

STRATEGIC FINANCIAL RESILIENCE IN CRISIS: HOW COVID-19 AFFECTED THE 20 LARGEST HOTEL COMPANIES IN GREECE

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Abstract

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The paper examines the financial performance of the Greek hotel sector from 2018 to 2021, emphasizing the effects of the COVID-19 pandemic. The purpose of the study is to assess the crisis's effect on hotel enterprises and their recovery by 2021, a topic also investigated by other research (Pavlatos et al., 2020; Dimitrić et al., 2019). We analyze performance trends and identify the traits of organizations that effectively anticipated and responded to the crisis by utilizing key financial ratios — liquidity, profitability, and leverage. Our sample comprises the 20 largest hotel chains in Greece, determined using 2021 revenue statistics. We examine the hospitality sector's contribution to gross domestic product (GDP) growth from 2019 to 2021 to underscore the industry's significance to the Greek economy. The results demonstrate a substantial decrease in financial performance during the pandemic, followed by a marked recovery by 2021 for the majority of enterprises. The research indicates that the hospitality sector is acutely susceptible to external shocks, highlighting the Greek economy's sensitivity to disturbances in tourism-related industries.

Keywords: COVID-19, Pandemic, Hospitality, Tourism & Travel, Hotel, Hotel Financial Performance, Greek Hotel Industry

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1. INTRODUCTION

Greece is one of the top tourist attractions in Europe, with the hotel industry serving as a significant component of the national economy. In 2019, travel

and tourism accounted for around 20% of Greece's gross domestic product (GDP) (Statista, 2025). The onset of the COVID-19 pandemic in early 2020 resulted in an unparalleled disruption of worldwide travel, significantly affecting tourism-reliant

economies such as Greece. The hotel sector experienced substantial reductions in occupancy rates, income, and profitability, alongside heightened operating expenses resulting from stringent health regulations.

The financial turmoil caused by the epidemic exposed inherent weaknesses in hotel corporations. Although previous research has investigated the economic ramifications of historical pandemics (Rosselló et al., 2017) and analyzed hospitality crises in China and other areas during COVID-19 (Chen et al., 2022; Pavlatos et al., 2020), there is a paucity of comprehensive empirical evaluations regarding the financial performance of large-scale Greek hotel enterprises in the years preceding and following the pandemic. This study solves the gap by concentrating on financial ratio analysis from 2018 to 2021.

This study aims to analyze the financial performance of the 20 major Greek hotel groups based on 2021 revenue, utilizing important financial ratios to evaluate liquidity, profitability, and leverage before, during, and after the COVID-19 crisis. The primary research questions are:

RQ1: In what manner did COVID-19 impact the financial framework of prominent hotel corporations in Greece?

RQ2: What financial attributes differentiated organizations that exhibited more effective recovery?

RQ3: What does this indicate regarding the hotel sector's significance in the Greek economy?

The methodology encompasses quantitative analysis utilizing financial data derived from audited balance sheets, income statements, and cash flow statements. The conceptual framework is based on financial statement analysis and crisis management theory within the hospitality sector (Gursoy & Chi, 2020; Brozović & Saito, 2022). Our contribution emphasizes both the performance trajectory of these enterprises and their significance in the broader economic recovery, providing insights for politicians, investors, and tourism strategists.

The remainder of this paper is structured as follows. Section 2 examines the pertinent literature regarding pandemics and financial performance within the hospitality industry. Section 3 delineates the sample, data sources, and variables employed in the analysis. Section 4 delineates the approach, emphasizing the calculation and analysis of financial ratios. Section 5 examines the empirical findings and delineates significant trends and recovery determinants. Section 6 ultimately finishes with policy implications, limits, and recommendations for future research.

2. LITERATURE REVIEW

As for bad situations, it is known that humanity has suffered from several pandemics in the recent past. Rosselló et al. (2017) showed that, in the case of malaria, dengue, yellow fever, and Ebola, the eradication of these diseases in the affected countries would result in an increase of around 10 million tourists worldwide and a rise in the tourism expenditure of 12 billion dollars. Several historical studies have been conducted to learn more about the hospitality element in crises for medical purposes. Specifically for the last pandemic, many studies have been done to determine the impact that COVID-19 had on the global economy, and some recovery strategies, because it was a "shock" to the system.

China's hospitality industry was the first to be hit by the devastating impact of COVID-19. Chen et al. (2022) study reviews the overall impacts of the coronavirus disease 2019 (COVID-19) pandemic on China's hotel industry. In order to survive, many hotel owners, especially individual hotel owners, have temporarily shut down or transferred their properties. In other words, the pandemic has been devastating hotel firms' market and performance. From the viewpoint of a select group of hospitality leaders in the USA, Israel, and Sweden (Shapoval et al., 2021), Western nations seemed to be impacted by the COVID-19 public health crisis on the hospitality industry.

The Mediterranean region was not immune to the pandemic's effects. Doğanalp and Arslan (2021) researched comparative efficiency analysis of the tourism industry in the southern Mediterranean region and concluded that the implementation of efficient tourism policies and strategies holds great importance in terms of tourism efficiency. Moreover, EY (2022) made a timeline of the tourism and travel sector to show the volatility and concluded that quality indicators suggest that Greece is overperforming its competitors in the Mediterranean, in 2022, attesting to the travel and tourism (T&T) sector's overall strong performance. Dimitrić et al. (2019) conducted research about profitability determinants of hotel companies in selected Mediterranean countries and remarked that the solvency ratio is significant and positively related to hotel profitability, for all countries except for Greece, which is the most indebted country. Also, they remarked that high levels of profitability are due to their economies of scale, better organization, and lower costs of financing. Moreover, building on the work of Sigala (2020) and expanding on the existing knowledge, Brozović and Saito (2022) found that enabling recovery means that we must recognize the ongoing changes, understand the most probable adaptations in tourism emerging from those changes, and confront any associated challenges related to the five domains of transformation. In a complementary way, Konstantinidis et al. (2024) examined competitive strategies of hotel firms in Greece and highlighted the importance of digitalization, service innovation, and strategic repositioning in sustaining performance throughout and after the pandemic.

