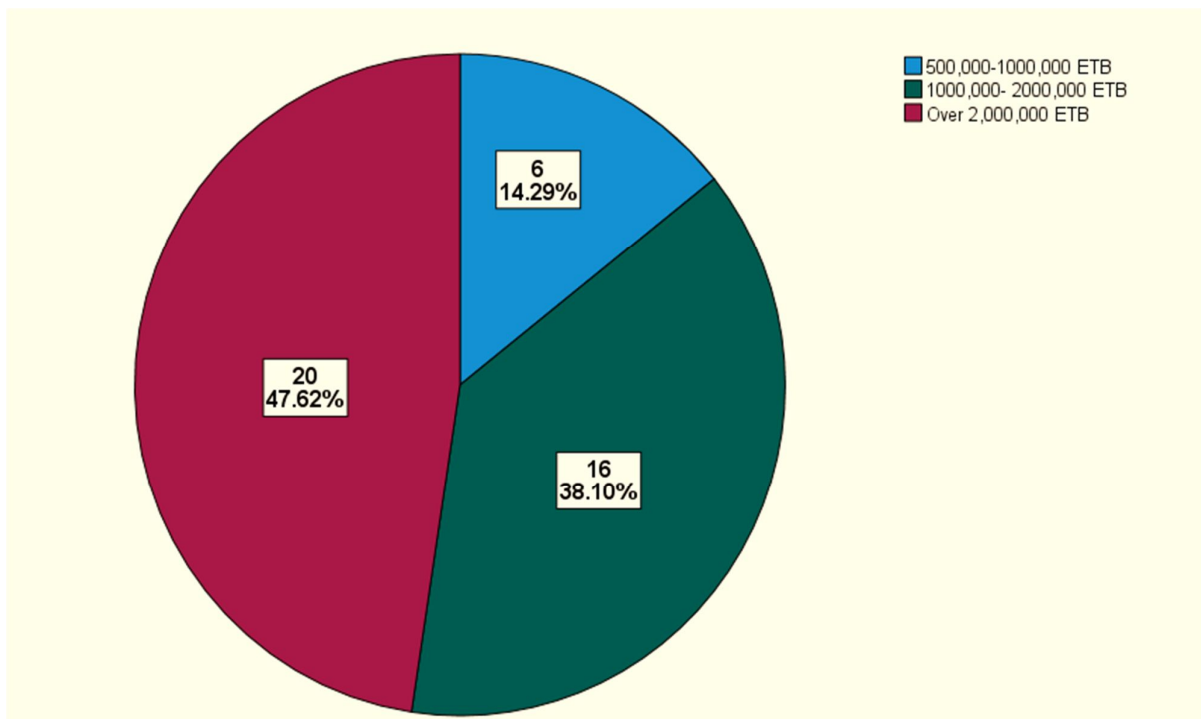


Figure 7: Revenue of 2011E.C

Source; survey 2024

The pie chart presents the average annual revenue of hotels before the war during 2011 E.C. The collected data from the selected respondents shows three revenue categories: 500,000-1,000,000 ETB, 1,000,000-2,000,000 ETB, and over 2,000,000 ETB.

In the 500,000-1,000,000 ETB range, 6 respondents from the selected hotels are reported, accounting for 14.29% of the total. This suggests a small segment of hotels generated relatively low revenue, indicating that some establishments may have been struggling to attract guests or manage operational costs.

The most significant group is in the 1,000,000-2,000,000 ETB range, with 16 respondents from the selected hotels (38.10%). This indicates that a considerable portion of the hotel sector was achieving moderate revenue, likely reflecting a more stable operational performance during this period.

The highest revenue category, over 2,000,000 ETB, includes 20 respondents from the selected hotels (47.62%).

4.2.4. The average annual revenue of hotels during 2012 E.C

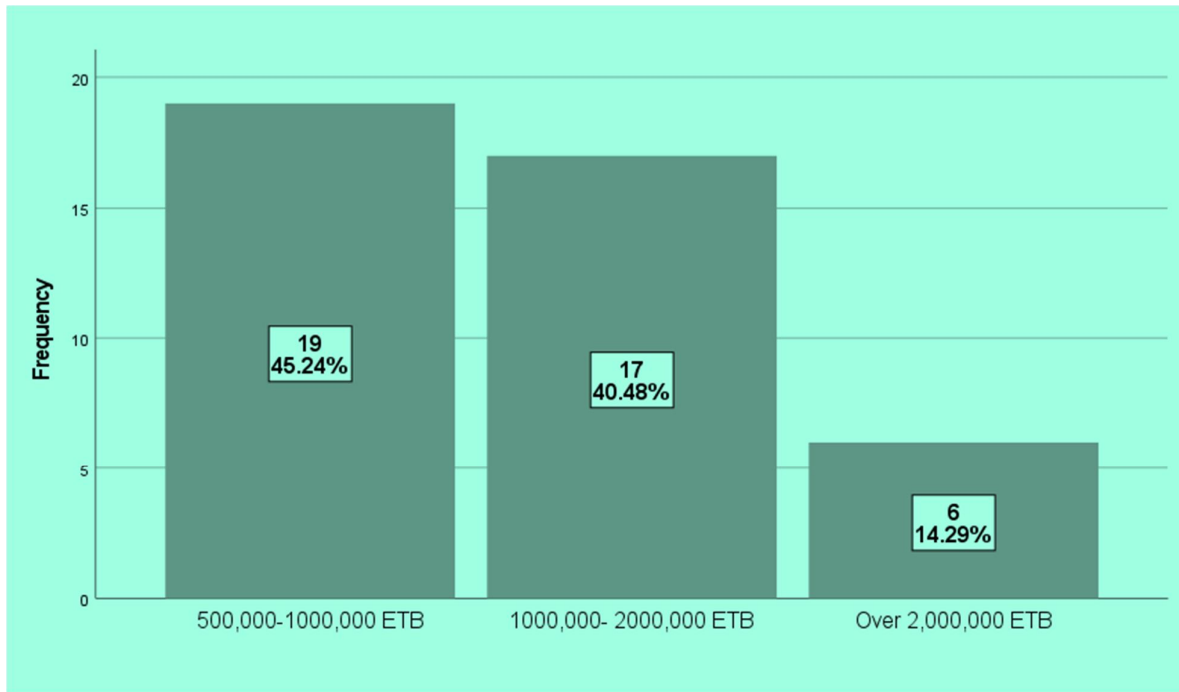


Figure 8: Revenue of 2012 E.C

Source; survey 2024

The bar chart presents a detailed overview of the average annual revenue of hotels before the war during 2012 E.C., highlighting the frequency and percentage of establishments within specific revenue categories. The first category, "Over 2,000,000 ETB," includes 6 respondents from the selected hotels, accounting for 14.29% of the total. This suggests a relatively small segment of high-performing hotels, indicating that while some establishments thrived financially, they represent a minority within the overall data set. The next category, "1,000,000 - 2,000,000 ETB," encompasses 17 hotels, which is 40.48% of the total. This substantial portion reflects a moderate level of revenue generation and suggests that many hotels were able to achieve a stable operational performance, potentially benefiting from a consistent customer base and

effective management. The largest segment, "500,000 - 1,000,000 ETB," consists of 19 hotels, or 45.24%, indicating that nearly half of the hotels surveyed were operating at the lower end of the revenue spectrum. This significant representation may point to challenges faced by these establishments like COVID -19, the data illustrates a diverse revenue landscape within the hotel sector, revealing a concentration of properties with moderate to low revenues, while a minority of hotels achieved higher earnings, thereby emphasizing the varied financial health and operational success among hotels during this period.

4.2.5. The average annual occupancy of the hotels during 2013E.C

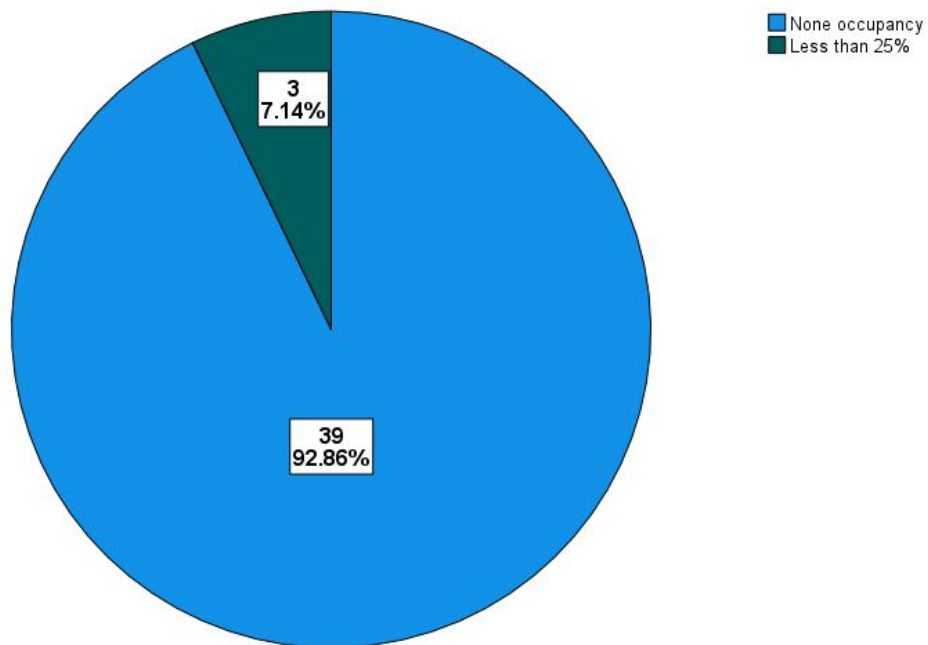


Figure 9: Occupancy Rate of 2013

Source; survey 2024

The pie chart illustrates the average annual occupancy rate of hotels during the war in 2013 E.C., revealing a stark picture of the hospitality sector's performance under challenging conditions. Out of a total of 42 respondents, only 3 respondents, or 7.14%, reported an occupancy rate of less than 25%. This small fraction suggests that a very limited number of establishments were able to attract a significant number of guests, indicating potential issues in marketing, service quality, or overall appeal

during a tumultuous period. Conversely, a staggering most hotels, representing 92.86% of the total, reported a state of no occupancy at all.

4.2.6. The average annual occupancy rate of the hotels during 2014 E.C

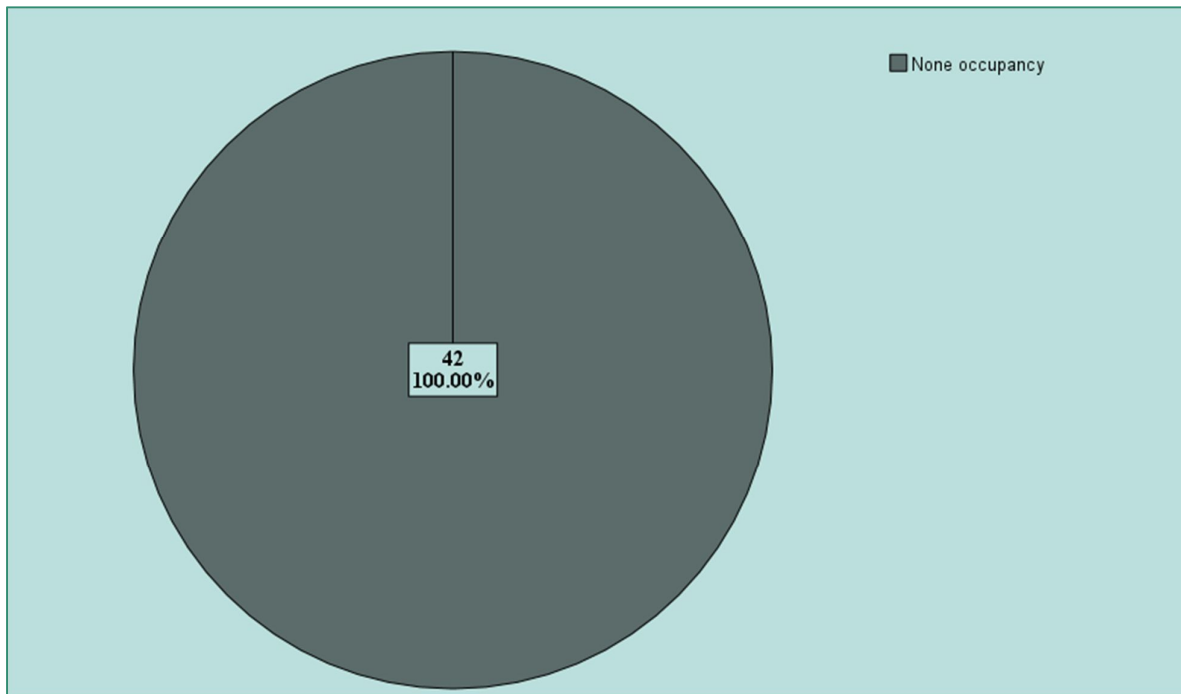


Figure 10: Occupancy Rate of 2014 E.C

Source; survey 2024

The pie chart visually represents the average annual occupancy rate of hotels during the war in 2014 E.C., with a striking emphasis on the prevalence of non-occupancy among establishments in the sector. The entire chart is, indicating that 100% of the hotels surveyed reported no occupancy during this period.

