



Factors for the Success of Tourism Startups During Pandemic: multi-case analysis

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ABSTRACT: Due to the pandemic caused by the SARS-CoV-2 virus, numerous sectors of the world economy were practically paralyzed, and tourism activity can be highlighted as one of the main ones. Given that, tourist attractions, equipment, services, and tourist infrastructure sought ways to overcome this moment of crisis. However, only a few were successful. Tourism organizations linked to digital environments, which sought to innovate in the market, faced greater challenges and effectively dealt with the uncertainty environment created by Covid-19, were the ones that stood out the most. These companies that survive during a risky scenario, which have a technological base and a scalable, sustainable, and repeatable business model, are currently called Startups. Therefore, this study aims to analyze and identify the main critical factors for the success of tourism startups during the pandemic, using real examples of organizations that were successful in this period as the main basis for extracting information.

Keywords: Pandemic;
Tourism startup;
Critical success factors;
Covid-19.

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INTRODUCTION

The global productive paradigm established in the wake of the expansion of the capitalist economic system has directly influenced the competitiveness among organizations seeking to achieve results in their respective markets, which are characterized by specific attributes defining their competitive nature. One such attribute is innovation, which generates competition and has been shown to deliver significant economic outcomes, as emphasized by Tropos (2020): "Innovation, at the core of strategy, is the linchpin for ensuring the long-term sustainability of institutions, including the capacity to weather crises and economic instability" p.14.

Innovation, as defined by Leitão & Mello (2010), can be defined as the "introduction of products, process, methods or systems non previously existent in the market, or any new or different characteristic, with strong socioeconomic implications" p.11.

However, innovation extends beyond the advancement of material goods, organizations, or market dynamics. It also unfolds within interpersonal relationships in a given social context. These transformations aim to streamline the exchange of information and knowledge, often leveraging technology as a facilitator, resulting in the emergence of social media platforms, including Facebook, Instagram, and WhatsApp, among others (Sampaio & Tavares, 2019).

According to Rossetti (2013), the amalgamation of innovation and communication can be described as follows:

(...) also present in the social impact of new communication and information technologies, in the new receiver, now producer and interactive, in cognitive processes, in languages, in aesthetics and even in new methodological and theoretical approaches of communication. This is because innovation is a social, symbolic, and technological phenomenon, present in every contemporary mediated society and can permeate the entire field of Communication. (p.11).

Organizations that incorporate innovation into their business models typically operate in an environment characterized by uncertainty, with the main objective of achieving maximum profitability in a shorter timeframe. Such entities are commonly referred to as startups (Barroca, 2012). These enterprises can emerge across various sectors and industries, including but not limited to tourism, automobile racing, and agriculture. However, this study focuses on tourism startups, with specific attention to the national organizations Smart Tour, Ifriend, and Onfly. The aim of this research is to identify the key factors that contributed to the success of these organizations during the economic crisis that befell the sector due to the emergence and spread of the SARS-CoV-2 virus. This investigation serves as a reference for other organizations considering this busi-

ness model, offering insights on how to navigate challenging market conditions.

The tourism sector has been among the industries most severely impacted by the ongoing pandemic. According to the World Tourism Organization (WTO), tourism activities experienced a 70% decline in revenue in the years 2020 and 2021. Most of these negative effects can be attributed to the sector's experiential nature and the measures implemented to curb the virus spread. Some of these measures include social distancing, mask mandates, hand sanitizer usage, border closures, and trade restrictions. As noted by the International Labor Organization (ILO) in 2020, the tourism sector has demonstrated considerable resilience and adaptability in response to these challenges.

(...) as one of the first to stop due to the pandemic, which led an industry of 8.8 trillion dollars - representing 10.4% of the Gross Domestic Product with expansion of 3.9% in the world in 2018 - to suffer the negative impact on 142.6 million jobs in 2020, with losses of 3.815 trillion dollars. In the Americas, 19.8 million jobs were impacted with 5 losses of 1.074 trillion dollars, with Latin America impacting 7.4 million jobs with losses of 131 billion dollars.