It was not only about the profitability effects but also about the effect of COVID-19 on human capital. Gursoy and Chi's (2020) findings reveal the partial mediation of psychological well-being in the relationships of fear of COVID-19 with both turnover intention and depression. While workplace safety and management practices significantly moderate the relationship between fear of COVID-19 and both turnover intentions, depression also mediates the relationship. The findings add to the existing literature on the effects of COVID-19 through the dual lenses of protection motivation theory and attribution theory. We can employ these findings to overcome issues of employee well-being in the hotel setting. Further highlighting human-centric challenges, Colocassides (2022) explored how cultural awareness, leadership, and attitudes toward diversity influence service quality and organizational adaptability in the hospitality industry, especially in times of crisis like COVID-19.

In reaction to the COVID-19 outbreak, the crisis management in the Greek hotel business was examined by Pavlatos et al. (2020). This research highlights and explores five categories of crisis management practices that hotels consider important and have decided to apply to manage the crisis caused by the COVID-19 pandemic, including government practices, marketing, operations attributes, cost reduction, and pricing attributes. This paper is different from others in hospitality crisis management in that it has incorporated a new practice category, i.e., operations practices, which are about cleaning, health, and safety, etc., and are going to play an important role in managing the hospitality industry in the COVID-19 era. A broader financial perspective is provided by Pemo et al. (2024), who showed that the financial performance of hotels during the pandemic was significantly influenced by liquidity strength, asset structure, and pre-crisis capital levels, highlighting the importance of financial resilience strategies.

Last but not least, for the recovery of national economies McKinsey & Company in a study done by Krishnan et al. (2020) created nine potential scenarios, based on the extent to which the pandemic spread is controlled, as well as the effectiveness of economic policies intended to counter the effects of quarantine and find out that Hotels face the prospect of a long recovery.

To understand how investors incorporated new information related to the COVID-19 pandemic and how markets were affected, Carter et al. (2022) conducted remarkable research. Eventually, they found evidence that firms that were larger, had greater cash reserves, and higher market-to-book ratios were penalized less by investors, while firms with greater leverage were penalized more. Additionally, we find that cash reserves were particularly important for hotels.

To continue, stock markets reacted to the outbreak of this pandemic with volatility to be increased by 100% compared with the pre-pandemic period. Specifically, Liu et al. (2023) researched the behavior of 40 tourism and hospitality stock market indices worldwide from two perspectives and found that the interconnectedness structure

significantly and robustly affects stock returns in the tourism and hospitality markets. The results of this study can help governments and policymakers better manage the risks of unexpected disasters similar to the novel coronavirus pandemic in the future.

3. RESEARCH METHODOLOGY

3.1. Data description

The research sample consists of the 20 biggest Greek hotel companies. Table 1 offers an overview of these companies and covers the period from 2018 to 2021. We extracted data from their financial statements.

Table 1. Companies of the sample

No.	Company
1.	Lamps Hellenic Hotels S.A.
2.	Sani Monoprosopi S.A.
3.	Esperia Tourism Enterprises S.A.
4.	T.E.A.B. S.A.
5.	Stella Beach S.A. T.X.N.K.E.
6.	Atlantika Hellas S.A.
7.	Mitsis Co. — Hotels Hellados S.A.
8.	Santa Marina A.X.E.T.E.
9.	Sapounakis, Pant., "Thalassino Asteri" S.A.
10.	FAIX A.E.T.A.
11.	T.E. Mes. Tourist Enterprises of Messina S.A.
12.	Astir Palace Vouliagmenis Monoprosopi A.X.E.
13.	Denaxa, I., Afoi, L.T.D.
14.	Hatzilazarou, I., S.A.
15.	Meeting Point Hotel Management Hellas S.A.
16.	Ikos Apia Monoprosopi S.A., Hotel Companies
17.	Ikos Dasia Monoprosopi S.A.
18.	Golf Residences S.A.
19.	Papakaliati Brothers, Hotel Management Company Emporiki S.A.
20.	Aegean Coasts S.A.

The accounting variables used for this research are short-term assets, total assets, cash and cash equivalents, short-term liabilities, long-term liabilities, net sales, operating income, net income, and equity. Table 2 below depicts some statistical metrics of the accounting variables, such as average, median, standard deviation, minimum, and maximum.

Table 2. Statistical metrics

Accounting variable	Average	Median	Std. Dev.	Min	Max
Total assets	186,619,370	144,791,271	167,525,082.4	17,766,215	726,950,612
Short-term assets	28,225,621	134,602,276.9	15,939,716	3,934,093	143,328,000
Cash	10,674,700	167,525,082.4	5,813,876	39,109	64,462,540
Short-term liability	31,463,593	31,865,215.51	21,139,146	7,123,450	209,611,000
Long-term liability	79,851,298	90,621,845.27	49,175,311	91,580	27,347,000
Net sales	34,227,697	25,166,539.74	27,778,219	1,673	143,534,000
Operating income	2,463,581	12,718,343.8	2,946,710	-39,965,563	72,209,000
Net income	1,725,727	10,718,140.6	2,325,023	-32,504,217	60,265,000
Equity	75,304,479	92,792,601.47	65,134,571	-19,360,597	407,852,738

3.2. Financial ratios

We use financial ratios as tools to assess the financial performance and health of the companies by using the balance sheets, profit and loss statements, and cash flow statements of these groups. By carefully examining both historical and current financial statements, investors and analysts use ratio analysis to assess a company's financial health. Comparative data can be used to

predict likely future performance and show how a company is doing over time. This information can be used to assess how a company compares to others in its industry and to benchmark its financial performance against industry averages.

The following financial ratios were computed using these accounting variables and are referred to above. We concentrate on liquidity, profitability, debt burden, and efficiency when measuring success.

3.2.1. Liquidity ratios

To begin with, liquidity ratios, we have to say that financial analysts use them to evaluate the financial soundness of a company. Specifically, liquidity ratios measure a company's ability to repay both short- and long-term obligations. Common liquidity ratios include the following.

The current ratio measures a company's ability to pay off short-term liabilities with current assets. This one ratio is more comprehensive than other liquidity ratios, such as the quick ratio, as it considers all current assets, including cash, marketable securities, accounts receivable, and inventory. However, too high a current ratio also suggests that the company is leaving too much

$$\text{Acid - test ratio} = \frac{\text{Current assets} - \text{Inventories}}{\text{Current liabilities}} \quad (2)$$

The cash ratio, sometimes referred to as the cash asset ratio, measures a company's ability to pay off its short-term debt obligations with cash and cash equivalents. Compared to the current ratio and the quick ratio, the cash ratio is a stricter, more conservative measure because only cash and cash equivalents, a company's most liquid assets, are considered.