4.2.7. The annual occupancy rate of the hotels during 2015 E.C

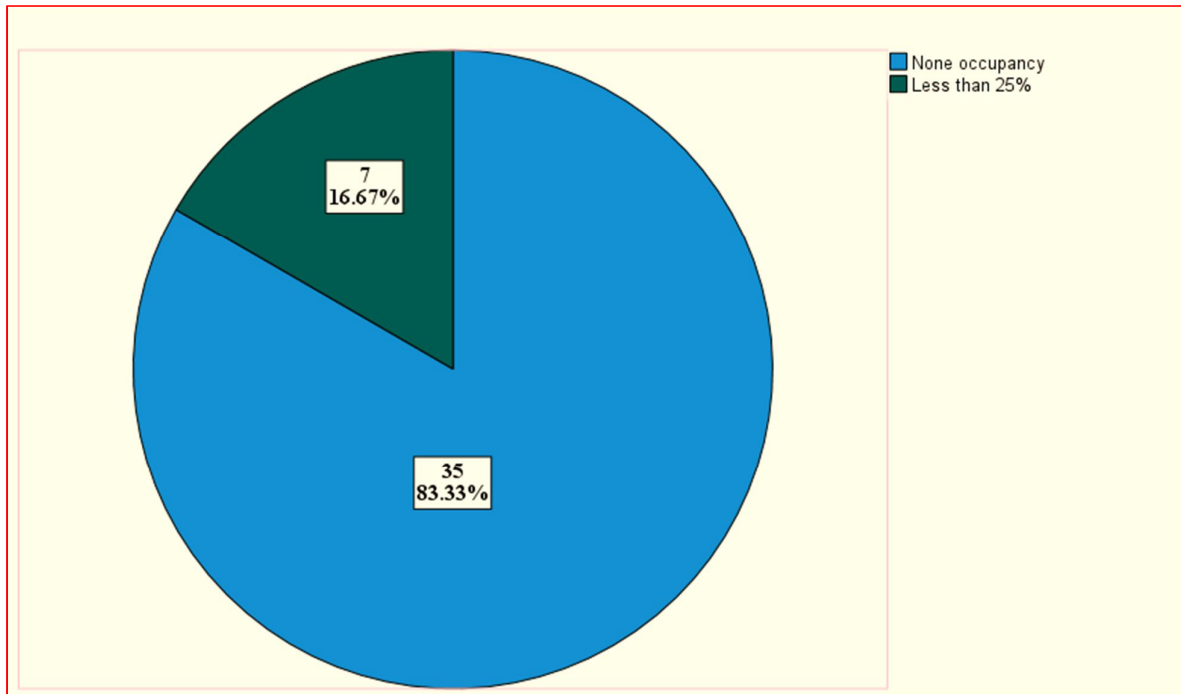


Figure 11: Occupancy Rate of 2015 E.C

Source; survey 2024

The pie chart presents data on the average annual occupancy rate of hotels during the war in 2015 E.C. It categorizes occupancy into two segments: None Occupancy and Less than 25%. The None Occupancy category, with a frequency of 35, constitutes a substantial 83.3% of the total, indicating that a significant majority of hotels were completely unoccupied. Conversely, the Less than 25% category comprises only 7 respondents of the hotels, accounting for 16.7% of the total occupancy. The cumulative percent confirms that these two categories encompass all 42 hotels surveyed.

4.2.8. The average annual revenue of the hotels during 2013 E.C

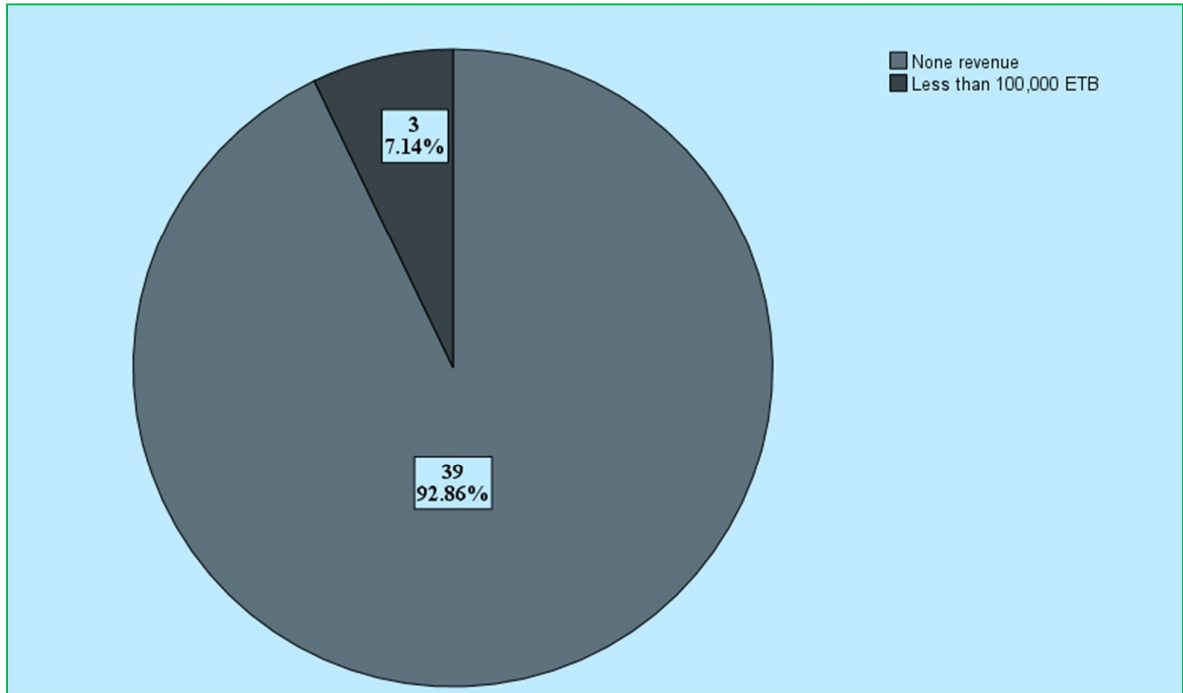


Figure 12: Revenue of 2013 E.C

Source; survey 2024

The pie chart indicates the insights into the average annual revenue of hotels during the war in 2013 E.C., categorizing revenue into two segments: None Revenue and Less than 100,000 ETB. The None Revenue category, with a frequency of 39, represents a striking 92.86% of the total, indicating that the vast majority of hotels reported no revenue at all during this period. In contrast, the Less than 100,000 ETB category includes only 3 respondents of the hotels, indicating for 7.14% of the total revenue. The cumulative percentages confirm that these two categories cover all 42 hotels surveyed.

4.2.9. The average annual revenue of the hotels during 2014 E.C

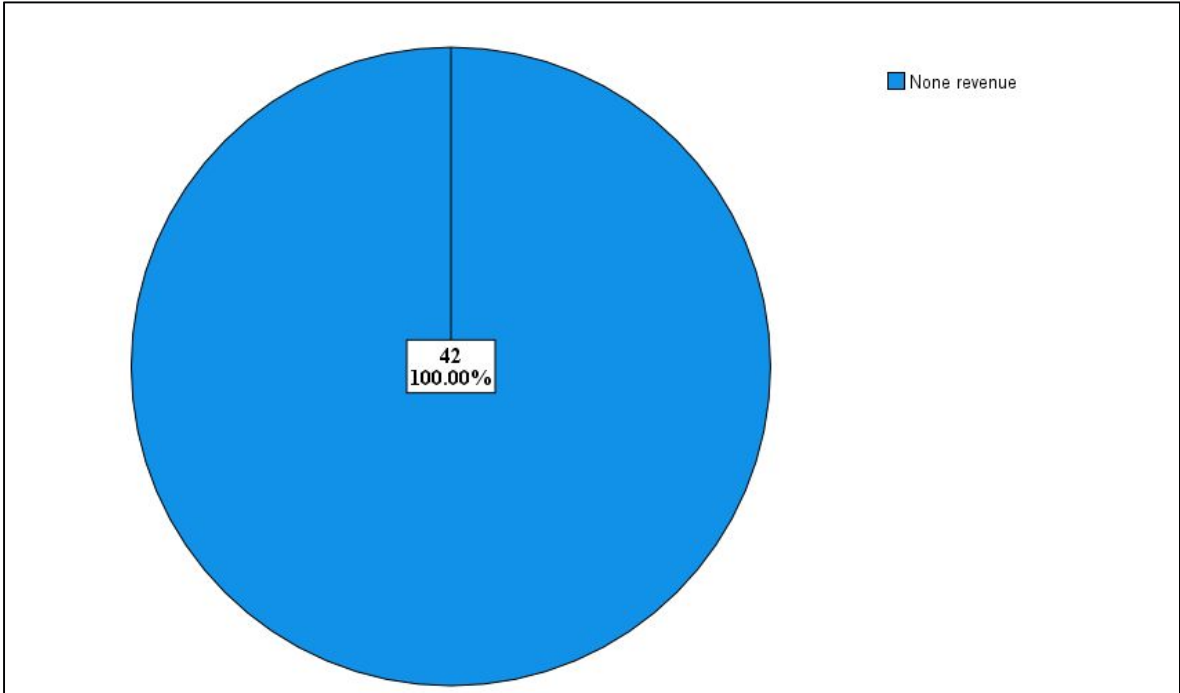


Figure 13: Revenue of 2014

Source; survey 2024

The pie chart representing the average annual revenue of hotels during the war in 2014 E.C. presents a similarly bleak picture. The chart is completely filled with a solid blue color, labeled "None revenue," indicating that hotels experienced zero revenue during this tumultuous year.

4.2.10. The average annual revenue of the hotels during 2015 E.C

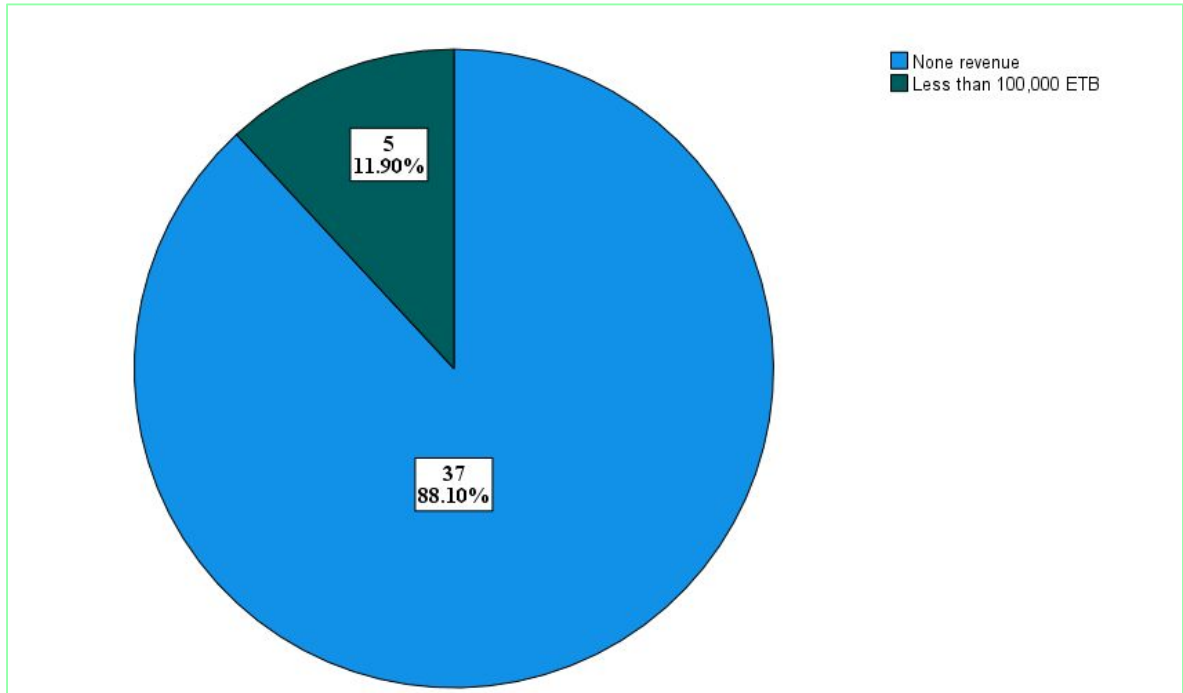


Figure 14: Revenue of 2015

Source; survey 2024

The pie chart showing the average annual revenue of hotels during the war in 2015 E.C. reveals a slight shift in the financial landscape compared to previous years. The specified period, categorizing them into two segments: None Revenue and Less than 100,000 ETB. The larger segment, comprising 37 respondents of the hotels, represents a substantial 88.10% of the total, indicating that the majority of hotels reported no revenue during this time. In contrast, the smaller segment, which includes only 5 respondents of the hotels, accounts for 11.90% and falls within the Less than 100,000 ETB category.

4.2.10.1. The Mean and Std. Deviation of the Occupancy of the hotels

Table 4: Mean and Std. of Occupancy

Pre-war and the war period occupancy rates figures of the Hotels in Axum town			
	N	Mean	Std. Deviation
2011 E.C (Pre-war)	42	3.26	0.627
2012 E.C (Pre-war)	42	2.21	0.606
2013 E.C (During war)	42	1.07	0.261
2014 E.C (During war)	42	1.00	0.000

2015 E.C (During war)	42	1.17	0.377
Valid N (list wise)	42		

Source; survey 2024

The descriptive statistics reveal a significant decline in hotel occupancy rates in Axum town from the pre-war period to the war years. In 2011 E.C., the average occupancy rate was 3.26, indicating a relatively healthy demand for hotel accommodations. This figure decreased to 2.21 in 2012 E.C., suggesting an emerging downward trend even before the onset of war. The situation deteriorated sharply during the war years, with occupancy rates plummeting to an average of 1.07 in 2013 E.C. and further declining to 1.00 in 2014 E.C. In 2015 E.C., there was a slight uptick to 1.17, but this remained significantly low.

4.2.10.2. The Description Mean and Std. Deviation of the annual revenue of the hotels

Table 5: Mean and Std. of Revenue

Pre-war and the war period revenue figures of the Hotels in Axum town			
	N	Mean	Std. Deviation
2011 E.C (Pre-war)	42	3.33	.721
2012 E.C (Pre-war)	42	2.69	.715
2013 E.C (During war)	42	1.07	.261
2014 E.C (During war)	42	1.00	.000
2015 E.C (During war)	42	1.12	.328
Valid N (list wise)	42		

Source; survey 2024

The average annual revenue figures for hotels in Axum town highlight a significant decline from the pre-war to the war period. In 2011 E.C., the mean revenue was 3.33, with a standard deviation of 0.721, indicating some variability in revenue among the hotels. This dropped to a mean of 2.69 in 2012 E.C., with a similar standard deviation of 0.715, suggesting that while revenues were decreasing, the range of performance among hotels remained relatively consistent.