Considering this challenging scenario, numerous strategies have been implemented by both professionals and organizations in their quest to secure a position in the market.

This is a qualitative and exploratory research, based on a multiple case study within the tourism industry. The study focused on three innovative ventures that achieved success during Covid-19 pandemic crisis.

It is important to point out that not all organizations thrived during this period. Therefore, identifying success factors can offer valuable insights for other entrepreneurs operating in the sector.

THEORETICAL REFERENCE

The objective of this chapter is to present the literature review and the elements that help to understand the theme studied. The theoretical references used in the development of the subsequent topics address the following subjects: emergence and development of startups; tourism startups; and development of tourism startups during the pandemic.

Emergence and development of startups

The term "Startup" denotes the initiation of a venture and is typically associated with organizations that have recently entered the market. These organizations are characterized by their innovative nature and a focus on developing promising and technology-driven projects that can be replicated. The Brazilian Micro and Small Business Support Service, SEBRAE (2017), offers the following definition for the term:

A (...) new company, even an embryonic one or one still in the process of constitution, that has promising projects, linked to research, investigation, and development of innovative ideas. Because it is young and is implementing a market idea, another characteristic of startups is the risk involved in the business. But despite this, they are ventures with low initial costs and are highly scalable, i.e., they have a very high growth expectation when they succeed p.7.

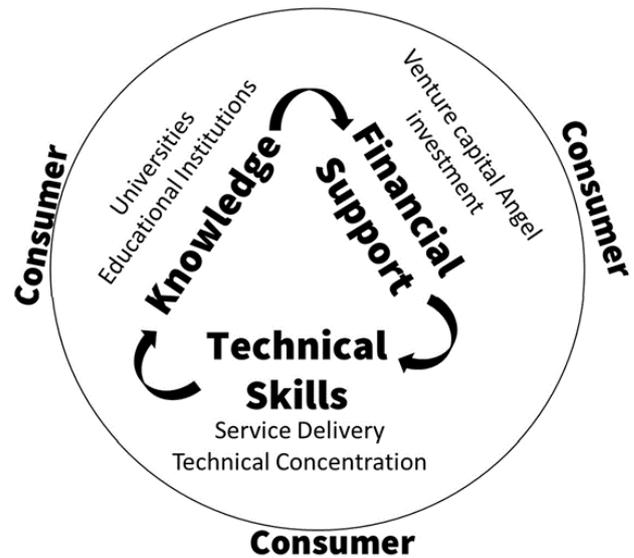
The use of the term "Startup" gained popularity in the 1990s in the United States, particularly during the first significant "Internet bubble", which was characterized by speculative movements in the shares of companies engaged in Internet-based businesses and technological initiatives. Notably, the prominent companies that emerged during this era, and which adhered to the business model under consideration, were concentrated in the Silicon Valley region. These included industry giants such as Google, Microsoft, and Apple (Castro, 2021).

The founders of such institutions typically play distinct roles for the effective establishment of their organizations. These roles encompass the "Explorer," characterized by a constant curiosity and an unwavering pursuit of new information and opportunities; the "Artist," who possesses the capacity to create, innovate, adapt, and evolve their products within the market; and, finally, the "Judge," an individual who exhibits critical thinking, keen observation, and the ability to weigh various probabilities. The process of creating these organizations typically unfolds through several phases, including creativity, the incubation process, idea regeneration, evolution, and implementation (Thurner, 2016).