Creditors prefer a higher cash ratio, as it indicates the company can easily pay off its debt. There is no ideal figure, but a ratio between 0.5 to 1 is usually preferred. As with the current and quick ratios, too high a cash ratio indicates that the company is holding onto too much cash instead of utilizing its excess cash to invest in generating returns or growth. It is calculated by:

$$\text{Cash ratio} = \frac{\text{Cash and cash equivalents}}{\text{Current liabilities}} \quad (3)$$

3.2.2. Profitability ratios

To continue, profitability ratios measure a company's ability to generate income relative to revenue, balance sheet assets, operating costs, and equity. Common profitability financial ratios include the following.

The term gross margin refers to a profitability measure that looks at a company's gross profit compared to its revenue or sales. Gross profit is determined by calculating gross sales. The higher the gross margin, the more capital a company retains, which it can then use to pay other costs or satisfy debt obligations. The revenue or sales figure is gross revenue or sales, less the cost of goods sold (COGS), which includes returns, allowances, and discounts. It is calculated by:

$$\text{Gross margin ratio} = \frac{\text{Gross profit}}{\text{Net sales}} \quad (4)$$

Operating margin is the percentage of sales left after accounting for COGS as well as normal operating expenses (e.g., sales and marketing, general expenses, and administrative expenses). It compares operating profit to revenue.

Operating margin can indicate how efficiently a company manages its operations. That can provide insight into how well those in management keep costs down and maximize profitability. It is calculated by:

excess cash unused, rather than investing the cash into projects for company growth. It is calculated by:

$$\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities}} \quad (1)$$

The acid-test, or quick ratio, as we have already referred compares a company's most short-term assets to its most short-term liabilities to see if a company has enough cash to pay its immediate liabilities, such as short-term debt. The acid-test ratio disregards current assets that are difficult to liquidate quickly, such as inventory. For investors and creditors, a higher acid-test ratio might be seen as a hint that a company is better able to settle its short-term debts with its most liquid assets. It is calculated by:

$$\text{Operating margin ratio} = \frac{\text{Operating income}}{\text{Net sales}} \quad (5)$$

The return on total assets ratio indicates a company's profitability in relation to its total assets. When a firm's return on assets (ROA) rises over time, it indicates that the company is squeezing more profits out of each dollar it owns in assets. Conversely, a declining ROA suggests a company has made bad investments, is spending too much money, and may be headed for trouble. It is calculated by:

$$\text{Return on assets ratio} = \frac{\text{Net income}}{\text{Total assets}} \quad (6)$$

The return on equity (ROE) ratio measures how efficiently a company is using its equity to generate profit. ROEs will vary based on the industry or sector in which the company operates. Net income is calculated before dividends paid to common shareholders and after dividends to preferred shareholders and interest to lenders. It is calculated by:

$$\text{Return on equity ratio} = \frac{\text{Net income}}{\text{Shareholder's equity}} \quad (7)$$

3.2.3. Leverage ratios

Leverage ratio is the best measure of debt burden. The debt ratio measures the relative amount of a company's assets that are provided from debt. The calculation considers all of the company's debt, not just loans and bonds payable, and considers all assets, including intangibles. It is calculated by:

$$\text{Debt ratio} = \frac{\text{Total liabilities}}{\text{Total assets}} \quad (8)$$

By weighing overall debt and financial liabilities against shareholders' equity, the debt-to-equity (D/E) ratio determines how much each is worth. A high D/E ratio is risky, whereas a notably low one might mean that the hotel is expanding via debt finance. Because it carries more risk than short-term obligations, the ratio only takes long-term debt into account. It is determined by:

$$\text{Debt to equity ratio} = \frac{\text{Total liabilities}}{\text{Shareholder's equity}} \quad (9)$$

Although our study employs financial ratio analysis derived from quantitative data in audited financial statements, various approaches could potentially tackle our research inquiries. Qualitative research methodologies, including case studies and semi-structured interviews with hotel executives and managers, may yield deeper insights into strategic decision-making processes during the epidemic. Qualitative techniques would enhance the comprehension of internal elements affecting resilience, such as leadership styles, strategic modifications, and crisis management practices. Moreover, mixed-method research, which integrates quantitative analysis with qualitative approaches, could strengthen the validity of our findings by contextualizing statistical data with managerial experiences and opinions. Moreover, econometric

modeling may provide a quantitative method to examine the determinants of hotel performance, facilitating a more profound exploration of causal linkages among variables. Panel regression models can account for unobserved variability among hotel companies and over time, providing further insights into the factors influencing financial resilience. While each potential methodology has distinct advantages, our selection of financial ratio analysis most effectively coincides with our goal of systematically evaluating the quantifiable financial effects of COVID-19 throughout the industry.

4. RESULTS

We computed the ratios of 2018, 2019, 2020, and 2021, the averages of 2018, 2019, and 2020, 2021, and the difference between them. We generated the tables below and drew conclusions based on the data.

Table 3. Current ratio

Current ratio	2018	2019	2020	2021	Average difference (2018, 2019) - (2020, 2021)	Difference 2019-2020
1	12.93%	64.23%	75.29%	90.67%	44.41%	11.06%
	38.58%		82.98%			
2	137.40%	116.17%	101.97%	84.70%	-33.45%	-14.20%
	126.78%		93.34%			
3	69.92%	66.70%	49.10%	32.69%	-27.41%	-17.59%
	68.31%		40.90%			
4	26.21%	93.54%	118.28%	50.24%	24.39%	24.75%
	59.87%		84.26%			
5	31.05%	30.34%	48.96%	65.86%	26.72%	18.62%
	30.70%		57.41%			
6	277.39%	82.18%	102.57%	127.43%	-64.79%	20.39%
	179.79%		115.00%			
7	87.13%	51.11%	110.49%	24.04%	-1.86%	59.37%
	69.12%		67.26%			
8	73.77%	82.17%	74.47%	132.21%	25.37%	-7.71%
	77.97%		103.34%			
9	134.87%	131.52%	137.12%	101.22%	-14.02%	5.60%
	133.19%		119.17%			
10	41.99%	43.22%	84.54%	112.33%	55.83%	41.32%
	42.61%		98.44%			
11	180.24%	282.69%	259.24%	205.09%	0.70%	-23.45%
	231.46%		232.16%			
12	52.52%	277.60%	282.65%	222.20%	87.36%	5.05%
	165.06%		252.42%			
13	141.15%	132.80%	168.82%	183.95%	39.41%	36.01%
	136.98%		176.39%			
14	97.33%	206.99%	212.81%	174.48%	41.49%	5.82%
	152.16%		193.65%			
15	40.01%	27.42%	33.22%	34.87%	0.33%	5.80%
	33.72%		34.05%			
16	69.50%	48.22%	54.43%	50.97%	-6.16%	6.21%
	58.86%		52.70%			
17	58.58%	33.56%	22.30%	38.83%	-15.51%	-11.26%
	46.07%		30.57%			
18	128.22%	46.75%	102.10%	106.80%	16.97%	55.35%
	87.48%		104.45%			
19	41.02%	41.46%	46.39%	64.12%	14.01%	4.92%
	41.24%		55.26%			
20	58.23%	90.74%	59.61%	58.50%	-15.43%	-31.13%
	74.48%		59.06%			

The liquidity ratios (current ratio, acid-test ratio, and cash ratio) in the hospitality industry vary depending on each company's financial situation, particularly in light of the impact of COVID-19.