During the war years, the average revenue plummeted to 1.07 in 2013 E.C., accompanied by a standard deviation of 0.261, indicating less variability as most hotels faced severe revenue challenges. The mean revenue further declined to 1.00 in 2014 E.C., with a standard deviation of 0.000, signifying that all hotels reported the same revenue figure, pointing to an unprecedented financial crisis. In 2015 E.C., the mean revenue slightly increased to 1.12, with a standard deviation of 0.328, suggesting a modest recovery but still reflecting a lack of significant variation in hotel performance during this challenging period.

4.2.11. Price change strategy

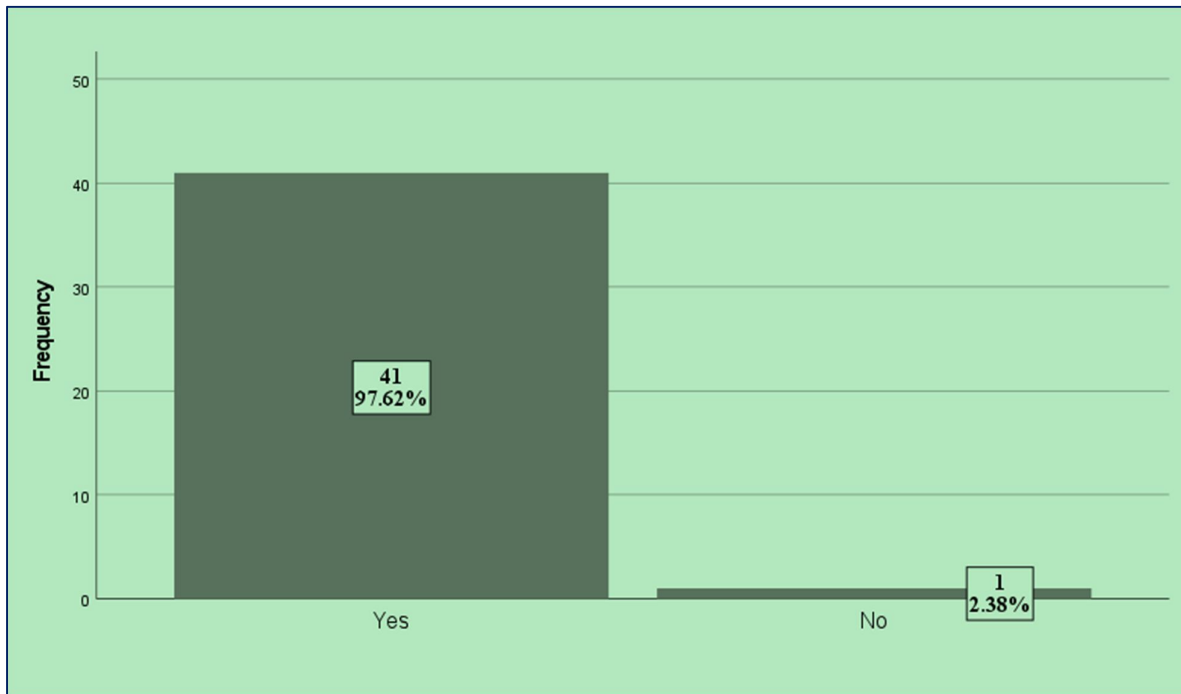


Figure 15: Price Change Strategy

Source; survey 2024

The bar chart presents the responses regarding pricing change strategies implemented by hotels during the war period. A striking 97.6% of the surveyed hotels (41 out of 42) reported that they adopted some form of pricing change, indicating a widespread recognition of the need to adjust pricing strategies in response to the challenging economic conditions brought on by the war. In contrast, only 2.4% 1respondents of the hotels did not implement any pricing changes, suggesting that nearly all hotels sought to adapt to the declining demand and revenue.

4.3. Impact on Property and Income

4.3.1. The impact of the war on the physical condition and infrastructure of the hotel property in Axum town

Table 6: Impact on physical and infrastructure

Constructs	Frequency					Percentage				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
No Damage	27	8	5	2	0	64.3	19	11.9	4.8	
Minor Damage (cosmetic repairs)	4	3	4	26	5	9.5	7.1	9.5	61.5	11.9
Major Damage (structural repairs required)	2	3	2	13	22	4.8	7.1	4.8	31.0	52.4
Totally Destroyed	9	26	6	1	0	9	26	6	1	

Source; survey 2024

The table presents survey results regarding the impact of war on the physical condition and infrastructure of hotel properties in Axum town, categorizing responses into four constructs: No Damage, Minor Damage, Major Damage, and Totally Destroyed, along with associated frequency counts and percentages for each response category, which include Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree.

For the construct of "No Damage," a substantial majority of respondents, accounting for 64.3%, strongly disagreed with the assertion that there was no damage to hotel properties. This is further supported by an additional 19% who disagreed, bringing the total discontent with the idea of no damage to 83.3%. Only 11.9% of respondents remained neutral, with a mere 4.8% agreeing and none strongly agreeing. This indicates a widespread acknowledgment among the respondents that damage has occurred.

In the case of "Minor Damage (cosmetic repairs)," the survey revealed that 61.5% of respondents agreed that there was minor damage requiring cosmetic repairs, with

11.9% expressing strong agreement. In contrast, only 9.5% strongly disagreed and another 7.1% disagreed, while 9.5% remained neutral. The combined total of those who acknowledged some form of minor damage is 73.4%, suggesting that many hotel properties have sustained damage that, while not extensive, still necessitates attention and repair.

When assessing "Major Damage (structural repairs required)," the results were even more pronounced. A significant 52.4% of respondents strongly agreed that major damage requiring structural repairs was present, while an additional 31% agreed, leading to an overwhelming total of 83.4% acknowledging the existence of major damage. Only 4.8% of respondents strongly disagreed, 7.1% disagreed, and 4.8% remained neutral. This indicates a strong consensus among respondents that many hotel properties are in a dire state requiring significant repairs, underscoring the urgency of addressing structural issues.

Regarding the construct "Totally Destroyed," the findings show that a majority of respondents (35%) disagreed with the assertion that hotel properties were completely destroyed, with 26% strongly disagreeing. Only 6% were neutral, and a mere 1% agreed, with none strongly agreeing.

4.3.2. The impact of the war on the property of the hotels in terms of mean and standard deviation

Table 7: Mean and std. of the property impact

Impact on Property			
	N	Mean	Std. Deviation
No Damage	42	1.57	.887
Minor Damage (cosmetic repairs)	42	3.60	1.106
Major Damage (structural repairs required)	42	4.19	1.131
Totally Destroyed	42	1.98	.680
Valid N (list wise)	42		

Source; survey 2024

The descriptive statistics for the agreement on the war's impact on the physical condition and infrastructure of hotel properties reveal significant insights based on 42

observations. The data highlights varying levels of perceived damage among different categories. The category reflecting "no damage" has a mean agreement score of 1.57 with a standard deviation of 0.887, indicating that respondents generally disagree with the notion that the war had no impact on their properties, although there is some variability in opinions. In contrast, the group assessing "minor damage" shows a higher mean of 3.60 and a standard deviation of 1.106, suggesting moderate agreement that minor cosmetic repairs were needed, with a broader range of views among respondents. For "major damage," which includes structural repairs, the mean agreement score rises to 4.19 with a standard deviation of 1.131, indicating strong consensus among respondents that significant damage occurred, with less variability in their responses. Lastly, the category for "totally destroyed" reflects a mean of 1.98 (standard deviation 0.619), suggesting that while there is some acknowledgment of total destruction, the overall agreement is still low. Collectively, these statistics illustrate a clear perception of varying degrees of damage to hotel properties due to the war, with a notable consensus on the prevalence of major damage requiring serious attention.

4.3.3. The impact of the war on the hotels overall revenue in Axum town

Table 8: impact Overall Revenue

Constructs	Frequency					Percentage				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Totally Declined	2	2	2	16	20	4.8	4.8	4.8	38.1	47.6
From 1% - 50% Declined	14	20	6	2	0	33.3	47.6	14.3	4.8	
From 51% - 75% Declined	10	21	7	2	2	23.8	50.0	16.7	4.8	4.8
From 75%- 99% Declined	4	2	2	27	7	9.5	4.8	4.8	64.3	16.7

Source; survey 2024

The table survey results presents regarding the impact of war on the overall revenue of hotels in Axum town, with responses categorized into four constructs: Totally Declined, from 1% - 50% Declined, from 51% - 75% Declined, and from 75% - 99% Declined. Each construct includes frequency counts and corresponding percentages for the response categories: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree.

For the construct "Totally Declined," a total of 38.1% of respondents agreed that hotel revenues have totally declined, with 47.6% strongly agreeing. In contrast, only 4.8% of respondents strongly disagreed, 4.8% disagreed, and another 4.8% remained neutral. This indicates a significant consensus among respondents that war has had a devastating impact on hotel revenues, with nearly half of the respondents strongly affirming total revenue decline.

In the category "From 1% - 50% Declined," 33.3% of respondents strongly disagreed with the notion that revenues fell within this range, while 47.6% disagreed, indicating that a majority (80.9%) do not believe the decline is minimal. Only 14.3% remained neutral, and just 4.8% agreed with the assertion. This suggests that respondents perceive the revenue decline to be more severe than a modest decline of 1% to 50%.

When examining the construct "From 51% - 75% Declined," the survey results show that 23.8% of respondents strongly disagreed, and 50% disagreed, indicating a combined total of 73.8% who do not view the revenue decline as being within this range. A smaller percentage, 16.7%, remained neutral, while 4.8% agreed and another 4.8% strongly agreed, suggesting that many respondents believe the decline in revenue exceeds 75%.

Lastly, for the construct "From 75% - 99% Declined," the results indicate that 64.3% of respondents agreed that hotel revenues have declined within this range, with an additional 16.7% strongly agreeing. Only 9.5% strongly disagreed, 4.8% disagreed, and 4.8% remained neutral.

4.3.4. The impact of war on the Income of hotels interims of mean and standard deviation

Table 9: Mean and Std. in overall Revenue

Impact on Income			
	N	Mean	Std.

			Deviation
the impact of the war on your hotel's overall revenue with the Totally Declined	42	4.19	1.065
the impact of the war on your hotel's overall revenue with the 1% - 50% Declined	42	1.90	.821
the impact of the war on your hotel's overall revenue with the 51% - 75% Declined	42	2.17	1.010
the impact of the war on your hotel's overall revenue with the 75%-99% Declined	42	3.74	1.106
Valid N (list wise)	42		

Source; survey 2024

The descriptive statistics for the impact of the war on hotel revenues provide a nuanced understanding of varying degrees of decline based on 42 observations. The category indicating "totally declined" revenue presents a mean score of 4.19 with a standard deviation of 1.065, suggesting a strong consensus among respondents that the war had a significant negative impact on their overall revenue, with relatively consistent views across the sample. Conversely, the category reflecting a revenue decline of "1% - 50%" shows a lower mean of 1.90 and a standard deviation of 0.821, indicating that respondents generally disagree with the notion that their revenue fell within this range, suggesting a perception of more severe impacts. In the case of "51% - 75% declined" revenue, the mean score rises to 2.17 (standard deviation 1.010), reflecting a slightly increased acknowledgment of significant revenue losses, though still indicating disagreement overall. Notably, the "75% - 99% declined" revenue category has a mean of 3.74 and a standard deviation of 1.106, indicating moderate agreement that revenues experienced substantial declines, with less variability in responses.

4.4. Challenges Faced by Hotel Owners and Employees

4.4.1. The operational challenges of the hotels faced during the war in Axum town

Table 10: Operational challenge during the war

Constructs	Frequency					Percentage				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Lack of security and safety for	3	2	2	20	15	7.1	4.8	4.8	47.6	35.7

guests and staff										
Disruptions to utilities (electricity, water, etc.)	2	2	2	16	20	4.8	4.8	4.8	38.1	47.6
Difficulty obtaining supplies and products	2	2	2	11	25	4.8	4.8	4.8	26.2	59.5
Staff shortages and high turnover	7	28	3	2	2	16.7	66.7	7.1	4.8	4.8
Declined in bookings and occupancy	0	2	0	18	22		4.8		42.9	52.4

Source; survey 2024

The table outlines the biggest operational challenges faced by hotels in Axum town during the war, categorized into five constructs: Lack of security and safety for guests and staff, Disruptions to utilities (electricity, water, etc.), Difficulty obtaining supplies and products, Staffing shortages and high turnover, and Decline in bookings and occupancy. Each construct includes frequency counts and corresponding percentages for the responses: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree.

Starting with the construct "Lack of security and safety for guests and staff," a significant 47.6% of respondents agreed that this was a major challenge, with an additional 35.7% strongly agreeing. In contrast, only 7.1% strongly disagreed, 4.8% disagreed, and 4.8% remained neutral. This indicates a strong consensus that the war has severely compromised the safety and security of both guests and staff, creating an environment of concern that likely impacts hotel operations and guest confidence.

For the category "Disruptions to utilities (electricity, water, etc.)," respondents also expressed significant concern, with 38.1% agreeing that such disruptions were a challenge, and 47.6% strongly agreeing. Only 4.8% of respondents strongly disagreed, 4.8% disagreed, and 4.8% remained neutral, suggesting that utility

disruptions are a prevalent issue affecting daily operations. This implies that inconsistent access to essential services like electricity and water has likely hindered the ability of hotels to function effectively.