Ramos (2015) states that the development of a startup is intrinsically linked to its core business. This connection signifies the organization's capacity to adapt to its environment, while concurrently engaging in research, investigation, and the development of innovative concepts. Ecosystems conducive to such endeavors function as intricate networks of connections and relationships that directly influence the market evolution of these organizations. According to Matos & Radaelli (2019), the presence of a dynamic startup ecosystem significantly contributes to sustaining innovation, enhances dynamism and efficiency within industrial sectors, fosters the dissemination of knowledge, and creates ample opportunities for high-quality employment. Additionally, according to the Brazilian Association of Startups, ABSTARTUP (2017), the startup ecosystem encompasses all the agencies and companies that contribute to the growth and development of emerging organizations. Figure 1 illustrates the composition and operation of a robust startup ecosystem:

The process of establishing these institutions presents a myriad of challenges, encompassing the need to adapt and make informed choices regarding the appropriate core business. Nonetheless, for many schol-

Figure 1 - The Startup Ecosystem



Source: Zacharakis, Shepherd, Coombs, 2003

ars, the most significant hurdle that entrepreneurs must navigate is the scarcity of funding sources for their envisioned products. Data obtained from the European Investment Fund (EIF) (2022) reveal that, in the United Kingdom, less than one in ten startups obtained funding for their development. In Brazil, the situation is not markedly different. According to Sebrae (2017), over a thousand organizations that followed the studied business model and eventually declared bankruptcy were surveyed, and approximately 40% of entrepreneurs attributed the main cause of their business's demise to difficulties in accessing capital.

Startups play a pivotal role in fostering economic revitalization and technological advancement on a global scale. Their existence is dedicated to confronting and surmounting situations characterized by profound uncertainty, thereby contributing to transformative changes within the sectors they operate (Cusumano, 2013). According to data provided by Startup Genome in 2020, startups worldwide generated approximately 2.8 trillion dollars in revenue in 2018, simultaneously spurring the creation of new job opportunities and enhancing dynamism and competitiveness in the economic marketplace. In Brazil, as indicated by Startupbase in 2021, nearly 13,000 companies of this nature are dispersed across approximately 600 cities, and investments in these enterprises have witnessed remarkable growth in recent years, surpassing the 9.4 billion mark in 2021.

The significance of startups has garnered the attention of researchers worldwide, and they are commonly defined as organizations that seek a scalable, recurring, and profitable business model (Blank, Dorf, 2015). These authors also emphasize that the journey to develop and establish a startup should be viewed as a heroic endeavor, as recognition within the market is



typically limited to a select few. Founders of startups must possess a unique perspective distinct from that of a CEO of a large corporation. They are frequently required to transform these perspectives into viable business ventures, relying on qualities such as perseverance, agility, and courage as their primary tools.

Tourism startups

The connection between startups and the tourism industry remains relatively underexplored, despite the accumulation of new knowledge within the tourism sector, driven by researchers and innovators striving to enhance the products and services available in the market (Santos et al., 2020). Tourism maintains its prominence on a global scale, contributing significantly to the global gross domestic product. According to the World Travel and Tourism Council (WTTC, 2021), the tourism industry accounts for approximately 8.8 trillion dollars of the global GDP and is responsible for generating an average of 319 million jobs, representing approximately 1 in every 10 jobs.

The tourism sector encompasses various segments, as outlined by Beni (2003), which can be categorized into around 52 segments. These segments include event tourism, religious tourism, cultural tourism, rural tourism, experiential tourism, wine tourism, and many others. Consequently, given the diversity, competitiveness, and potential for innovation within the tourism sector, the incorporation of startups in this domain becomes a feasible option. These startups can also be termed "Travel Techs". According to Junior (2018, as cited in Santos, 2020), tourism.

(...) has its own unique characteristics, such as the intangibility of the tourist experience, meeting personal needs and also for being an efficient activity through the dissemination of information. These technologies, such as e-commerce, are playing an increasingly important role in the search for competitive advantage among tourism enterprises. The relationship between startups and tourism results in the emergence of new ventures, with opportunities for new products and services, through innovations and technologies, available or not in the market (p.110).

With the advent of the increasingly digitized economy, tourism startups are gradually seeking a digital transformation, managing to bring better travel experiences to tourists (Oliveira, 2022). The performance area that has a greater expressiveness and recognition of these organizations in virtual environments is the travel agency, more precisely being called Online Travel Agency, OTAs, popularized in Brazil from the year 2000 (Regis, 2021). According to Muritiba (2017, as cited in Regis, 2021), all branches:

(...) are increasingly using technological solutions as means to monetize their business or deliver something more qualified to their customers, and the tourism and

travel sector is no exception to this rule. Facilitators of the travelers' experience, such as the rental of materials that help with the trip or even a tour, are clear examples that the growth of the Travel Tech sector is great and can still be much more explored (p.21).