The current ratio, which assesses a company's ability to pay its short-term debts using its short-term assets, has been particularly affected. Only a few companies saw a decrease (2, 3, 6, 9, 17, 20) while the others saw an increase (1, 4, 5, 8, 10, 12, 13, 14, 18, 19) in the ratio. The decrease is primarily due to a reduction in short-term liabilities and

current assets (cash equivalents), resulting in significant volatility in current liquidity. Speaking about the ones that saw an increase, it is good to say that firms with cash reserves managed to service their short-term obligations, such as T.E.A.B. S.A. (4), and did not face liquidity risk at all. It is also noteworthy that hotels with a high level of solvency in the sector received funding through the Hellenic Development Bank's (EDB) "Guarantee fund for the granting of guarantees for new loans to enterprises who have been affected by COVID 19"

program, including Lampsa S.A. By negotiating a grace period for the capital installments of the new bond loan by mid-2023, Astir Palace (12) was also able to secure its operating cash flow during this

unstable time. In general, the Greek government assisted the hospitality sector in overcoming pandemic issues.

Table 4. Acid-test ratio

<i>Acid-test ratio</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>Average difference (2018, 2019) - (2020, 2021)</i>	<i>Difference 2019-2020</i>
1	11.40%	59.54%	72.06%	86.13%	43.63%	12.52%
	35.47%		79.09%			
2	122.81%	106.25%	86.00%	77.48%	-32.79%	-20.25%
	114.53%		81.74%			
3	62.64%	53.78%	39.48%	23.85%	-26.54%	-14.30%
	58.21%		31.66%			
4	25.92%	92.58%	117.25%	49.54%	24.15%	24.68%
	59.25%		83.40%			
5	29.75%	28.90%	48.04%	64.57%	26.98%	19.13%
	29.33%		56.30%			
6	275.19%	80.26%	100.33%	124.98%	-65.07%	20.07%
	177.73%		112.66%			
7	86.50%	50.37%	109.20%	22.98%	-2.35%	58.84%
	68.44%		66.09%			
8	71.28%	80.06%	71.83%	130.02%	25.26%	-8.23%
	75.67%		100.93%			
9	133.40%	130.43%	136.46%	100.43%	-13.47%	6.03%
	131.91%		118.44%			
10	41.04%	42.35%	80.15%	109.59%	53.17%	37.80%
	41.70%		94.87%			
11	177.67%	277.63%	251.66%	198.65%	-2.50%	-25.97%
	227.65%		225.15%			
12	11.18%	49.04%	133.96%	128.70%	101.22%	84.92%
	30.11%		131.33%			
13	78.36%	79.85%	101.95%	115.00%	29.37%	22.10%
	79.10%		108.47%			
14	92.15%	197.44%	205.30%	168.59%	42.15%	7.86%
	144.80%		186.95%			
15	39.62%	27.16%	32.80%	34.46%	0.24%	5.64%
	33.39%		33.63%			
16	67.99%	44.42%	44.53%	46.63%	-10.63%	0.11%
	56.21%		45.58%			
17	54.85%	28.39%	15.62%	35.55%	-16.03%	-12.77%
	41.62%		25.58%			
18	126.69%	45.53%	101.18%	105.78%	17.37%	55.66%
	86.11%		103.48%			
19	35.45%	37.65%	44.80%	62.09%	16.90%	7.15%
	36.55%		53.45%			
20	57.79%	90.10%	59.05%	58.08%	-15.38%	-31.05%
	73.94%		58.57%			

The acid-test ratio is a crucial financial statistic that is able to reveal information about a company's short-term liquidity and financial health in

the hospitality sector. The same results as the current ratio apply to the acid-test ratio.

Table 5. Cash ratio (Part 1)

<i>Cash ratio</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>Average difference (2018, 2019) - (2020, 2021)</i>	<i>Difference 2019-2020</i>
1	4.70%	41.06%	67.75%	74.83%	48.41%	26.70%
	22.88%		71.29%			
2	67.86%	55.61%	42.84%	56.51%	-12.06%	-12.77%
	61.73%		49.68%			
3	48.21%	27.03%	31.73%	15.77%	-13.87%	4.70%
	37.62%		23.75%			
4	5.31%	63.48%	53.34%	22.48%	3.51%	-10.14%
	34.40%		37.91%			
5	7.59%	7.05%	14.90%	46.29%	23.27%	7.85%
	7.32%		30.60%			
6	257.43%	53.28%	80.58%	122.86%	-53.63%	27.30%
	155.35%		101.72%			
7	7.01%	0.91%	18.56%	10.75%	10.69%	17.65%
	3.96%		14.65%			
8	44.46%	45.87%	64.45%	112.28%	43.20%	18.59%
	45.16%		88.37%			
9	100.95%	107.92%	110.59%	67.52%	-15.38%	2,67%
	104.44%		89.06%			
10	2.26%	1.75%	10.10%	13.41%	9.75%	8.35%
	2.01%		11.75%			
11	12.83%	204.29%	99.29%	121.13%	1.65%	-105.00%
	108.56%		110.21%			

Table 5. Cash ratio (Part 2)