When examining "Difficulty obtaining supplies and products," the survey results reveal that a majority of respondents, 59.5%, strongly agreed that this was a challenge, while 26.2% agreed. Only 4.8% strongly disagreed, 4.8% disagreed, and 4.8% remained neutral. This overwhelming agreement indicates that logistical challenges have made it hard for hotels to maintain adequate supplies, which can directly affect service quality and operational efficiency.

In terms of "Staffing shortages and high turnover," the results show a notable disparity in perceptions. While 66.7% of respondents disagreed with the notion that staffing shortages were a major issue, only 16.7% strongly disagreed. A small percentage (7.1%) remained neutral, and only 4.8% agreed or strongly agreed. This suggests that, despite the challenges posed by the war, many hotels may have managed to retain staff or that the turnover rates might not be as high as initially feared.

Lastly, for the construct "Decline in bookings and occupancy," the survey indicates that 52.4% of respondents strongly agreed that there was a significant decline in bookings, while 42.9% agreed. Only 4.8% of respondents strongly disagreed, and 2% disagreed, with no respondents remaining neutral.

4.4.2. The mean and standard deviation of the Challenges Faced by Hotel Owners and Employees

Table 11: Mean and Std. of the Operational challenge during the war

Challenges Faced by Hotel Owners and Employees			
	N	Mean	Std. Deviation
The biggest operational challenges your hotel faced during the war with Lack of security and safety for guests and staff	42	4.00	1.126
The biggest operational challenges your hotel faced during the war with Disruptions to utilities (electricity, water, etc.)	42	4.19	1.065
The biggest operational challenges your hotel faced during the war with Difficulty obtaining supplies and products	42	4.31	1.093
The biggest operational challenges your hotel faced during the war with Staffing	42	2.14	.926

shortages and high turnover			
The biggest operational challenges your hotel faced during the war with Declined in bookings and occupancy	42	4.43	.737
Valid N (list wise)	42		

Source; survey 2024

The descriptive statistics concerning the biggest operational challenges hotels faced during the war reveal significant insights from 42 respondents. The category addressing "security and safety for guests and staff" has a mean score of 4.00 with a standard deviation of 1.126, indicating a strong consensus that security concerns were a major challenge, though with some variability in the intensity of these concerns among respondents. Similarly, the challenge related to "disruptions to utilities" (e.g., electricity and water) shows a mean of 4.12 and a standard deviation of 1.065, suggesting that disruptions were recognized as critical issues, again reflecting a shared acknowledgment but with some differences in perspective. The "difficulty obtaining supplies" category presents a mean of 3.43 and a standard deviation of 1.093, indicating moderate agreement on this issue, though opinions are more varied compared to the first two challenges. In contrast, the challenges associated with "staffing shortages" receive a lower mean of 2.14 (standard deviation 0.926), suggesting that while staffing issues are acknowledged, they are viewed as less critical compared to other challenges. Lastly, the challenge of "declined bookings and occupancy" has a mean of 2.81 (standard deviation 0.737), indicating a moderate level of agreement that this issue was significant, but again, it is perceived as less urgent than safety and utility disruptions.

4.4.3. The war impact on the ability to retain and support hotel employees

Table 12: the ability to retain and support to the employees

Constructs	Frequency					Percentage				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Minimal impact, able to retain most staff	27	10	3	2	0	64.3	23.8	7.1	4.8	
Moderate staff	7	32	3	0	0	16.7	76.2	7.1		

reductions and layoffs										
Significant staff reductions, many employees left	3	4	21	9	5	7.1	9.5	50.0	21.4	11.9
Hotel was forced to lay off all or most employees	1	2	2	16	21	2.4	4.8	4.8	38.1	50.0

Source; survey 2024

The table presents survey results regarding the impact of the war on the ability to retain and support hotel employees in Axum. The responses are categorized into four constructs: Minimal impact, able to retain most staff; Moderate staff reductions and layoffs; significant staff reductions, many employees left; and Hotel was forced to lay off all or most employees. Each construct includes frequency counts and percentages for the responses: Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree.

Beginning with the construct "Minimal impact, able to retain most staff," a substantial 64.3% of respondents strongly disagreed with the idea that the war had minimal impact on staff retention, indicating that most believe the conflict has significantly affected hotel employment. Additionally, 23.8% disagreed, bringing the total of those who do not support the notion of minimal impact to 88.1%. Only 7.1% were neutral, and a mere 4.8% agreed, suggesting that there is a strong consensus that the war has disrupted the ability to retain staff.

In the category "Moderate staff reductions and layoffs," the responses reveal that a majority of 76.2% disagreed with the assertion that there were moderate reductions in staff, indicating that most believe the situation is more severe than moderate layoffs. Only 16.7% strongly disagreed, while 7.1% remained neutral, and no respondents agreed. This suggests that hotel operators may have faced significant challenges in retaining their workforce, with many believing that the reductions in staff exceed moderate levels.

When examining "Significant staff reductions, many employees left," the results show a more varied response. While 50% of respondents remained neutral, indicating uncertainty about the extent of staff reductions, 21.4% agreed and 11.9% strongly

agreed that significant reductions occurred. Conversely, only 7.1% strongly disagreed and 9.5% disagreed, suggesting that while many acknowledge the issue, there is a division in opinions on the severity of the impact on staffing levels.

Finally, regarding the construct "Hotel was forced to lay off all or most employees," the findings indicate that 50% of respondents strongly agreed that many employees were laid off, with an additional 38.1% agreeing. Only 2.4% strongly disagreed, 4.8% disagreed, and 4.8% remained neutral.

4.4.3.1. Challenges Faced by Hotel Owners and Employees

Table 13: Challenges Faced by Hotel Owners and Employees

Challenges Faced by Hotel Owners and Employees			
	N	Mean	Std. Deviation
The ability to retain and support hotel employees with Minimal impact, able to retain most staff	42	1.52	.833
The ability to retain and support hotel employees with Moderate staff reductions and layoffs	42	1.90	.484
The ability to retain and support hotel employees with Significant staff reductions, many employees left	42	3.21	1.025
The ability to retain and support hotel employees with Hotel was forced to lay off all or most employees	42	4.29	.944
Valid N (list wise)	42		

Source; survey 2024

The descriptive statistics regarding the impact of the war on hotel employee retention reveal varied perceptions among 42 respondents. The category addressing "minimal impact" on the ability to retain and support staff shows a low mean score of 1.52 with a standard deviation of 0.833, indicating a strong consensus that the war had little effect in this area, although there is some variability in responses. In contrast, the category reflecting "moderate staff reductions" has a mean of 3.21 and a standard deviation of 1.025, suggesting a moderate acknowledgment of the challenges faced in retaining employees, with opinions more widely distributed among respondents. Furthermore, the category concerning "significant staff reductions" reveals a mean of 4.00 (standard deviation 1.002), indicating clear agreement that the war led to substantial layoffs and employee turnover. Lastly, the challenge of being forced to lay

off most or all employees' scores a mean of 4.00 with a standard deviation of 0.944, reinforcing the notion that many hotels experienced extreme difficulties in maintaining their workforce.

4.5. Strategies for Recovery and Revitalization

4.5.1. The overall impact of the war on the hotels operations in Axum town

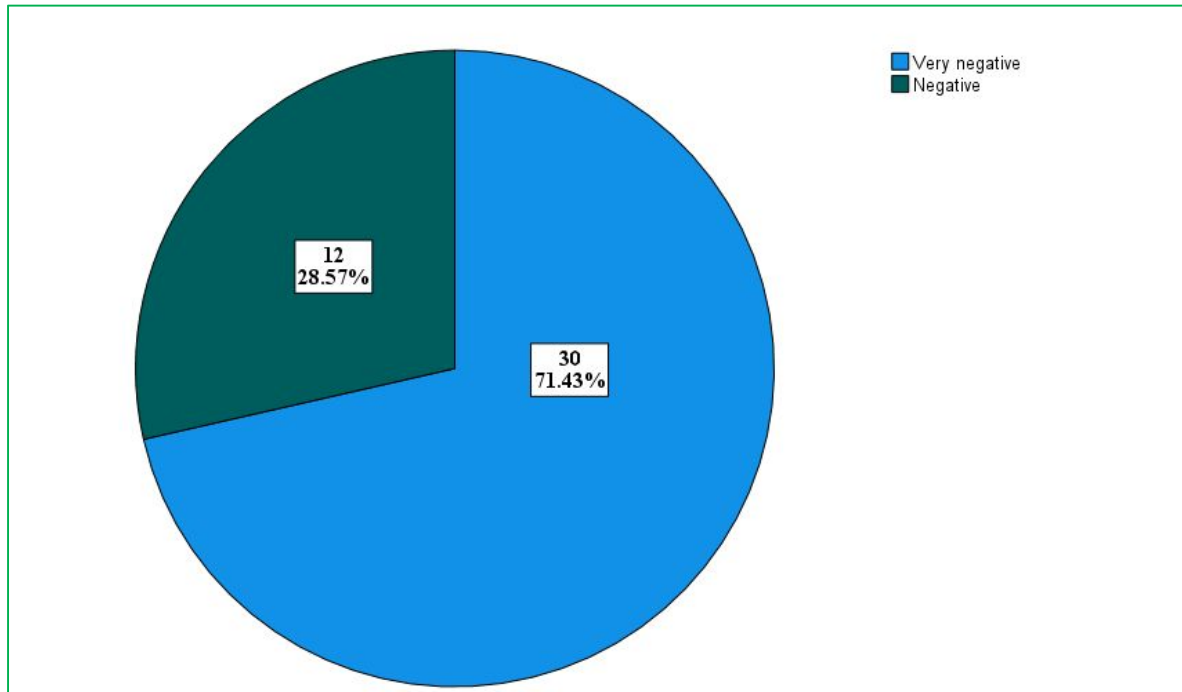


Figure 16: overall impact of the war on the hotels operations

Source; survey 2024

The analysis of the survey results concerning the overall impact of the war on hotel operations reveals a predominantly negative sentiment among respondents. Out of a total of 42 participants, a significant 30 individuals, or 71.43%, classified the impact as "Very negative." This overwhelming majority suggests that a substantial portion of the hotel industry perceives the conflict as severely detrimental to their operations, highlighting the critical challenges they are facing during this tumultuous period. Following this, 12 respondents, accounting for 28.57%, rated the impact as "Negative." While this group acknowledges that the situation is harmful, their views are slightly less severe than those who identified it as "Very negative."

The absence of any responses in the positive categories neither "Positive" nor "Very positive" underscores a clear consensus that the war has not yielded any beneficial outcomes for hotel operations. Cumulatively, 97.6% of respondents view the impact

as negative to some degree, further emphasizing the pervasive challenges that the industry is grappling with.

4.5.2. The government support or other assistance would be most agreed for the hotels recovery in Axum

Table 14: government support

Constructs	Frequency					Percentage				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Financial assistance for repairs	2	2	2	14	22	4.8	4.8	4.8	33.3	52.4
Loan programs for rebuilding	2	2	2	17	19	4.8	4.8	4.8	40.5	45.2
Tax relief or deferrals	2	2	3	13	22	4.8	4.8	7.1	31.0	52.4
Training programs for staff	2	2	2	16	20	4.8	4.8	4.8	38.1	47.6
Security and stability measures	2	2	1	18	19	4.8	4.8	2.4	42.9	45.2
Marketing and promotion support	2	2	2	17	19	4.8	48	4.8	40.5	45.2

Source; survey 2024

The survey results underscore a strong consensus among respondents regarding the importance of government support and assistance for the recovery of hotels in Axum. For financial assistance aimed at repairs, 22 participants, or 52.4%, expressed "Strongly Agree," while an additional 14 respondents, representing 33.3%, indicated "Agree." This results in a combined total of 85.7% of respondents who believe that

financial support is crucial for restoring hotel operations after the war. Similarly, the need for loan programs for rebuilding was highlighted, with 19 respondents (45.2%) "Strongly Agreeing" and 17 (40.5%) "Agreeing," reflecting a strong demand for accessible financial resources to facilitate reconstruction efforts.

Tax relief or deferrals also received considerable backing, as 22 participants, or 52.4%, expressed "Strongly Agree," while 13 (31.0%) "Agreed." This indicates a significant perception that tax relief is essential for alleviating financial pressures on hotels during the recovery process. Training programs for staff were similarly supported, with 20 respondents (47.6%) "Strongly Agreeing" and 16 (38.1%) "Agreeing." This illustrates a recognition of the importance of skill development in revitalizing the hotel workforce.

Additionally, security and stability measures garnered support, with 19 participants (45.2%) "Strongly Agreeing" and 18 (42.9%) "Agreeing," suggesting that respondents understand the necessity of a safe environment to encourage both staff and guests. Finally, marketing and promotion support was also viewed favorably, with 19 respondents (45.2%) "Strongly Agreeing" and 17 (40.5%) "Agreeing." This indicates a clear need for effective strategies to attract visitors back to the region.

4.5.3. The hotel contemplating internally to assist in its rejuvenation in Axum town

Table 15: Hotel contemplating internal support

Constructs	Frequency					Percentage				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Develop tourism packages promoting cultural heritage	1	2	2	19	18	2.4	4.8	4.8	45.2	42.9
Offer discounted rates to stimulate demand	2	2	3	16	19	4.8	4.8	7.1	38.1	45.2

Partner with travel agencies to attract visitors	2	2	2	18	18	4.8	4.8	4.8	42.9	42.9
Enhancing digital presence and online bookings	2	2	3	20	15	4.8	4.8	7.1	47.6	35.7
Investing in staff training and development	2	1	2	19	18	4.8	2.4	4.8	45.2	42.9
Exploring new target markets and customer segments	0	2	2	18	20		4.8	4.8	42.9	47.6
Improve hotel amenities and services	2	1	2	20	17	4.8	2.4	4.8	47.6	40.5
Focus on business travel opportunities	0	2	2	19	19		4.8	4.8	45.2	45.2

Source; survey 2024

The survey results reveal a strong consensus on various strategies to enhance hotel recovery in Axum, particularly through developing tourism packages that promote cultural heritage. Among respondents, 18 individuals, or 42.9%, "Strongly Agree" with this initiative, while 19, representing 45.2%, "Agree," leading to a combined total of 88.1% supporting this strategy. In contrast, only one respondent (2.4%) "Strongly disagrees," indicating minimal opposition to this approach.