The mentioned change has not only altered the future outlook of the tourism market, but has also contributed to Brazil's classification as one of the primary travel technology markets in the Americas. Institutions such as CVC Corp have expanded their investments to keep pace with digitalization, while more traditional companies seek solutions developed by Travel Techs (Regis, 2021, Violin, 2021). Another sector gaining prominence among tourism startups is the events sector, which, even during periods of crisis, seeks alternatives to achieve results. An example of this is the company Even3, specialized in online corporate events, which experienced a 300% increase in views on its YouTube channel, even amidst the current Covid-19 pandemic (Freitas, 2021).

Travel techs are gradually emerging worldwide. According to a survey of the most significant organizations in the sector conducted by Travel Techs Essentialist Advisory in 2021, a total of 876 organizations received support between the beginning of 2018 and the end of 2021, operating in various segments. Some examples of their distribution include 316 in Europe, 275 in Canada and the United States, and 218 in Australia and Asia, among others. Notable cities hosting these organizations include New York, London, Paris, Berlin, and San Francisco.

In Brazil, the corporate travel specialist company Onfly conducted a comprehensive mapping of the main national Travel Techs, spanning from hotels to mobility. In total, 97 organizations were identified and categorized into 16 distinct groups. The most represented categories were OTAs, accounting for 19.7%, and urban mobility, representing 15.06%. The survey also examined venture capital funds, revealing that in the country, tourism startups linked to the mobility sector receive the most investments. For example, the company 99 raised R\$ 241 million in 2019 (Lima, 2020).

Despite the national market's optimism regarding tourism startups, supported by government backing, market liberalization, and the growing trend of utilizing digital technology, the same cannot be said for fundraising. The preference for angel investors in travel techs linked to the travel industry, findtechs, agrotechs, and edtechs has been gaining ground. This may lead to the emergence of tourism startups in other segments (Regis, 2021).

Development of tourism startups during the pandemic

Following a decade of continuous growth in the tour-



ism market, with nearly 1.5 billion people traveling to various destinations for purposes such as leisure, business, and education, the industry was surprised by the sudden halt in almost all sectors due to the rapid spread of the Covid-19 virus. This unprecedented event resulted in a 98% decline in the number of tourists, causing approximately 320 billion dollars in losses. This economic setback can be considered three times greater compared to the global crisis in 2008 (Brazil, 2021). According to Santos (2020), in 2020, as the pandemic worsened:

(...) the tourism market suffered a drop of 92 million lost work sectors, this reflects to a drop of 30% of what this sector presented in 2019, as this market presented a direct, indirect and induced impact of travel and tourism was responsible for US\$ 8.9 trillion contribution to the world GDP, 10.3% of global GDP 330 million jobs represented 1 in 10 jobs of worldwide, accounted for \$1.7 trillion in exports, 6.8% of total exports, 28.3% of global service exports and had \$948 billion in direct capital investment (Santos, 2020, p. 110) .

With international and national travel disrupted, events were postponed or canceled, only a fraction of bars and restaurants remained operational by offering delivery services, and museums, natural and theme parks, as well as means of transportation, lodging, travel agencies, and other tourism-related businesses, had their revenues almost entirely halted or suspended. It can be assumed that as the pandemic continues to spread, uncertainties and crises in the sector will gradually become recurring, potentially leading to irreversible impacts. The most effective solution lies in the public policies formulated and adopted by different levels of government (federal, state, and municipal), with a focus on sustaining businesses, generating employment and income, and facilitating financing and credit (Brazil, 2021).

In addition to the tourism impact mentioned above, startups operating in this field also suffered. However, thanks to their flexible business models, these ventures were able to adapt to digital platforms. According to the results obtained from eleven surveys conducted by Sebrae in partnership with Getulio Vargas Foundation (FGV), which measured the impacts of the coronavirus pandemic on Brazilian micro and small enterprises, approximately 85% of them embraced digitalization. Digitalization assisted in the recovery and growth of the marketing strength of products and services offered by these organizations (Silva, 2021).