Cash ratio	2018	2019	2020	2021	Average difference (2018, 2019) - (2020, 2021)	Difference 2019-2020
12	1.18%	29.70%	77.31%	87.14%	66.79%	47.61%
	15.44%		82.23%			
13	13.45%	10.98%	29.21%	34.44%	19.61%	18.23%
	12.21%		31.82%			
14	54.67%	153.29%	122.44%	81.69%	-1.92%	-30.85%
	103.98%		102.06%			
15	0.15%	0.18%	0.32%	0.49%	0.24%	0.14%
	0.17%		0.40%			
16	17.10%	13.96%	12.01%	38.89%	9.92%	-1.95%
	15.53%		25.45%			
17	5.72%	19.78%	6.63%	28.85%	4.99%	-13.16%
	12.75%		17.74%			
18	103.19%	27.31%	79.30%	71.45%	10.13%	52.00%
	65.25%		75.38%			
19	0.44%	2.61%	0.34%	0.59%	-1.06%	-2.27%
	1.52%		0.46%			
20	1.40%	8.78%	2.75%	13.33%	2.95%	
	5.09%		8.04%			-6.02%

It is known that hotels have significant fixed costs, such as rent, utilities, and salaries, which did not decrease despite the drop in revenue, except in the case that the hotel did not even open. This meant that hotels which open had to use their cash

reserves to cover these fixed costs, further reducing their cash ratios. This is the reason why hotels saw a decrease in their cash ratio. As for the increase in the ratio, it indicates cash reserves and governance support, as we have already referred to above.

Table 6. Gross margin

Gross margin	2018	2019	2020	2021	Average difference (2018, 2019) - (2020, 2021)	Difference 2019-2020
1	46.46%	44.67%	-34.68%	33.49%	-46.16%	-79.35%
	45.56%		-0.59%			
2	35.96%	41.46%	-60.78%	43.10%	-47.55%	-102.24%
	38.71%		-8.84%			
3	29.34%	24.23%	-47.45%	8.58%	-46.22%	-71.68%
	26.79%		-19.44%			
4	27.03%	30.87%	-14.15%	24.34%	-23.86%	-45.02%
	28.95%		5.09%			
5	36.73%	39.19%	30.34%	42.35%	-1.61%	-8.85%
	37.96%		36.35%			
6	46.70%	46.15%	9.33%	28.77%	-27.38%	-36.82%
	46.43%		19.05%			
7	71.77%	74.59%	79.76%	79.65%	6.52%	5.17%
	73.18%		79.71%			
8	44.54%	50.16%	10.91%	51.05%	-16.37%	-39.25%
	47.35%		30.98%			
9	55.37%	56.44%	45.09%	56.78%	-4.97%	-11.36%
	55.91%		50.94%			
10	30.86%	35.71%	-91.21%	32.65%	-62.57%	-126.92%
	33.29%		-29.28%			
11	21.58%	25.95%	-37.19%	2.16%	-41.28%	-63.15%
	23.76%		-17.52%			
12	-116.07%	11.20%	60.62%	44.68%	105.08%	49.41%
	-52.43%		52.65%			
13	20.90%	21.95%	27.06%	26.00%	5.10%	5.11%
	21.43%		26.53%			
14	35.93%	33.01%	80.63%	84.10%	47.90%	47.62%
	34.47%		82.37%			
15	8.69%	4.60%	-12.26%	81.12%	27.78%	-16.87%
	6.65%		34.43%			
16	85.83%	26.38%	-5162.15%	36.97%	-2618.70%	-5188.53%
	56.11%		-2562.59%			
17	20.77%	31.57%	-6434.04%	38.76%	-3223.81%	-6465.62%
	26.17%		-3197.64%			
18	37.84%	33.46%	0.53%	30.99%	-19.89%	-32.94%
	35.65%		15.76%			
19	9.99%	17.31%	-26.42%	12.63%	-20.54%	-43.73%
	13.65%		-6.90%			
20	40.62%	38.19%	9.64%	44.99%	-12.09%	-28.55%
	39.40%		27.31%			

As we can see, gross margin had tremendous big volatility for these years, but this is due to the suspended operation and generally all the travel restrictions. Firstly, many hotels have had to implement social distancing measures in common areas such as lobbies, restaurants, and gyms, which

has resulted in reduced capacity and increased operating costs. Also, global supply chains have been severely disrupted by the pandemic, which has had an impact on the availability and price of several products and services. Additionally, many hotels in Greece had to provide refunds or credits for

canceled bookings, which further impacted their gross margin. Furthermore, the pandemic led to changes in consumer behavior, with travelers becoming more cost-conscious and opting for budget-friendly options, which has also impacted the gross margin of the 20 biggest Greek hotels. Consumers may choose smaller hotels or Airbnb.

Eighty percent (16 of 20) of our sample saw a decrease in the gross margin ratio between 2019 and 2020 due to reasons explained earlier. Comparing averages of 2018-2019 and 2020-2021,

the ratio trends are down for most of them. Astir Palace (12) had a negative gross margin ratio (2018) mainly due to the completion of the renovation of the hotel complex and related expenses for the start of the operation of the hotel's units. The next year's gross margin will rise. It is crucial to note that Astir closed only for a few months (from March 2020 to June 2020). Also, Ikos Aria (16) and Ikos Dasia (17) recorded losses for 2020 and saw a sharp dip in gross margin, but 2021 rose again with profits and a reduction in the income tax rate from 24% to 22%.

Table 7. Operating margin

<i>Operating margin</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>Average difference (2018, 2019) - (2020, 2021)</i>	<i>Difference 2019-2020</i>
1	22.81%	18.05%	-124.29%	11.10%	-77.03%	-142.34%
		20.43%		-56.59%		
2	1.73%	7.02%	-204.47%	22.01%	-95.60%	-211.49%
		4.37%		-91.23%		
3	13.93%	6.57%	-740.52%	-9.48%	-385.25%	-747.09%
		10.25%		-375.00%		
4	12.69%	18.91%	-76.40%	6.14%	-50.93%	-95.32%
		15.80%		-35.13%		
5	27.33%	24.71%	20.94%	34.58%	1.73%	-3.78%
		26.02%		27.76%		
6	33.73%	18.63%	-42.89%	-1.16%	-48.20%	-61.51%
		26.18%		-22.02%		
7	-21.65%	6.71%	-19.11%	9.27%	2.55%	-25.82%
		-7.47%		-4.92%		
8	30.90%	18.45%	-16.70%	39.84%	-13.11%	-35.15%
		24.67%		11.57%		
9	34.03%	30.60%	15.22%	36.97%	-6.22%	-15.38%
		32.32%		26.10%		
10	17.84%	19.40%	-292.80%	8.87%	-160.59%	-312.20%
		18.62%		-141.96%		
11	49.23%	7.49%	12.70%	-5.77%	-24.89%	5.21%
		28.36%		3.46%		
12	-354.91%	-38.02%	50.31%	25.26%	234.25%	88.33%
		-196.47%		37.79%		
13	7.49%	5.52%	7.97%	9.01%	1.99%	2.46%
		6.50%		8.49%		
14	19.98%	14.40%	-24.94%	23.66%	-17.83%	-39.34%
		17.19%		-0.64%		
15	-7.33%	-14.27%	-34.88%	-15.33%	-14.30%	-20.60%
		-10.80%		-25.10%		
16	-246836.10%	-0.81%	-11518.49%	14.20%	117666.31%	-11517.68%
		-123418.45%		-5752.15%		
17	-15.15%	8.45%	-13421.53%	10.66%	-6702.09%	-13429.98%
		-3.35%		-6705.44%		
18	21.82%	11.35%	-38.49%	12.65%	-29.51%	-49.84%
		16.59%		-12.92%		
19	-1.88%	-1.14%	-35.93%	14.66%	-9.13%	-34.79%
		-1.51%		-10.63%		
20	20.61%	16.68%	-27.71%	31.90%	-16.55%	-44.39%
		18.65%		2.10%		