Similarly, the proposal to offer discounted rates to stimulate demand garnered significant support, with 19 participants (45.2%) "Strongly Agreeing" and 16 (38.1%) "Agreeing." This results in a total of 83.3% endorsing discounted rates as a means to attract more customers. Partnering with travel agencies to attract visitors received comparable backing, with 18 respondents (42.9%) "Strongly Agreeing" and another 18 (42.9%) "Agreeing," reflecting a total of 85.8% in favor of this collaborative approach.

Enhancing the digital presence and facilitating online bookings is also viewed positively, with 20 respondents (47.6%) "Strongly Agreeing" and 15 (35.7%) "Agreeing," leading to an overall support rate of 83.3%. The importance of investing in staff training and development is highlighted, as 18 respondents (42.9%) "Strongly Agree" and 19 (45.2%) "Agree," resulting in a total of 88.1% who recognize the value of developing human resources in the industry.

Exploring new target markets and customer segments received strong endorsement as well, with 20 respondents (47.6%) "Strongly Agreeing" and 18 (42.9%) "Agreeing," indicating that 90.5% see potential in diversifying customer outreach. Improving hotel amenities and services is another area of focus, with 17 participants (40.5%) "Strongly Agreeing" and 20 (47.6%) "Agreeing," resulting in 88.1% supporting this enhancement.

Lastly, the focus on business travel opportunities also received notable support, with 19 respondents (45.2%) "Agreeing" and another 19 (45.2%) "Strongly Agreeing." This indicates a balanced interest in catering to both leisure and business travelers. Overall, the data illustrates a robust agreement among respondents on the necessity of these strategies to revitalize the hotel industry in Axum, emphasizing the importance of cultural promotion, pricing strategies, partnerships, digital engagement, staff development, market diversification, and service improvement.

The survey results indicate strong support for various strategies to enhance hotel recovery in Axum, particularly the development of tourism packages that promote cultural heritage, with 88.1% of respondents in favor. Offering discounted rates to stimulate demand also received significant backing, with 83.3% supporting this approach. Furthermore, partnering with travel agencies garnered 85.8% approval, while enhancing digital presence and online bookings received 83.3% support. Investing in staff training was endorsed by 88.1% of participants, and exploring new target markets had 90.5% backing. Improving hotel amenities also showed strong support at 88.1%.

4.5.4. Mean and Standard Deviation of Strategies for Recovery and Revitalization

Table 16: Mean and Std. of Strategies for Recovery and Revitalization

Strategies for Recovery and Revitalization

	N	Mean	Std. Deviation
Financial assistance for repairs	42	4.24	1.078
Loan programs for rebuilding	42	4.17	1.057
Tax relief or deferrals	42	4.21	1.094
Training programs for staff	42	4.19	1.065
Security and stability measures	42	4.19	1.042
Marketing and promotion support	42	4.17	1.057
Develop tourism packages promoting cultural heritage	42	4.21	.925
Offer discounted rates to stimulate demand	42	4.14	1.072
Partner with travel agencies to attract visitors	42	4.14	1.049
Enhancing digital presence and online bookings	42	4.05	1.035
Investing in staff training and development	42	4.19	.994
Exploring new target markets and customer segments	42	4.33	.786
Improve hotel amenities and services	42	4.17	.986
Focus on business travel opportunities	42	4.31	.780
Valid N (list wise)	42		

Source; survey 2024

The analysis of strategies for recovery and revitalization among hotels reveals strong consensus on several key areas of government support and internal initiatives, as indicated by the means and standard deviations from a sample of 42 respondents. Financial assistance for repairs stands out as the most favored form of government support, achieving a mean score of 4.24 with a standard deviation of 1.078, highlighting its critical importance in facilitating recovery efforts. This is closely followed by loan programs for rebuilding and tax relief or deferrals, with means of 4.17 and 4.21, respectively, both reflecting a solid agreement on the necessity of financial support mechanisms. Additionally, training programs for staff and security measures also received high ratings (mean scores of 4.19), signifying the importance of workforce development and safety in the recovery process.

Internally, hotels recognize the value of developing tourism packages that promote cultural heritage, scoring 4.21, which suggests a strategic focus on leveraging local culture to attract visitors. The proposal to offer discounted rates to stimulate demand and partner with travel agencies both received mean scores of 4.14, indicating strong support for initiatives aimed at boosting occupancy through collaboration and targeted

marketing. Enhancing digital presence and online bookings, while slightly lower at 4.05, still reflects a recognition of the importance of technology in reaching customers. Notably, exploring new target markets scored the highest among internal strategies with a mean of 4.33, suggesting a proactive stance toward diversification and adaptability in response to changing market dynamics. Meanwhile, the focus on business travel opportunities, with a mean of 4.31, indicates a strategic pivot towards corporate clients as a potential source of revenue.

4.5.5. The guest demographics change during the war and the pre-war period.

Based on the respondents, before the Tigray war, Axum town thrived as a historical and cultural center, attracting a diverse array of domestic and international tourists drawn to its tourism and religious significance. This demographic mix, which included local residents, tourists, and travelers, supported a vibrant hospitality sector with hotels catering to various needs. The local economy benefited from this diversity, as hotels not only provided lodging but also stimulated related businesses, creating jobs and enhancing the overall economic landscape local community. As the respondents opinion;

General Managers, HR managers, department managers and supervisors of all-star rated hotels concur that, *“in stark contrast, during the Tigray war, the demographic composition of Axum changed dramatically. The war caused widespread displacement, with many local residents fleeing while displaced individuals from surrounding areas sought refuge in the town. The war severely strained resources, resulting in significant operational challenges and drastically reduced occupancy rates that devastated the hospitality sector in Axum. That was once a bustling hotel industry, thriving on tourism, effectively ground to a halt as establishments were forced to close their doors. This transformation not only disrupted the local economy but also reflected the broader demographic and economic upheaval caused by the war. The shift from a vibrant tourism-driven economy to a complete shutdown of hotel services underscored the severe impact of the war on the community, highlighting the urgent humanitarian needs that overshadowed the area’s historical significance and economic potential”*.

The Tigray War drastically changed the demographics of Axum. Local resources were severely strained as a result of the large number of local residents who fled and the displaced people from the surrounding areas who sought safety. Due to the drastic

drop in occupancy rates, the hospitality industry was essentially put on hold, and many hotels were forced to close. From a thriving tourism-driven economy to a total shutdown, the area's historical significance and economic potential were overshadowed by the pressing humanitarian needs, underscoring the conflict's devastating effects on the community.

4.5.6. The role of local government in the recovery of hotels in Axum?

According to the respondents, revitalizing the hotel sector in Axum requires the local government to play a crucial role by implementing strategies that address both immediate needs and long-term sustainability.

General Managers, HR managers, department managers and supervisors of all-star rated hotels noted that, *the government can offer financial assistance and incentives to help hotel owners repair damages and reopen their businesses, thereby boosting the local economy. Training programs should be established to equip hotel staff with skills in crisis management and hospitality tailored to new guest demographics. Promoting safety and security measures is vital for rebuilding traveler confidence. Additionally, local authorities should engage in marketing efforts to attract tourists back to Axum, emphasizing the town's rich cultural heritage and historical significance. Infrastructure improvements, such as better roads and utilities, are essential to facilitate access to Axum and ensure effective hotel operations, making the area more appealing to tourists and businesses, which would foster a vibrant local economy. Community engagement is also crucial. The local government should involve hotel owners, staff, and residents in the recovery planning process, ensuring their insights and needs are considered. This collaborative approach can help tailor recovery efforts to Axum's unique context, fostering community resilience. Promoting sustainable tourism practices that protect the region's cultural and environmental integrity is important, as it ensures that recovery benefits are shared widely among locals. Finally, establishing partnerships with NGOs and international organizations can provide additional resources and expertise in areas like crisis management and marketing.*

Revitalizing the hotel sector in Axum post-war is essential, with the local government playing a key role. Immediate actions should include financial assistance for repairs and training programs for staff in crisis management. Promoting safety is vital for

rebuilding traveler confidence, while marketing efforts should highlight Axum's cultural heritage to attract tourists. Infrastructure improvements, such as better roads and utilities, will support hotel operations and strengthen the local economy. Engaging the community in recovery planning ensures their insights are considered, fostering a tailored collaborative approach. Additionally, promoting sustainable tourism practices will protect the region's integrity and ensure recovery benefits are shared. Finally, partnerships with NGOs can enhance recovery efforts, making a comprehensive approach crucial for Axum's revitalization and community support.

4.5.7. Additional support to be beneficial for the hotel's recovery.

As the respondents stated the recovery of hotels in Axum, several forms of additional support would be highly beneficial.

All-star hotel general managers, human resources managers, department managers, and supervisors agreed that, *hotel owners must have access to financial aid or low-interest loans in order to control repair costs and operating expenses during the recovery phase and expedite reopening. They stressed the need for training courses in hospitality management, customer service, and crisis response to give employees the tools they need to handle a wider range of customers. In order to draw both domestic and foreign tourists after stability is restored, the respondents also emphasized the significance of promoting Axum's wider attractions. Partnerships with online platforms and travel agencies were found to be successful strategies for increasing visibility. Help in creating strong health and safety procedures is also required to guarantee adherence to rules and foster visitor trust, both of which are essential for reviving business. By taking care of these important issues, Axum's hospitality industry can create a strong basis for a robust recovery and make sure that lodging establishments are prepared to meet the changing needs of their customers while boosting the local economy.*

The respondent's response demonstrates a thorough strategy for Axum's hotel industry's recovery. Important components include the requirement for low-interest loans to pay for maintenance and repair expenses, hospitality management training courses to prepare employees for a wide range of customers, and marketing initiatives to advertise Axum's attractions and raise awareness. Strong health and safety procedures must also be established in order to ensure compliance and guest trust. The

local economy will eventually gain from this concerted approach, which attempts to guarantee a robust recovery for the hotel sector.

4.5.8. The role of the community in supporting the recovery of hotels.

Based on the respondents the community plays a crucial role in supporting the recovery of hotels in Axum through active involvement and collaboration.

Hotel management's insights highlight how crucial this community involvement is. *Locals can showcase their culture and hospitality, creating a warm environment that inspires pride in their ancestry. In order to speed up hotel reopening, they can participate in grassroots projects like volunteer programs for cleanup and repair. At community meetings, promoting tourism increases understanding of the value of the hospitality industry and promotes teamwork to draw tourists back to the area. Along with encouraging hospitality, the community can host markets, festivals, and cultural events that highlight Axum's rich past, fostering a lively atmosphere that attracts visitors and prolongs their stays. Building connections between regional service providers, tour guides, and craftspeople can encourage cooperation and enable hotels to provide distinctive packages that improve. In order to effectively promote Axum as a travel destination, community members can also serve as ambassadors by posting positive experiences on social media and in their personal networks.*

Giving hotel owners insightful input on visitor preferences enables them to customize services to suit a range of needs, increasing patron satisfaction. In addition, promoting eco-friendly travel methods can reduce the negative effects on the environment and protect regional culture, resulting in a more sustainable tourism model. Last but not least, providing hotel employees and owners with emotional and social support throughout their recuperation can promote optimism and fortitude in the face of difficulties. By actively taking part in these programs, the community makes a substantial contribution to the recovery and long-term prosperity of Axum's hotels, fostering a cooperative atmosphere that is advantageous to all parties.

According to the respondent's comments, community involvement is crucial to Axum's hotel recovery. It emphasizes how grassroots projects like volunteer cleanup efforts can hasten hotel reopening, while direct local involvement creates a friendly environment and pride in cultural heritage. Putting on cultural events

draws tourists and makes the area more appealing. The cooperation of regional service providers and craftspeople enhances visitor experiences, and locals' word-of-mouth advertising successfully markets Axum as a travel destination. Additionally, offering input to hotel owners enables customized services, and promoting sustainable practices helps both tourists and the neighborhood. The recovery of the hotel industry and the expansion of the local economy largely depend on this united community effort.

4.5.9. Additional observations or insights regarding the impact of the war on the hotels.

As the respondent emphasized, the impact of the war on hotels has been profound and multifaceted, affecting every aspect of their operations and reverberating throughout the wider community.

Human resources managers, department managers, supervisors, and general managers of all-star hotels concurred that the war's profound psychological effects have caused emotional and mental stress for many hotel staff and management. Support programs and counseling services are necessary for boosting employee morale and creating a positive work atmosphere. To make matters worse, the war-induced economic downturn has also affected hotels and the wider network of businesses that support the hospitality sector. Hotels have revised their marketing plans in reaction to the war, concentrating on promoting Axum as a place with a rich cultural heritage as well as a representation of resiliency and healing. They hope to draw tourists who want to participate in their journey and support regional recovery efforts by sharing heartwarming tales of hope and community resilience. This experience has also brought to light the significance of staff mental health support and crisis management. As a result, hotels are putting in place initiatives that put their employees' health first, making sure they feel encouraged while they work through the healing process.

According to the feedback from the respondents Staff morale and productivity suffered as a result of the significant emotional toll. Hotels have responded by changing their marketing tactics to position Axum as a representation of resiliency and healing, sharing motivational stories to draw tourists. Hotel programs that prioritize staff well-being during the recovery process have been implemented as a

result of this situation, which has highlighted the need for effective crisis management and mental health support.

4.6. The impact of the war on the hotels revenue figures.

As the respondents showed the war has had a profound and detrimental impact on hotel revenue figures in Axum, fundamentally altering the landscape of the hospitality industry.