Therefore, it is evident that the pandemic brought not only financial difficulties to the population but also generated a need for a more efficient and effective management of the ongoing pandemic. Organizations that are attentive to change have a greater chance of capitalizing on potential opportunities that may arise (Nascimento et al., 2020). Combining innovation with these opportunities transforms ways of working, at-

tracts customers, and makes companies more competitive during times of crisis (Dutta et al., 2020).

Presentation of the companies studied

To better identify the potential factors contributing to the success of Travel techs during the pandemic, this study analyzes three key companies: Smart Tour, Ifriend, and Onfly. Smart Tour, established in 2017 and founded in Florianopolis by entrepreneurs Jucelha Carvalho and Marcio Almeida de Sousa, offers smart tour routes based on the Internet of Things (IoT) technology, allowing for precise visitor data capture and automated report generation.

IoT, commonly used to describe everyday physical objects equipped with internet connectivity, has been instrumental in enhancing the travel and tourism industry by enabling greater personalization, automation, and improved customer experiences. Its applications range from monitoring a hotel's physical conditions and energy cost reduction to passenger anxiety measurement on flights and providing tourists with access to information via their smartphones, among others (Revfine, 2020).

Smart Tour has initiated various projects, including Smart Tracking (a Covid-19 tracking tool), Smart Survey (for demand research), and Smart Destination (for collecting and extracting tourist data using beacons). In less than two years of operation, the startup made an impact on approximately 400,000 people in 2018 with tools focusing on the main routes, destinations, and accommodation on the northern coast of Santa Catarina. Consequently, it gained national recognition and was one of the three finalists in the first national tourism award sponsored by the Ministry of Tourism and the National Council (Scionava, 2022).

Ifriend, on the other hand, is a global travel tech platform specializing in selling local guide services and destination experiences with a strong emphasis on personalization. The platform operates in 152 countries, serving travelers in over 1,600 cities worldwide, with more than half of the registered professionals communicating primarily in Portuguese (Bonin, 2022).

In 2021, during an investment round organized by Captable, Ifriend managed to secure \$2 million in funding from 316 investors in less than three days. Following this event, the organization's growth rate reached approximately 40% per month, attracting new partners. In 2022, Befly announced a partnership with Ifriend, anticipating an increase in sales volume to reach \$45 million in 2023, a significant 105% increase compared to the previous year's \$22 million (Fernandes, 2022).

While there are other platforms offering similar services, such as GetYourGuide, which offers pre-formatted guided tours in several cities, Ifriend's distinguishing feature is its high level of customization to

meet individual customer needs, thereby enhancing its market competitiveness (Bonin, 2022).

Lastly, Onfly is a fully digital startup aimed at corporate travel organizations, streamlining the process of booking tickets, hotels, and generating reports. Founded in 2018 by Marcelo Linhares and Elvis Soares, the startup serves companies of various sizes and sectors across Brazil, achieving an average revenue of \$160,000 in its first year (Jacques, 2022).

While other organizations also offer corporate travel management technologies, Onfly sets itself apart by providing potential savings of up to 30% for clients requiring employee travel, attracting new customers and ensuring a 550% increase in revenue. Additionally, Onfly received significant industry awards, including being recognized as one of the Hot 25 Startups by PhocusWire, the world's largest travel and technology reference, and earning the GPTW seal, which positioned the startup among the 150 best companies to work for in Brazil in the SME category (Voenews, 2022).

METHODOLOGY

The study employs a qualitative method to achieve its objectives. This approach allows the data to be explored from the individual perspectives of the interviewed representatives, facilitating an understanding of the potential critical success factors of the selected startups. In addition to gaining insights into the market development strategies of these institutions, the study aims to provide an overview of the pandemic ecosystem and its potential implications.