The same as above applies to operating margin, which is a little bit more oriented towards operations. Overall, the pandemic has had

a significant impact on gross and operating margins due to a variety of factors.

Table 8. Return on assets (Part 1)

<i>ROA</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>Average difference (2018, 2019) - (2020, 2021)</i>	<i>Difference 2019-2020</i>
1	4.84%	3.93%	-5.97%	1.18%	-2.61%	-9.91%
		4.39%		-2.40%		
2	1.26%	1.30%	-6.86%	4.19%	-2.61%	-8.15%
		1.28%		-1.33%		
3	3.85%	1.89%	-11.22%	-2.58%	-9.77%	-13.12%
		2.87%		-6.90%		
4	2.77%	2.76%	-4.56%	1.16%	-4.46%	-7.32%
		2.76%		-1.70%		
5	7.70%	8.42%	3.82%	10.41%	-0.94%	-4.60%
		8.06%		7.12%		
6	6.06%	3.10%	-2.93%	-0.08%	-6.08%	-6.03%
		4.58%		-1.51%		
7	-5.57%	1.55%	-0.52%	3.01%	3.25%	-2.07%
		-2.01%		1.24%		

Table 8. Return on assets (Part 2)

ROA	2018	2019	2020	2021	Average difference (2018, 2019) - (2020, 2021)	Difference 2019-2020
8	5.66%	2.78%	-1.52%	4.14%	-2.91%	-4.29%
	4.22%		1.31%			
9	7.43%	6.78%	1.37%	7.20%	-2.82%	-5.41%
	7.11%		4.28%			
10	3.41%	3.62%	-7.60%	1.74%	-6.44%	-11.22%
	3.51%		-2.93%			
11	3.10%	0.22%	-0.13%	-0.10%	-1.77%	-0.35%
	1.66%		-0.12%			
12	-4.17%	-3.82%	11.88%	4.09%	11.98%	15.70%
	-3.99%		7.99%			
13	7.65%	5.26%	5.55%	7.95%	0.29%	0.29%
	6.45%		6.75%			
14	3.56%	3.10%	-2.61%	5.18%	-2.05%	-5.70%
	3.33%		1.28%			
15	-10.70%	-23.45%	-29.90%	-20.45%	-8.11%	-6.45%
	-17.07%		-25.18%			
16	-5.20%	-0.31%	-9.18%	2.73%	-0.47%	-8.86%
	-2.76%		-3.22%			
17	-3.23%	2.96%	-10.19%	2.34%	-3.79%	-13.16%
	-0.13%		-3.93%			
18	3.44%	1.46%	-3.65%	2.02%	-3.27%	-5.11%
	2.45%		-0.81%			
19	-3.06%	-1.61%	-13.89%	13.85%	2.31%	-12.28%
	-2.33%		-0.02%			
20	3.43%	3.50%	-3.36%	7.99%	-1.15%	-6.86%
	3.47%		2.32%			

As we can see, most firms saw a slight decrease in the ROA from 2018. 2019 to 2020 due to a reduction in profits or the existence of losses. However, they managed to survive between 2020 and 2021 because of profit increases.

However, between the years of 2018 and 2021, the ROA ratio improved for some of them (7, 12, 19).

The rise in cash reserves resulted in a modest increase in total assets, as can be seen from their reported balance sheets.

Same for the ROE ratio except firm Astir Palace (16) that had an increase of ROE but (negative equity, negative result).

Table 9. Return on equity

ROE	2018	2019	2020	2021	Average difference (2018, 2019) - (2020, 2021)	Difference 2019-2020
1	12.56%	10.61%	-19.29%	3.59%	-19.43%	-29.89%
	11.58%		-7.85%			
2	5.70%	5.64%	-42.10%	20.71%	-16.36%	-47.74%
	5.67%		-10.69%			
3	7.13%	3.83%	-29.11%	-6.99%	-23.53%	-32.94%
	5.48%		-18.05%			
4	5.30%	5.71%	-10.42%	2.51%	-9.46%	-16.13%
	5.51%		-3.96%			
5	15.39%	15.94%	8.42%	20.87%	-1.02%	-7.52%
	15.67%		14.65%			
6	11.62%	7.21%	-7.65%	-0.22%	-13.35%	-14.86%
	9.41%		-3.94%			
7	-11.34%	5.34%	-1.90%	8.90%	6.50%	-7.24%
	-3.00%		3.50%			
8	7.80%	3.80%	-2.23%	4.77%	-4.53%	-6.04%
	5.80%		1.27%			
9	16.09%	14.49%	3.27%	15.53%	-5.89%	-11.22%
	15.29%		9.40%			
10	10.72%	11.00%	-36.37%	6.95%	-25.57%	-47.37%
	10.86%		-14.71%			
11	4.82%	0.35%	-0.21%	-0.18%	-2.78%	-0.56%
	2.58%		-0.20%			
12	-9.92%	-8.04%	20.40%	17.50%	27.92%	28.43%
	-8.98%		18.95%			
13	12.88%	9.03%	8.93%	12.18%	-0.40%	-0.10%
	10.96%		10.55%			
14	7.89%	6.18%	-5.36%	9.82%	-4.80%	-11.54%
	7.03%		2.23%			
15	104.46%	67.87%	50.05%	22.89%	-49.70%	-17.82%
	86.17%		36.47%			
16	-71.57%	-7.53%	189.72%	-129.03%	69.90%	197.25%
	-39.55%		30.35%			
17	-37.33%	24.92%	-509.71%	54.45%	-221.43%	-534.63%
	-6.21%		-227.63%			
18	4.14%	2.85%	-7.86%	4.08%	-5.38%	-10.71%
	3.49%		-1.89%			
19	-1123.50%	-110.02%	111.84%	622.65%	984.01%	221.86%
	-616.76%		367.25%			
20	13.91%	13.15%	-17.28%	33.45%	-5.44%	-30.43%
	13.71%		8.08%			