According to the general managers and owners of all-star-rated hotels in Axum, the outbreak of conflict led to a dramatic decline in occupancy rates as tourists and business travelers evacuated the area or avoided it altogether. This sharp decrease in visitors caused substantial income losses, putting immense financial pressure on hotel operations. With dwindling revenues, hotels struggled to maintain operational standards, pay staff, and cover basic expenses, forcing many to reduce their workforce or temporarily shut down. These immediate cash flow issues jeopardized long-term financial stability and growth prospects, leaving many hotels in precarious situations. The war created an environment of instability, deterring potential visitors and investors. Even when conditions began to stabilize, the lingering effects of the conflict led to a pervasive lack of confidence among travelers, further suppressing revenue figures. This decline in hotel income had broader implications for the local economy, affecting related sectors such as tourism services, restaurants, and retail businesses that depended on hotel guests. The ripple effects extended beyond individual establishments, impacting the livelihoods of many in the community. Overall, the war transformed the once-thriving hotel industry in Axum into a struggling sector, with a significant drop in revenue figures highlighting an uncertain future for an industry that was previously vibrant and essential to the local economy.

The war has severely impacted hotel revenues in Axum, causing a significant drop in occupancy rates as tourists and business travelers evacuated. This financial strain has made it difficult for hotels to maintain operations, pay staff, and cover expenses, leading many to reduce their workforce or close temporarily. The ongoing uncertainty has further discouraged potential visitors and investors, threatening long-term growth. Moreover, the decline in hotel revenues has adversely affected related sectors, harming the local economy. Consequently, the once-thriving hotel industry now faces critical survival challenges, emphasizing the urgent need for effective recovery strategies to rebuild confidence and support revitalization efforts.

4.7. The occupancy rates change and attribute during the war period.

Regarding the respondents, during the war, occupancy rates in Axum's star-rated hotels saw a dramatic and troubling decline. Before the war, these hotels benefited from a steady stream of domestic and international tourists attracted by Axum's rich historical and cultural heritage. However, as the war escalated, occupancy rates dropped to levels not witnessed in years.

Hotel managers' and owners' feedback reveals a number of interrelated factors that have contributed to the precipitous drop in occupancy rates. *Due to the atmosphere of unpredictability and insecurity brought about by the war, many business and leisure travelers decided to forego the area completely or postpone their plans. Travelers were further discouraged by government-imposed restrictions and persistent instability, which led to a sharp decline in reservations and visits to Axum. The demographic makeup of hotel visitors was also changed by the flood of internally displaced people seeking safety. Numerous businesses that had previously catered to tourists were forced to change their priorities in order to meet the pressing needs of the displaced. Hotels found it difficult to strike a balance between business operations and humanitarian aid as a result of this shift, which took resources away from traditional hospitality services and further decreased occupancy rates. The area's appeal was significantly reduced by logistical difficulties as well. Airline, Roads transport and communication networks were among the infrastructures damaged, making the area less accessible and difficult appealing to tourists. Travelers were further deterred from selecting Axum as their destination by the restriction and lack of basic amenities like safe transportation and security.*

In conclusion, because of the war's logistical challenges, increased insecurity, and the need to reallocate resources to support displaced populations, occupancy rates in Axum's star-rated hotels have been significantly impacted. The local hospitality sector has been severely disrupted by these combined factors, which have turned a once-thriving tourist destination into an uncertain landscape.

4.8. Effects of war on accessibility and transportation infrastructure

The war has significantly disrupted the accessibility and transportation infrastructure surrounding Axum, as reported by respondents.

Hotel managers and owners have noted that the worsening of the war has had a significant effect on important transportation routes, such as airlines, which the Ethiopian military has damaged. To and from Axum, this has made travel more difficult. Movement is further hampered by the closure of important roads that connect Axum to other regions of Ethiopia. Along with restricting tourist access, this disruption has made it more difficult to supply local hotels with goods and services. Numerous taxi and bus services that connect Axum to Tigray have ceased operations due to security concerns, which has resulted in a major reduction in dependable transportation options. Due to the major obstacles that potential tourists must overcome, this pervasive insecurity has significantly stopped the appeal of travel to Axum.

The war has seriously damaged Axum's transportation and accessibility systems, which are essential to both tourism and the local economy. The Ethiopian government have hampered tourist access and complicated travel by damaging airport and closing important roads, which has a direct effect on nearby hotels and businesses. Potential tourists have been further discouraged by logistical difficulties brought on by fewer transportation options and a drop in dependable services as a result of security concerns. The tourism industry and community resilience in Axum may be negatively impacted in the long run by this general insecurity, which emphasizes the urgent need for recovery plans to boost confidence in regional travel.

4.9. The specific impacts of the war on the hotels property.

Bring into being the respondent's response, the war has had a devastating impact on star-rated hotels in Axum, significantly affecting their physical condition, property, equipment, amenities, and overall service quality.

Hotel managers and owners report that numerous properties have experienced extensive damage and neglect due to the conflict. Bombings have caused severe structural damage to many establishments, compromising both their safety and comfort. Broken windows, damaged walls, and compromised roofing have created an unsafe and uninviting atmosphere that deters potential guests, eroding the welcoming environment travelers expect. Beyond physical destruction, widespread looting has resulted in the loss of valuable amenities and essential operational equipment. The theft of industrial kitchen appliances, electronics, generators, and

other vital resources has significantly diminished service quality and reliability, further disrupting hotel operations.

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The war has caused extensive damage to hotels in Axum, including structural destruction from bombings and widespread looting of essential equipment and high-value items. These issues have created unsafe, unwelcoming environments, reduced service quality, and disrupted operations. Staff layoffs and emotional strain have further impacted performance, while neglect has led to indirect damage like water leaks and mold. These challenges have left many hotels inoperable, threatening their survival and the local economy, highlighting the urgent need for recovery efforts.

4.10. The property and income losses of the hotels impacted the overall operation of the hotel.

As responded the participants the property and income losses experienced by star-rated hotels in Axum have profoundly affected their overall operations, creating a complex array of challenges that touch every aspect of their business.

According to the interviewees, hotel owners and general managers: *The Axum star-rated hotels' property and revenue losses have severely disrupted their operations, resulting in a number of interrelated problems that affect every facet of their company. Severe cash flow shortages brought on by declining occupancy rates and unsustainable revenue levels have made it more challenging for hotels to pay for staff salaries, maintenance, and other necessary costs. Hotels have been forced by these budgetary limitations to reduce staff hours and conduct layoffs, which has a negative impact on the quality of their services. Operational challenges have also been*

exacerbated by the disregard and degradation of hotel properties. Important features like dining options and swimming pools have deteriorated, making these places less appealing to prospective visitors. For example, closing restaurants reduces dining options and eliminates a vital revenue stream that formerly ensured the hotels' financial stability. This leads to a vicious cycle whereby facilities lose their functionality and appeal, which further reduces the number of visitors and exacerbates financial losses.

Ultimately, the war had a major impact on Axum's star-rated hotels, causing operational difficulties, income loss, and property damage. These problems pose a threat to both the local hospitality sector and the overall economy. Hotels struggle with a lack of employees and deteriorating service, which is made worse by underutilized amenities. In order to overcome these obstacles, comprehensive recovery plans that prioritize immediate repairs, staff assistance, and marketing revitalization are crucial.

4.11. Difficulties for Hotel owners in maintaining operations.

As the respondent showed, Hotel owners in Axum faced significant challenges during the Tigray war, primarily stemming from a drastic decline in occupancy rates that severely impacted revenue and operational viability.

According to hotel owners and managers of Axum, the Tigray war caused a crisis for hotel owners. Hotel owners found it difficult to safeguard their properties and assets, and the threat of looting created yet another layer of operational difficulties. Many business owners were forced by financial constraints to reduce their workforce by laying off workers. Disruptions in regional supply chains further exacerbated the challenges faced by hotel owners by making it more difficult to acquire necessities for day-to-day operations. Budgets were further strained by rising costs brought on by inflation and scarcity, making it more difficult to maintain facilities and services. Many suppliers were reluctant to work in conflict areas due to the unstable security situation, which also caused a great deal of uncertainty. Due to irregular deliveries and logistical issues, operations were hampered, and hotel owners found it challenging to set up dependable supply chains.

In conclusion, the war created a tumultuous environment for hotel owners, severely disrupting their ability to maintain operations, manage equipment, staffing, and

supply chains. The sharp decline in occupancy rates and subsequent financial strains forced many to make tough decisions regarding personnel and resources, jeopardizing the long-term viability of their businesses. Addressing these challenges will be crucial for the recovery and sustainability of the hospitality sector in Axum.

4.12. The war impact on staff and the challenges encounter.

As stated the respondent's the war profoundly impacted the staff of star-rated hotels in Axum, leading to a series of challenges that impacted both their professional and personal lives.

Interviews with hotel managers and owners revealed that many workers experienced immediate job insecurity as a result of the hotels' severe decline in occupancy rates. Some of the remaining employees tragically lost their lives as a result of Eritrean forces' actions, and others faced layoffs and reduced working hours. Significant financial instability resulted from the income loss, which increased workers' stress and anxiety levels. As workers faced personal struggles related to the conflict, such as worries for their families' safety and well-being, the emotional toll was tremendous. This anxiety was exacerbated by local supply chain disruptions that made it difficult to consistently access necessary resources. The absence of dependable supplies further complicated an already challenging task by impeding employees' ability to carry out their responsibilities efficiently.

In conclusion, the war severely impacted the livelihoods and mental health of the employees of Axum's star-rated hotels, creating an extremely challenging situation for them. Respondents emphasized that a climate of anxiety and uncertainty was created by the combination of personal hardships, financial instability, and job insecurity. In the face of staffing shortages and interrupted supply chains, workers not only found it difficult to fulfill their professional obligations, but they also had to deal with the psychological strain of their families' and their own safety.

4.13. The measures addressed for the challenges for both the hotel and employees.

Hotel managers' and owners' commentaries brought to light major difficulties during the war. *Some found it difficult to adequately support their employees, skipping chances for frequent meetings to discuss issues and provide updates and sustain the hotel operations. This lack of communication, along with unstable security, increased*

employee anxiety and eroded community ties. The situation was made more difficult by the lack of initiatives to promote emotional well-being, such as stress management classes or counseling.

In contrast, some owners made open communication, emotional support, and flexible work schedules a priority in order to promote the well-being of their employees. By providing housing for humanitarian workers, they restored employee purpose and stabilized income. These leaders built resilience and laid the foundation for recovery by putting a strong emphasis on training and skill development, preparing their teams for opportunities in the future.

In conclusion, hotel managers' and owners' reactions to the difficulties brought on by the conflict paint a nuanced picture of both failures and less successful outcomes. Others took proactive measures that lessened the impact of the crisis, while others were unable to put in place crucial measures for building resilience and supporting their staff, especially in support of survival, communication, and emotional well-being.

4.14. The strategies implemented to mitigate the challenges faced by hotel owners and employees during the war.

Hotel managers and owners have reported that during the Tigray war, Axum's star-rated hotels failed to implement efficient plans to deal with the difficulties that both owners and staff faced. Many hotels did not have thorough crisis management plans, and they did not put in place backup plans for staffing, supply chain interruptions, and property security.

Some hotels implemented financial assistance programs, like stipends or food assistance, to help employees affected by shortened workdays with their immediate financial difficulties. Furthermore, an attempt was made to create direct lines of communication so that employees could express their concerns and be updated on the hotel's progress. But there was a wide range of responses; some hotels were able to put in place efficient support systems, while others found it difficult to adjust to the quickly shifting conditions.

Summarizes, the significant challenges that hotel employees and owners faced during the Tigray war, with varying degrees of tactical success. Employees suffered from emotional and financial strain due to job insecurity and a lack of support systems.

Many hotels did not have comprehensive crisis management plans because of issues with staffing and the supply chain. On the other hand, some had implemented supportive policies like funding and transparent communication. Hotels must develop robust crisis management plans and build partnerships with local organizations to increase resilience in the future. This incident highlights how crucial it is for the hospitality sector to be prepared for unforeseen circumstances in order to preserve both operational stability and employee well-being.

4.15. The effect of war on the job security and livelihood of hotel employees.

According to comments made by hotel managers and owners, the war has significantly impacted the livelihoods and job security of workers in Axum's star-rated hotels. Occupancy rates fell precipitously as a result of the war, harming hotel earnings and resulting in numerous layoffs and shortened workdays. As a result of the increased anxiety and atmosphere of uncertainty, job security became more precarious. Many hotels took further cost-cutting measures to deal with their unstable finances, which exacerbated unemployment fears and led to the departure of qualified employees, ultimately lowering the quality of work. Workers had to support their families during the war while also dealing with job insecurity. The emotional strain of coping with personal hardships related to their safety added to these difficulties.

In conclusion, the war has severely damaged the livelihoods and job security of Axum's star rated hotels workers, resulting in a difficult working environment characterized by both emotional and financial instability. Staff members are feeling uncertain as a result of the large revenue losses, layoffs, and reduced hours brought on by the steep drop in occupancy rates. Financial strains that forced cost-cutting measures have made this precarious situation worse, leading to the loss of qualified employees and a drop in service quality. In a conflict-affected area, workers face the twin challenges of possible unemployment and the need to provide for their families. In the end, the livelihoods and general quality of life of hotel workers are seriously threatened by the combination of decreased income, job insecurity, and increased emotional strain.

4.16. The role of government agencies, NGOs, or other stakeholders in the recovery process.

Respondents highlighted the critical roles of government agencies, NGOs, and other stakeholders in the recovery process for the hospitality sector and the broader community in Axum following the war.