Eleven Travel Techs were initially chosen for the research, including Maxmilhas, 123 miles, Ifriend, Smart tour, Onfly, hysistem, insta viagens, getmalas, smartrips, Férias & Co, and Events Contact was established through email and phone calls, resulting in the participation of three companies in the study: Onfly, Ifriend, and Smart tour. After accepting the invitation, semi-structured interviews were scheduled and conducted via Google Meet. The structured questionnaire used for data collection aimed to assess the main challenges faced by the companies during the pandemic, how they addressed these challenges, the internal and external factors influencing their solution choices, and data indicating the startups' development and growth during the pandemic period.

To analyze the results obtained from the collected samples, we conducted a literature review on the status of Travel Techs during the pandemic period in Brazil and worldwide, as illustrated below:

The selected research fundamentally discusses the development of tourism startups during the pandemic, using successful and unsuccessful cases as parameters.

RESULTS AND DISCUSSION

Table 1- Production related to the development of startups

Author(s)	Results
Barroca, 2012.	The startups Science4You and Ces-tos da Aldeia Ltda. weresuccessful even in times of crisis in Portugal.
UNTWO, 2020.	The travel sector is suffering from pan-demic restrictions.
CCIFB, 2021.	Even with closures and low investments, the Travel tech sector grew during the pan-demic.
Alessi, 2022.	The number of trips decreased by 41% during the pandemic.
Morais, 2020.	Tourism startups in Brazil are growing.

Note: assembled by the author

The interviews were conducted using a questionnaire designed to identify the critical success factors of the organizations Smart Tour, Ifriend, and Onfly during the COVID-19 pandemic. The interviewees included Jucelha Carvalho, the CEO of Smart Tour, Leonardo Mendes, the CEO of Ifriend, and Arthur Fortes, the head of marketing at the startup Onfly. The interviews comprised seven questions aimed at assessing the main challenges these companies faced during the pandemic, the strategies employed to address these challenges, the internal and external factors influencing their decision-making, and data indicating the development and growth of the startups throughout the pandemic period.

Main obstacles faced by the surveyed Travel Techs during the pandemic

The coronavirus pandemic had significant impacts on Brazilian tourism industry, resulting in a decline in both domestic and international flights and leading to the closure of some industry businesses (Alessi, 2020). In response to this situation, tourism organizations sought growth opportunities within the market, with digitalization being the most widely adopted strategy. According to Jucelha Carvalho, the challenges faced by Smart Tour were shared by many organizations in tourism industry. However, given the diversity of products and niches, various solutions were explored, particularly those leveraging technology.

The sudden halt of the tourism sector, coupled with government-imposed restrictions to contain the virus's spread, was regarded by the World Tourism Organization as one of the most severe disruptions ever experienced in the sector, significantly affecting the entire tourism economy (UNWTO, 2020). Arthur Fortes and Leonardo Mendes noted that in addition to travel coming to a standstill, other significant obstacles were

bookings cancellation and sales decline.

According to the Brazilian Association of Travel Agencies, travel cancellations reached an alarming 85% throughout 2020, despite new regulations by the Consumer Defense Code aimed at reducing cancellations and facilitating rescheduling (ABAV, 2020).

How the obstacles have been addressed by Travel Techs

In times of crisis, understanding consumer preferences becomes crucial, highlighting the importance of establishing a flexible business model that meets customer evolving needs (Forbes, 2022). Traditional companies often struggle to adapt to the current landscape of innovation, facing challenges in identifying consumers or their needs. The working dynamics of large corporations also differ significantly from those of startups, resulting in varying management styles and operational models (Tropos, 2020).

In response to these challenges, the selected Travel Techs in this study also embraced flexible strategies to thrive in the pandemic scenario. Smart Tour, operating primarily within the public domain, developed a novel tool named "Smart Tracking". This tool was designed for contact tracing during the incubation of COVID-19, aiding health professionals in locating individuals who had contact with confirmed patients. Over time, it became a common feature at events organized by the public sector. Jucelha mentioned that the tool was provided free of charge, with all installation costs covered by the organization, indirectly resulting in advantageous marketing and increased visibility.