Table 10. Debt ratio

<i>Debt ratio</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>Average difference (2018, 2019) - (2020, 2021)</i>	<i>Difference 2019-2020</i>
1	61.42%	62.92%	69.02%	67.08%	5.88%	6.11%
	62.17%		68.05%			
2	77.86%	77.03%	83.71%	79.75%	4.28%	6.68%
	77.44%		81.73%			
3	46.03%	50.63%	61.44%	63.07%	13.92%	10.81%
	48.33%		62.25%			
4	47.82%	51.72%	56.25%	53.87%	5.29%	4.53%
	49.77%		55.06%			
5	49.98%	47.19%	54.61%	50.13%	3.78%	7.42%
	48.59%		52.37%			
6	47.84%	57.07%	61.71%	61.90%	9.35%	4.65%
	52.45%		61.81%			
7	50.90%	70.98%	72.59%	66.22%	8.46%	1.60%
	60.94%		69.40%			
8	27.36%	27.01%	31.99%	13.25%	-4.56%	4.99%
	27.18%		22.62%			
9	53.78%	53.22%	58.14%	53.64%	2.39%	4.93%
	53.50%		55.89%			
10	68.17%	67.10%	79.10%	74.88%	9.35%	12.00%
	67.64%		76.99%			
11	35.75%	35.97%	38.56%	43.96%	5.40%	2.58%
	35.86%		41.26%			
12	57.95%	52.47%	41.76%	76.62%	3.98%	-10.71%
	55.21%		59.19%			
13	40.61%	41.79%	37.86%	34.76%	-4.89%	-3.93%
	41.20%		36.31%			
14	54.83%	49.88%	51.33%	47.30%	-3.04%	1.44%
	52.36%		49.31%			
15	110.24%	134.55%	159.74%	189.36%	52.16%	25.19%
	122.39%		174.55%			
16	92.73%	95.85%	104.84%	102.12%	9.18%	8.98%
	94.29%		103.48%			
17	91.35%	88.10%	98.00%	95.70%	7.13%	9.90%
	89.73%		96.85%			
18	16.69%	48.76%	53.56%	50.47%	19.29%	4.80%
	32.73%		52.02%			
19	99.73%	98.53%	112.42%	97.78%	5.97%	13.88%
	99.13%		105.10%			
20	75.34%	73.35%	80.55%	76.10%	3.98%	7.20%
	74.35%		78.33%			

Eighty-five percent of the firms (17 of 20) had an increase in the debt ratio due to the increase of liabilities, both short- and long-term. The assistance the organizations received from the state and the European Union, the so-called refundable advances, is an easy way to explain this. Essentially, there was a change in the structure of the debt. The short-term debts that were high in 2018

decreased significantly in 2019, while the long-term debts that were previously low increased greatly due to support from the government. Additionally, fixed assets and accounts receivable caused an increase in the overall assets. Also, many companies defaulted on the bonds they had issued and extended repayment or pushed up interest rates due to the pandemic.

Table 11. Deb to equity (Part 1)

<i>Debt to equity</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>Average difference (2018, 2019) - (2020, 2021)</i>	<i>Difference 2019-2020</i>
1	159.22%	169.66%	222.82%	203.79%	48.87%	53.16%
	164.44%		213.31%			
2	351.57%	335.42%	513.90%	393.72%	110.32%	178.49%
	343.49%		453.81%			
3	85.28%	102.55%	159.32%	170.76%	71.13%	56.77%
	93.92%		165.04%			
4	91.66%	107.13%	128.58%	116.78%	23.29%	21.46%
	99.39%		122.68%			
5	99.92%	89.37%	120.30%	100.52%	15.77%	30.94%
	94.64%		110.41%			
6	91.71%	132.92%	161.17%	162.49%	49.52%	28.26%
	112.31%		161.83%			
7	103.67%	244.63%	264.79%	196.03%	56.26%	20.16%
	174.15%		230.41%			
8	37.66%	37.00%	47.04%	15.27%	-6.17%	10.04%
	37.33%		31.16%			
9	116.38%	113.75%	138.92%	115.70%	12.24%	25.16%
	115.06%		127.31%			
10	214.20%	203.97%	378.45%	298.02%	129.16%	174.49%
	209.08%		338.24%			

Table 11. Debt to equity (Part 2)

Debt to equity	2018	2019	2020	2021	Average difference (2018, 2019) - (2020, 2021)	Difference 2019-2020
11	55.64%	56.19%	62.75%	78.45%	14.69%	6.57%
	55.91%		70.60%			
12	137.83%	110.37%	71.69%	327.73%	75.61%	-38.68%
	124.10%		199.71%			
13	68.38%	71.79%	60.93%	53.28%	-12.98%	-10.86%
	70.08%		57.11%			
14	121.39%	99.54%	105.46%	89.75%	-12.86%	5.92%
	110.47%		97.60%			
15	-1076.61%	-389.47%	-267.39%	-211.91%	493.39%	122.08%
	-733.04%		-239.65%			
16	1275.78%	2312.52%	-2167.63%	-4826.97%	-5291.45%	-4480.14%
	1794.15%		-3497.30%			
17	1055.88%	740.48%	4900.50%	2226.74%	2665.44%	4160.02%
	898.18%		3563.62%			
18	20.03%	95.16%	115.33%	101.91%	51.03%	20.17%
	57.60%		108.62%			
19	36665.40%	6725.63%	-905.18%	4395.52%	-19950.35%	-7630.81%
	21695.52%		1745.17%			
20	305.54%	275.23%	414.19%	318.48%	75.95%	138.95%
	290.39%		366.33%			

Almost all firms saw a rise in the debt ratio from 2018 to 2020. Due to a rise in long-term obligations during this time, the debt-to-equity ratio grew.

That means that the hotel organization has increased its level of debt relative to its equity. As every coin has two sides, this can have both negative and positive implications.