Hotel managers' and owners' feedback emphasizes the necessity of all-encompassing assistance to promote recovery in Axum's hospitality industry. Government organizations ought to enact laws that offer incentives and financial support to companies impacted by war. This could include tax breaks, grants, and low-interest loans to assist local businesses and hotels in stabilizing, financing repairs, and making improvements. Maintaining hotel operations, dealing with revenue losses, paying operational expenses, and keeping employees all depend on financial support. Rebuilding local utilities and roads would also increase Axum's allure as a travel destination, which would be advantageous for the hospitality sector as well as the overall economy. To help prepare hotel employees for the changing needs of the industry, NGOs can provide training courses in crisis management, business development, and hospitality skills. Government tourism boards and hotels could work together to market Axum as a secure and alluring travel destination, which would help restore visitor confidence. For hotel staff and their families, NGOs can also offer psychosocial support services that can alleviate the psychological effects of the conflict, enhance mental health, and raise spirits. Participating in the recovery process with local communities guarantees that programs meet their needs and promotes cooperation. In addition to strengthening the tourism recovery, government assistance in the form of tax breaks for lodging establishments, simplified rules for new investments, and the creation of emergency preparedness and crisis management frameworks would enable hotels to effectively respond to future challenges.

Through carrying out these responsibilities, stakeholders can make a substantial contribution to the long-term viability and recovery of Axum's star-rated hotels, which will ultimately aid in the restoration of the area's tourism sector and the livelihoods of those impacted by the war.

4.17. The strategies can be implemented to support the recovery and revitalization of the star-rated hotel sector in Tigray.

According to respondent feedback, a comprehensive strategy addressing both immediate needs and long-term sustainability is vital for the recovery and revitalization of the star-rated hotel sector in Tigray.

Hotel managers and owners have indicated that government incentives like tax breaks, grants, and low-interest loans are crucial for giving hotels financial support. By taking these steps, businesses can invest in necessary repairs and improvements and pay for operating costs. In order to rebuild visitor confidence, a strong marketing campaign that highlights Tigray's natural beauty and cultural legacy as a safe and alluring travel destination can be extremely effective. Working together with non-governmental organizations to provide training courses in hospitality management, customer service, and mental health support can improve service quality and boost staff resilience, preparing them to handle the emotional strain caused by the war. Local hotels and foreign travel companies can form partnerships to increase market access, and community engagement programs can strengthen local support for the hospitality industry and promote pride in the region's recovery. Sustainable tourism techniques, like eco-friendly projects and culturally immersive experiences, can also draw eco-aware tourists and increase Tigray's allure. Incorporating feedback from important stakeholders, such as hotel owners, staff, and community leaders, into a comprehensive recovery plan guarantees that strategies are adapted to successfully address the region's particular needs and challenges.

In order to restore its star-rated hotel industry and develop a robust and prosperous tourism sector that boosts the economy and fosters cultural appreciation, Tigray must actively monitor and modify these tactics while collaborating with foreign partners for more resources.

4.18. The collaboration of stakeholders to facilitate the recovery and growth of the hotel industry in the region.

Stakeholders can work together effectively to facilitate the recovery and growth of the star-rated hotel industry in Axum and the surrounding region through several key strategies.

Feedback from hotel managers and owners indicates *that by implementing a few crucial tactics, stakeholders can work together to support the expansion and recovery of the star-rated hotel sector in Axum and the surrounding areas.*

First, joint marketing campaigns, infrastructure improvements, training program funding, and tourism promotion are just a few examples of how public-private partnerships can spur cooperative efforts to address common issues. Collaborations with non-governmental organizations and academic institutions can improve workforce competencies by providing mentorship opportunities along with skill development programs in customer service and hospitality management. By utilizing digital platforms to reach a worldwide audience and highlight the region's abundant tourism potential, coordinated marketing initiatives can establish Axum as a secure and alluring travel destination. Involving local communities in tourism projects promotes support for the hospitality industry and a sense of ownership. Cultural festivals are one example of an event that can attract tourists while encouraging cooperation with regional companies and craftspeople. By implementing eco-friendly projects and cultural heritage preservation, among other sustainable tourism practices, the area can attract eco-aware tourists and improve its standing. The hospitality industry will be more resilient and adaptable to future challenges if thorough crisis management plans are developed and emergency response training is offered.

Therefore, stakeholders can effectively contribute to the recovery and growth of the star-rated hotel industry in Axum by encouraging collaboration among government agencies, non-governmental organizations, local communities, and hotel owners. This will ultimately support the region's economic revitalization and sustainability.

4.19. Looking back at the experiences during the war.

Reflecting on the experiences during the war, several key lessons emerged that can inform future hotel management strategies.

Hotel managers and owners say *that being resilient and adaptable is essential for dealing with unanticipated crises. In order to guarantee the safety of their employees and the continuation of critical services, hotels need to have backup plans. Training staff members in crisis management and mental health support is crucial because a prepared team is better equipped to deal with difficult circumstances and keep spirits*

high. In addition, respondents stressed the value of establishing trusting bonds with stakeholders and local communities. Support during the crisis was bolstered and a sense of unity was created by interacting with neighborhood organizations and learning about community needs. This event made it clear that having a strong support system that can offer resources and help in trying times is essential. The war also made it clear how important it is to diversify sources of income. By looking into alternate markets that may provide more reliable revenue streams, like collaborations with NGOs or humanitarian endeavors, hotels can lessen their dependency on traditional tourism. The importance of using technology for operations, marketing, and communication was also mentioned by the respondents. Even in difficult times, maintaining guest connections and increasing visibility can be achieved by establishing a strong digital presence and making use of online platforms.

In conclusion, the war's lessons provide insightful information that can enhance Axum's hotel management tactics. Hotels can better handle upcoming difficulties by emphasizing crisis preparedness, encouraging open communication, and preserving operational flexibility.

Applying these lessons will help Axum's hospitality industry become more sustainable and resilient, setting it up for long-term stability and success in the face of hardship.

4.20. Further insights about the impact of the war on the hotels and the broader hospitality sector in Axum.

As the respondents in sighted the impact of the war on the star-rated hotel sector and the broader hospitality industry in Axum has been significant and complex.

Hotel managers and owners have reported that the war effects have gone beyond monetary losses, negatively impacting staff morale and wellbeing as a result of personal struggles and business interruptions. In addition to straining hotel profits, the drop in tourism made Axum less desirable as a travel destination, endangering the livelihoods of those who depend on the hospitality industry. This crisis highlighted the need for strong crisis management plans and support networks by exposing the industry's susceptibility to outside shocks. But this challenging time also offers stakeholders a chance to reconsider how they approach resilience, sustainability, and community involvement. Learning from these experiences is crucial going forward to

make sure the hospitality industry not only bounces back but also adjusts to new difficulties.

Through enhancing crisis management capabilities and building stronger community connections, the industry can increase its resilience and play a key role in developing a sustainable tourism sector in Axum.

Chapter Five

5. Conclusion and Recommendations

5.1. Summarization

Due to the war, Axum's tourism industry has drastically collapsed, undermining its standing as a popular travel destination. All local and international travel has been completely suspended. Axum's reputation has been harmed by the continuous violence and devastation, making it unsafe and inaccessible to tourists. Jobs in the hospitality sector have been lost as a result of the damage, looting, and closure of numerous hotels property. Local companies that rely on tourism have suffered long-term financial losses as a result of the lack of tourists and property looting. Financial hardship has resulted for those who depend on the tourism industry, which is a vital part of Axum's economy. Transportation, retail, and services related to tourism have also experienced significant drops. Rebuilding infrastructure, reestablishing security, and addressing the conflict's detrimental international image are just a few of the challenges facing Axum's tourism sector as it recovers. The region's persistent political and humanitarian issues make international attempts to boost tourism even more difficult. The post-war assessment of Axum's hotels reveals, the sector suffered large financial losses as a result of severe operational disruptions brought on by substantial damage to buildings, assets, and vehicles. In order to restore these vital businesses and the local economy, recovery efforts and financial assistance are desperately needed, as the total damages exceed ETB 96,000,000.

5.2. Conclusion

The Tigray war from November 2020 to November 2022 severely impacted star-rated hotels in Axum. Tourism declined sharply as safety concerns drove away domestic and international travelers, resulting in low occupancy rates, financial losses, and even closures. Infrastructure damage complicated access to essential services, while supply chain disruptions made operations difficult. Staff layoffs and reduced hours became common. The war also overshadowed Axum's cultural significance as a UNESCO World Heritage site, further diminishing its appeal. For recovery, the region will need strategies like infrastructure rehabilitation and targeted marketing to restore traveler confidence. Collaboration among the government, local businesses, and international

organizations will be vital for revitalizing the hospitality sector and supporting economic recovery.

The war's effects on Axum's hotel sector highlight how intertwined infrastructure, community, security, and economic activity are. Although there are many obstacles to overcome, the data points to obvious recovery routes. Axum's hospitality industry can be rebuilt with the help of government assistance, industry innovation, and community involvement, maintaining its historical significance and promoting long-term economic growth.

- Majority of hotels had occupancy rates between 51%-90% before the war and a thriving tourism industry characterized this period.
- The occupancy rates for hotels in Axum demonstrate the severe impact of the war on the hospitality industry. In 2013 E.C., 92.86% of hotels reported no occupancy, reflecting significant disruption. This situation worsened in 2014 E.C., when non-occupancy reached 100%, marking a complete operational halt. Although there was minimal recovery in 2015 E.C. after the peace agreement, only 16.7% of hotels reported less than 25% occupancy, highlighting the ongoing challenges faced by the industry in the aftermath of the war.
- The war caused a significant drop in tourist arrivals, leading to drastically reduced occupancy rates and revenue losses. Many hotels struggled to cover operational costs, resulting in financial strain and, in some cases, permanent closures.
- In the years leading up to the war (2011-2012 E.C.), hotels in Axum demonstrated significant revenue performance. In 2011 E.C., 47.62% of hotels reported earnings exceeding 2,000,000 ETB, while 38.10% generated a revenue between 1,000,000 and 2,000,000 ETB. These figures reflect a strong financial position for the hospitality sector aforementioned to the war.
- Throughout the war, hotels in Axum faced severe financial challenges. In 2013 E.C., a staggering 92.86% reported no revenue, and this worsened to 100% in 2014 E.C., reflecting a complete loss of income for the sector. While there was a slight recovery in 2015 E.C., only 11.90% of hotels were able to generate less than 100,000 ETB, underscoring the ongoing difficulties encountered by the hospitality industry during this tumultuous time.

- The war also led to physical damage to hotel properties and infrastructure. Maintenance and renovation efforts were halted, and the overall deterioration of facilities weakened the competitive position of these hotels in the market.
- The war resulted in varying degrees of physical and property damage among hotels. Minor damage, which primarily involved cosmetic repairs, impacted 61.5% of the establishments, leaving their structural elements largely intact. Conversely, 83.4% of hotels experienced major damage that required significant structural repairs.
- The looting of equipment and resources diminished service quality, affecting guest experiences and the ability to recover post-war.
- The operational challenges faced by hotels were significant, with several key issues identified. A notable 83.3% of respondents expressed concerns about security, emphasizing the importance of ensuring the safety of both guests and staff. As well, 85.7% reported disruptions in utility services, particularly with electricity and water availability. Furthermore, 73.4% indicated they encountered difficulties in securing essential goods and services due to supply chain disruptions.
- The economic downturn resulted in widespread job losses within the hospitality sector. Many employees faced layoffs or reduced hours, creating instability for families and communities that depend on these jobs. The decline in employment opportunities has had lasting effects on local livelihoods and economic resilience.
- The damage and loss assessment for hotels in Axum reveals a profound financial impact, with total damages reaching ETB 31,066,613.65 and overall losses exceeding ETB 96,000,000.00. This situation underscores the urgent need for recovery efforts and financial support to restore these vital establishments and revitalize the local economy, highlighting the necessity for targeted interventions in the wake of the conflict.
- Hotels experienced considerable human resource challenges during this period. Due to financial strain, 50% of respondents indicated they had to implement significant layoffs, with 38.1% reporting that they had let go of all or most of their employees. This situation took an emotional toll on the remaining staff, resulting in lowered morale and a subsequent decline in both productivity and service quality.

- The Tigray war has left a lasting mark on the star-rated hotel industry in Axum, necessitating focused recovery efforts to restore revenue, rebuild properties, and re-establish employment opportunities in the region.
- Moving forward, recovery efforts will be crucial for revitalizing the star-rated hotel industry in Axum. Strategies may include investment in infrastructure repair, enhancing security measures to restore traveler confidence, and implementing targeted marketing campaigns to attract tourists.
- Recovery and revitalization strategies for hotels included several key areas. Government support was crucial, with 52.4% strongly favoring financial assistance, 45.2% agreeing on the need for loan programs, and 42.9% supporting security and stability measures. Internally, hotels focused on tourism packages that promote cultural heritage (supported by 88.1%), discounted rates to attract budget travelers (83.3%), and enhancing their digital presence through online marketing (83.3%). Community involvement featured grassroots initiatives like cleanups and cultural events, as well as collaborations with local artisans and businesses to improve guest experiences.
- Guest demographics shifted dramatically during the conflict. Prior to the war, the hospitality sector welcomed a diverse blend of domestic and international tourists. However, during the war, leading to changes in service requirements and a loss in profitability.
- The impact on accessibility and infrastructure was significant. Transportation disruptions, including damaged roads and suspended transport services, limited guest access. Additionally, logistical barriers affected supply deliveries, further complicating operations for the hospitality sector.

5.3. Recommendation

Based on the findings regarding the impact of the Tigray war on the economy of star-rated hotels in Axum from November 2020 to November 2022, To facilitate recovery and ensure sustainable development of the hospitality industry the following recommendations are proposed:

5.3.1. Recommendations for Hotel Owners

- ✓ Hotel owners should create and regularly revise crisis management plans that incorporate resilience-focused staff training, clear emergency procedures, and efficient communication techniques.
- ✓ To improve the welfare of their employees, organizations should set up mental health and well-being programs that offer counseling and tools for stress management.
- ✓ The scope of services should be expanded to include wellness retreats, virtual events, and local cultural experiences, with an emphasis on catering to a variety of clientele through distinctive and customized experiences.
- ✓ Aside from lowering operating costs through sustainable initiatives and effective resource use, eco-friendly and sustainable practices should be implemented to draw in eco-aware tourists.
- ✓ To take advantage of technology to improve customer engagement and operational efficiency, investments should be made in cutting-edge online booking platforms software, and digital marketing techniques.

