

Sustaining a Brand in VUCA Environment through Internal Competencies: A Study Based on High End Star Class Hotels in Sri Lanka

W.M.H.W. Wijesundara^{*}, B.A.N. Eranda

*Department of Marketing Management, Faculty of Management, University of
Peradeniya, 20400, Sri Lanka*

^{}waru.wijesundara@mgt.pdn.ac.lk*

The corporate world is ever changing and becoming volatile with the need of strategies to overcome challenges generated by the dynamic environment referred to as the VUCA (volatility, uncertainty, complexity, and ambiguity) environment. Tourism and hospitality industry is subjected to changes as it is directly affected by the changing environment. Sustaining a brand is crucial as it acts as a lighthouse to safely survive the threats of the VUCA environment. Hotels use marketing strategies to be strong and strengthen the brand in the VUCA environment. The implementation of these marketing strategies requires changes in the internal business environment. The purpose of this paper is to examine the changes of internal competencies in brand building in responding to the VUCA environment. Researchers emphasized the internal competencies required for high end star class hotels to be competitive in the VUCA environment. This study was conducted using the qualitative case study approach. The data was collected using in-depth semi-structured interviews, images, and company documents in high end star class hotels in Kandy, Colombo and Negombo including Wattura Resort & Spa, Amaya Hills, Grand Kandyan Hotel and Cinnamon Lakeside Hotel. The generic qualitative data analysis method was used in analyzing the data. As per the findings, the hotels are required to undertake the changes for their internal competencies to sustain the brand in the VUCA environment: redefining soft elements in organization, enhancing organizational agility, enhancing employee talents, and adjusting physical presence. Therefore, hotels reflected the necessity to adopt the dynamic capabilities in responding to the changing environment. The findings imply that changing the internal environment is instrumental to be competitive in the marketplace. The hotels have shown that being innovative is no longer an option but table stakes to sustain their brands. Accordingly, the managers are required to continuously embrace these internal organizational changes.

Keywords: VUCA environment, Internal competencies, Case study method, Branding