On the positive side, debt can allow projects or investments that can lead to revenue, cash flow. On the negative side, a high debt-to-equity ratio makes the organization more vulnerable to financial difficulties such as an economic downturn or decline in occupancy rates. In case of situations like COVID-19, debt may be essential for the organization to survive. Also, given that it is difficult for equity to increase during a health crisis, we predicted the trend of the two ratios mentioned earlier.

To summarize, the tables presented in our study provide a comprehensive depiction of financial trends across the 20 largest hotel companies in Greece from 2018 to 2021. Tables' analyses highlight significant volatility driven by the COVID-19 pandemic, particularly in liquidity and profitability indicators. The liquidity ratios (current, acid-test, and cash ratios) demonstrate substantial fluctuations, reflecting varying capacities among hotels to service short-term obligations amid drastically reduced revenues. For instance, certain hotels maintained robust liquidity through effective cash management or timely government assistance, evident from improvements in their current and cash ratios during the crisis. Profitability tables reveal dramatic reductions in gross and operating margins during 2020, reflecting increased costs and reduced occupancy. However, a marked recovery emerges in 2021, with gross margins returning to pre-pandemic levels for many companies. Moreover, leverage tables (debt ratio and debt to equity ratio) show increased reliance on debt financing as a strategic response to the revenue shortfall, indicating a shift in capital structure. Overall, the detailed examination of these tables highlights how specific financial strategies and external support mechanisms influenced the varying degrees of resilience and recovery among hotel enterprises, underscoring the essential role of financial management during unprecedented crises.

5. DISCUSSION

The financial analysis of the 20 largest Greek hotel companies from 2018 to 2021 demonstrates the significant repercussions of the COVID-19 pandemic on several financial aspects. Liquidity ratios, including the current, acid-test, and cash ratios, demonstrated significant fluctuation, particularly between 2019 and 2020, underscoring the abrupt financial strain on operating cash flows. Many firms saw significant liquidity reductions due to diminished income and persistent fixed costs; nevertheless, organizations with enough cash reserves or early governmental assistance, such as T.E.A.B. S.A., Lampsa S.A., and Astir Palace, exhibited notable financial resilience. The average current and acid-test ratios enhanced in 2021, primarily due to state initiatives (including the EDB guarantee programs), restructuring of credit arrangements, and the gradual resurgence of travel activity. Conversely, profitability metrics, specifically gross margin and operating margin, plummeted in 2020 as a result of halted operations, social distancing mandates, heightened operating expenses, and shifts in customer behavior. Notwithstanding this, companies like as Astir Palace and Ikos Properties saw considerable recovery in 2021, marked by substantial improvements in margins and operating income, capitalizing on pent-up travel demand and focused strategic planning. The ROA and ROE ratios exhibited analogous trends: significant decreases in 2020 succeeded by notable recovery in 2021, but several firms had seemingly random variations attributable to the mathematical impact of negative equity or losses from the preceding year. Companies 16 and 19 illustrate how significant fluctuations in equity and debt composition can skew ROE or debt-to-equity ratios, occasionally leading to deceptive perceptions of performance.

In 2020, the debt ratios and debt-to-equity ratios markedly grew for the majority of enterprises, indicating heightened borrowing via refundable advances or long-term financial assistance. This increased financial leverage was an essential strategy for survival during extended periods of low revenue. By 2021, the financial framework began to recover as revenues rebounded and companies resumed debt servicing. The enhancement in cash flow in 2021 improved liquidity and facilitated

partial debt repayment, validating the short-term efficacy of governmental and banking system interventions. Numerous companies excelled by preserving solvency and adaptability during the crisis, with factors such as economies of scale, operational efficiency, and minimal finance costs being pivotal. The findings align with current literature (Gursoy & Chi, 2020; Pavlatos et al., 2020), emphasizing the significance of internal financial strategy and external institutional assistance during systemic crises. Furthermore, the identified trends reinforce the notion that financial statement volatility during crises is anticipated and must be analyzed cautiously, especially when comparing enterprises with differing capital structures and operational characteristics. The Greek hospitality sector, despite significant challenges, showed encouraging signs of recovery in 2021, and the trajectory towards complete recovery seemed feasible, especially for those who exhibited strategic adaptation and financial prudence. Optimism is justified, but future resilience will rely on consistent profitability, prudent leverage management, and the ability to adapt to changing market conditions.

6. CONCLUSION

Last but not least, emergencies such as this pandemic affect the hospitality sector and, generally, tourism and travel. While 2019 was a unique year for the tourism industry, the next year brought a serious challenge. Sharp dips in revenue and increased operating and financial costs raised serious concerns about liquidity, profitability, and debt sustainability. Financial statements depicted tremendous volatility and high risk, offering a strong basis for research. The Greek government was initially unprepared but reacted swiftly and helped the businesses in the sector. Greek hotel turnover in 2021 reached EUR 3.8 billion, demonstrating that hotels began to recover despite

the pandemic. As already referred, governance gradually lifted travel restrictions and introduced health protocols for hotels. Financial turnover and gross profit improved indeed, so did gross margin ratio and operating margin ratio. Regarding profitability, ROA and ROE showed notable improvement in 2021 compared to the previous year. However, Ikos Aria S.A. (16) had a surprisingly negative ROE difference, which may be explained by losses and negative equity in 2020. In 2021, despite profits, equity remained negative due to prior deficits. Overall, 2021 also brought better cash flow and higher cash ratios. Cash flow variance in operations reached 926.06% from 2020 to 2021, and cash equivalents rose by 100.15%. Our findings suggest that some volatility in financial ratios is both reasonable and sometimes misleading in interpretation. Reopening of the industry allowed not only coverage of operational expenses but also partial debt repayment. Debt ratios improved in 2021, though the extreme fluctuation in 2019 was driven by collapsing equity and increasing liabilities. Profitability prospects appear strong through 2025.

This paper contributes significantly to the field by offering a detailed financial analysis of how the 20 largest Greek hotel firms strategically coped with the pandemic, using actual financial statement data over four years. It provides insights into resilience factors, crisis financing, and policy effectiveness, which can serve as a reference for other countries or future crises. However, limitations exist: the research is geographically limited to Greece, and generalizing results to the global hospitality industry should be done cautiously. Furthermore, the study is based on publicly available data, which may not capture internal strategic decisions or qualitative factors. Future research could explore cross-country comparisons, integrate qualitative insights from managers, or assess longer-term impacts beyond 2021.

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