5.3.2. Recommendations for Policymakers

- ✓ To help hotels recover from the financial losses brought on by the war, policymakers should establish grants, low-interest loans, and subsidies.
- ✓ Detailed recovery plans should be developed in order to improve tourism infrastructure and marketing campaigns.
- ✓ Regulations should be simplified to encourage investment in the hospitality sector and facilitate a quick recovery.
- ✓ To improve service quality, support should be given to workforce training programs in customer service and hospitality management.

5.3.3. Recommendations for Tourism and Culture Bureaus

- To increase the allure of a destination and draw tourists, tourism and culture bureaus should aggressively promote local events, culture, and heritage.
- Targeted advertising campaigns that highlight the region's distinctive experiences, safety, and resilience should be put into place.

- Collaboration among Stakeholders to create cohesive tourism experiences, partnerships between hotels, neighborhood companies, and community organizations should be encouraged.
- Comprehensive resources about local culture, lodging options, and attractions should be included in visitor information services.

5.3.4. Recommendations for Government Officials

- Government representatives should put the travel and hospitality industries at the forefront of regional and national economic recovery programs.
- Critical infrastructure, like utilities and transportation, should be invested in to increase accessibility and improve the experience of tourists.
- To create sustainable tourism projects and initiatives, cooperation between the public and private sectors should be promoted.
- Frameworks for crisis management and emergency response should be put in place to get ready for future and how they will affect the travel and tourism sector.
- In order to support knowledge transfer, capacity building, and recovery project funding, partnerships with international tourism organizations and non-governmental organizations should be pursued.

Adopting these suggestions will help Axum's star-rated hotels affected by the Tigray war recover and grow sustainably, so stakeholders should give priority to working together. Hotel operators ought to prioritize crisis management, staff welfare, sustainability, and the use of digital technologies. Financial assistance, streamlined regulations, improved infrastructure, and workforce development are all priorities for policymakers. Tourism bureaus ought to improve visitor services, encourage cooperation, and aggressively promote local heritage. In addition to investing in infrastructure, creating crisis frameworks, and pursuing international partnerships for sustainable development, government officials ought to give tourism top priority in recovery plans.

5.4. Implications for Future Research

- Future studies should go farther to examine the Tigray War's wider economic ramifications on the whole hospitality industry, including how it affected employment, local companies, and tourism-related sectors.
- Future research should look into comprehensive marketing strategies like segmentation, targeting, and positioning in addition to evaluating promotional tools in order to improve the efficacy of tourism marketing in post-conflict situations.
- In order to support the recovery and growth of the hospitality industry in areas affected by war, research should concentrate on offering stakeholders such as government and industry leaders useful policy recommendations.
- The psychological effects of the war on hotel employees and management could be investigated further, with an emphasis on how these effects affect operational performance and service quality.

Through addressing these areas, future research can contribute significantly to understanding and supporting the recovery of the hospitality sector in war affected areas.

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Appendix



Yeha hotel

Source; retrieved from Internet



Yared Zema International Hotel

Source; retrieved from Internet



Sabean Hotel

Source; retrieved from Internet



Remhai Hotel

Source; retrieved from Internet



Consolar International Hotel

Source; retrieved from Internet



(c) JYlätupa 2013

Brana Hotel

Source; retrieved from Internet



Armah International hotel

Source; retrieved from Internet



Source: survey August 2024

Yeha Hotel Damaged Vehicle

Mekelle University



**INSTITUTE OF PALEO ENVIRONMENT AND HERITAGE
CONSERVATION
DEPARTMENT OF TOURISM MANAGEMENT AND HOSPITALITY
STUDIES
MA IN HOSPITALITY MANAGEMENT**

Questionnaires Filled by Respondents

Dear Respondent,

This questionnaire is designed to collect the necessary information to undertake research on the topic "**The Impact of the Tigray War (Nov 2020 To Nov 2022) On The Economy Of Star-Rated Hotels: The Case of Axum**" for the partial fulfillment of the requirements for the degree of **Masters Arts in Hospitality Management (MA)** at **Mekelle University**. Please answer each question by making a **tick mark (√)** to the option that you choose inside the given box or circling your answer on the **choice provided**. Your genuine responses are quite vital for the success of this study.

Finally, I would like to confirm you that all the information you provide in this questionnaire will be strictly confidential and will exclusively be used for this research purpose only. Your participation in the **study is fully voluntary-based**, and hence you can withdraw at any stage of the data collection process. Thank you very much in advance for your willingness to spare 15 minutes from your precious time to participate in this survey. Please indicate your willingness to participate in the study by encircling on one of the following options:

- a) Yes, I am willing to participate in this study
- b) No, I am not willing to participate in this study

NB. No need of writing your name. Yours sincerely, **Tsegay Resom, MA Student at Mekelle University**
Address: -Cellphone: +251 914687945 or +251965321888, e-mail: - tsegayrussom2020@gmail.com

Part- I. General Information of the Respondents socio demographic status

Instruction: Please choose the correct information about yourself for Questions 1 to 5 among

Response categories by circle in your preference choice

Hotel Information

✓ Hotel Name _____

✓ Star Rating _____

1. Sex

- A. Male
- B. Female

2. Age (in years)

- A. 18-28 years
- B. 29-39 years
- C. 40-49 years
- D. Above 50 years

3. What is your position at the hotel?

- A. General Manager
- B. Department Manager
- C. Department supervisor
- D. HRM Manager

4. Educational background

- a. TVET Certificate
- b. Diploma
- c. First Degree
- d. Masters
- e. PhD

5. Your experience in the company:

- a. Below 5 years
- b. Between 5 and 10 years
- c. Between 11 and 15
- d. More than 16 years

Part- II Questions on war impact on the economy of star rated hotels in Axum town.

Section 1: Pre-war and the war period occupancy rates and revenue figures

6. What was the annual average occupancy rate of your hotel before the war?

Hotel occupancy percentage	Year	
	2011	2012
➤ Less than 25%		
➤ 26-50%		
➤ 50-90%		
➤ Over 90%		

7. What was the average annual revenue of your hotel before the war?

Hotel Monthly income	Year	
	2011	2012
➤ Less than 500,000 ETB		
➤ 500,000-1000,000 ETB		
➤ 1000,000- 2000,000 ETB		
➤ Over 2,000,000 ETB		

8. What was the average annual occupancy rate of your hotel during the war?

Hotel occupancy percentage	Year		
	2013	2014	2015
➤ None occupancy			
➤ Less than 25%			
➤ Less than 50%			
➤ Over 50%			

9. What was the average annual revenue of your hotel during the war?

Hotel Monthly Income	Year		
	2013	2014	2015
➤ None revenue			
➤ Less than 100,000 ETB			
➤ 101,000- 500,000 ETB			
➤ Over 500,000 ETB			

10. Did you change your pricing strategy during the war?

- A. Yes
- B. No

Section 2: Impact on Property and Income

11. To what extent did you agree the war impact the physical condition and infrastructure of your hotel property?

Please rate the following statements with the following ratings. Scale: 1= strongly disagree 2=Disagree 3= Neutral 4= Agree 5=strongly agree

Constructs	Rating Scales				
	1	2	3	4	5
➤ No Damage					
➤ Minor Damage (cosmetic repairs)					
➤ Major Damage (structural repairs required)					
➤ Totally Destroyed					

12. How would you describe the impact of the war on your hotel's overall revenue?

Please rate the following statements with the following ratings. Scale: 1= strongly disagree 2=Disagree 3= Neutral 4= Agree 5=strongly agree

Constructs	Rating Scales				
	1	2	3	4	5
➤ Totally Declined					
➤ 1% - 50% Declined					
➤ 51% - 75% Declined					
➤ 75%-99% Declined					

Section 3: Challenges Faced by Hotel Owners and Employees

13. What were the biggest operational challenges your hotel faced during the war?

Please rate the following statements with the following ratings. Scale: 1= strongly disagree 2=Disagree 3= Neutral 4= Agree 5=strongly agree

Constructs	Rating Scales				
	1	2	3	4	5
✓ Lack of security and safety for guests and staff					
✓ Disruptions to utilities (electricity, water, etc.)					
✓ Difficulty obtaining supplies and products					
✓ Staffing shortages and high turnover					
✓ Declined in bookings and occupancy					

14. How did the war impact your ability to retain and support hotel employees?

Please rate the following statements with the following ratings. Scale: 1= strongly disagree 2=Disagree 3= Neutral 4= Agree 5=strongly agree

Constructs	Rating Scales				
	1	2	3	4	5
✓ Minimal impact, able to retain most staff					
✓ Moderate staff reductions and layoffs					
✓ Significant staff reductions, many employees left					
✓ Hotel was forced to lay off all or most employees					

15. How would you rate the overall impact of the war on your hotel's operations?

- Very negative
- Negative
- Neutral
- Positive
- Very positive

Section 4: Strategies for Recovery and Revitalization

16. What type of government support or other assistance would be most agreed for your hotel's recovery? Please rate the following statements with the following ratings.

Scale: 1= strongly disagree 2=Disagree 3= Neutral 4= Agree 5=strongly agree

Constructs	Rating Scales				
	1	2	3	4	5
✓ Financial assistance for repairs					
✓ Loan programs for rebuilding					
✓ Tax relief or deferrals					
✓ Training programs for staff					
✓ Security and stability measures					

✓ Marketing and promotion support					
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17. Which methods is agreeing your hotel contemplating internally to assist in its rejuvenation?

Please rate the following statements with the following ratings.

Scale: 1= strongly disagree 2=Disagree 3= moderately agree 4= Agree 5=strongly agree

Constructs	Rating Scales				
	1	2	3	4	5
✓ Develop tourism packages promoting cultural heritage					
✓ Offer discounted rates to stimulate demand					
✓ Partner with travel agencies to attract visitors					
✓ Enhancing digital presence and online bookings					
✓ Investing in staff training and development					
✓ Exploring new target markets and customer segments					
✓ Improve hotel amenities and services					
✓ Focus on business travel opportunities					

18. How did your guest demographics change during the war compared to the pre-war period? _____

19. What role do you believe local government should play in the recovery of hotels in

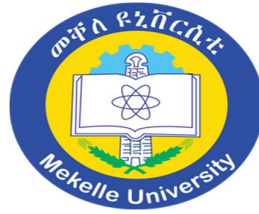
Axum? _____

20. What additional support would be beneficial for your hotel's recovery?

21. What role do you think the community can play in supporting the recovery of hotels?

22. Please provide any additional comments or insights regarding the impact of the war on your hotel.

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**INSTITUTE OF PALEO ENVIRONMENT AND HERITAGE CONSERVATION
DEPARTMENT OF TOURISM MANAGEMENT AND HOSPITALITY STUDIES
MA IN HOSPITALITY MANAGEMENT**

Good/morning/afternoon/evening,

I am Tsegay Resom from Mekelle University and I am honored to facilitate this interview session focused on a critical research topic: "**The Impact of the Tigray War (Nov 2020 To Nov 2022) On The Economy Of Star-Rated Hotels: The Case of Axum**" Today's interview holds significant importance as we investigate into the elaborate repercussions of conflict on the economic landscape of star-rated hotels in Axum town. The aim is to explore the challenges faced by the hospitality sector during this tumultuous period and uncover strategies for recovery and revitalization.

Through this interview, we seek to gather profound insights from industry experts like yourself regarding the economic consequences of the war on star-rated hotels. By examining the financial implications, occupancy rates, property conditions, and income sustainability, we strive to gain a comprehensive understanding of the complexities that emerged since the challenged time.

Your expertise and experiences in the field are invaluable in shedding light on the nuanced impacts of war on the hospitality industry in Axum. Your participation today will not only enrich our research findings but also contribute to the development of strategic solutions for the recovery and sustainability of the hotel economy in the region. Thank you very much in advance for your willingness to spare 15 minutes from your precious time to participate in this survey.

Yours sincerely, **Tsegay Resom, MA Student at Mekelle University Address: -**

Cellphone: +251 914687945 or +251965321888, e-mail: -

tsegayrussom2020@gmail.com

Interview Questionnaire:

Demographics

- Name: _____
- Position/Title: _____
- Years of Experience in the Hospitality Industry: _____

1. What has been the impact of the war on your hotel’s revenue figures? Can you provide any specific examples or data?

2. How have your occupancy rates changed during the war period? What do you attribute these changes to?

3. How has the war affected the accessibility and transportation infrastructure your hotel?

4. What specific impacts has the war had on your hotel’s property (e.g., physical condition, amenities, and services)?

5. How have the property and income losses of your hotels impacted the overall operation of the hotel?

6. In what ways has your income been affected by the war? Have you had to make any difficult financial decisions?

7. Did hotel owners face difficulties in maintaining operations, staffing, or supplies during the war?

8. 10. How did the war impact your staff? What challenges did your employees encounter?

9. What measures did you take to address these challenges for both the hotel and your employees?

10. Were there any strategies implemented to mitigate the challenges faced by hotel owners and employees during the war?

11. How did the war affect the job security and livelihood of hotel employees?

12. What role do you think government agencies, NGOs, or other stakeholders should play in the recovery process?

13. In your opinion, what strategies can be implemented to support the recovery and revitalization of the star-rated hotel sector in Tigray?

14. How can stakeholders collaborate to facilitate the recovery and growth of the hotel industry in the region?

15. Looking back at the experiences during the war, what lessons have you learned that could inform future strategies for hotel management?

16. Is there anything else you would like to share about the impact of the war on your hotel and the broader hospitality sector in Axum?
