

Faculti Summary

<https://faculti.net/business-model-innovation/>

This video discusses a study initiated in response to the widespread lockdowns in Australia due to the COVID-19 pandemic beginning on March 23, 2020. The researchers aimed to understand how hospitality businesses, such as restaurants, cafes, and bars, were affected by the pandemic and how they could innovate their business models to survive during this unprecedented disruption.

The study's motivation stemmed from projections suggesting that many hospitality businesses would fail, significantly impacting not just small businesses but also Australia's tourism industry, which relies heavily on hospitality. With strict lockdown measures in place, these businesses faced drastic changes, including reduced customer demand and limitations on operations.

The research team, comprised of scholars and experts in entrepreneurship and food writing, conducted a mixed-methods study that included a survey sent to hospitality organizations in July 2020. The survey aimed to capture the rapid innovations these businesses implemented in response to the pandemic.

The analysis revealed three categories of innovation among the responding organizations:

1. **Process Innovators**: Focused on improving efficiency and cutting costs through streamlined operations and new technologies.
2. **Product Innovators**: Developed new offerings, such as takeaway meals and virtual cooking experiences, to adapt their services to changing customer needs.
3. **Ambidextrous Innovators**: Engaged in a broad range of trials, combining elements of process and product innovation to find solutions in a rapidly changing environment.

The study highlighted that innovation is not solely about product development but also involves organizational processes. The findings suggest that small hospitality firms can adapt and innovate effectively even during significant disruptions.

The researchers noted the challenges posed by evolving government restrictions and the burden placed on organizations to comply with new regulations, emphasizing the need for supportive policies from government entities. A report was produced to share practical advice for these businesses and outline broader policy implications. Overall, the study aims to inspire hospitality organizations to explore innovative strategies amidst uncertainty.