In 2020, the contact tracking device was implemented in the bus fleets of Florianópolis, where passengers scanned a QR Code and completed a brief questionnaire using their smartphones. The questions aimed to determine the timeframes when individuals came into contact with confirmed cases, their CPF (taxpayer's number), email, phone number, presence of any symptoms, and consent for information sharing (Butcher, 2020).

For the startup Onfly, mitigating the challenges involved personal visits to each lost customer in the corporate travel market to regain their loyalty. Arthur highlighted the importance of seeking a new market perspective and clients who continued to travel during the pandemic, such as those in the agriculture and livestock sectors.

To gain a comprehensive understanding of the market and its associated risks, effective management tactics are crucial. According to Arrudas (2019), some examples of these tools include:

monitoring the market to discern emerging demands, adapting the organizational structure, and developing products and services that align with these evolving

requirements. (...) The management tools allow the control of activities, performance evaluation, and especially risk management, i.e., carry out a planning that allows the startup to be prepared to overcome potential problems p.4.

However, traditional organizations usually lack the agility and planning to exercise a risk vision (Oliveira, 2019, p12).

For Ifriend, the most effective strategies included investments in digital marketing and the development of virtual products. Notable examples include the virtual tour tool and the travel planning tool called "Ifriend Planner". According to Regis (2021), the pandemic accelerated digital transformation and reshaped travelers' requirements, emphasizing the need for technology to enhance travel experience.

The digitalization process of an organization involves implementing strategies like home office, data security measures, webinars, and live streaming sessions. These approaches provide a solid foundation for the digital transformation process. However, it is important to note that transitioning to a digital environment requires meticulous planning and efficient tactics (CNN, 2020).

Internal and external factors influencing the strategies adopted

The external factors that significantly influenced the formulation of containment strategies were consistently emphasized by the interviewees, including the challenges and disruptions introduced by the pandemic within the tourism industry. This assertion finds support in reports from the France-Brazil Chamber of Commerce (CCIFB, 2021):

During the pandemic crisis, startups are divided into two distinct categories: the first category comprises startups that have experienced substantial decline in revenues and faced cash flow constraints, adopting cost-cutting measures. The second category is comprised of startups that have experienced accelerated growth or secured recent investments, providing them with the financial resources to invest in B2B digital marketing and sales, particularly when these services are more cost-effective p. 9.

The pandemic has ushered in a transformation within the travel tech market, further heightening the concerns of organizations, especially health-related matters and need for enhancing consumer experience.

In terms of internal influencing factors, Jucelha highlights the pivotal role of Smart Tour's integration within the industry ecosystem and its commitment to staying at the forefront of market trends with a visionary perspective. Marques (2017) underscores the importance of being a visionary CEO as it allows organizations to



maintain agility and adaptability in response to dynamic market conditions.

(...) the role of the leader, besides coordinating the actions of the work teams, is also to encourage them, motivating them daily to put into practice the planned objectives, so that not only the company, but all those involved in the organizational processes, obtain satisfactory results from each project and work done. That is why it is so essential that entrepreneurs and businessmen have a visionary behavior, in order to raise the level of business and employees in general (Marques, 2017, p.18).

Onfly's ability to maintain product and operation during the crisis was pointed out by Arthur as an internal influencing factor. Additionally, Leonardo underlines that the innovative vision within his organization significantly contributed to its development during the crisis period, emphasizing the importance of "thinking outside the box".

The data regarding startups' development over the past three years is noteworthy. Jucelha, the CEO of Smart Tour, reported that, in 2020, the company was unable to secure any new contracts, only maintaining existing ones, resulting in zero turnover from new customers. In 2021, turnover tripled compared to 2019, with a forecast to double this figure in 2022. On the other hand, Arthur revealed that the company's turnover in early 2020 was \$1.5 million per month, but it plummeted to zero in April of the same year. The recovery was gradual, with billing stabilizing at \$1 million until the beginning of 2021. By the end of 2021, the value had surged to \$4.5 million per month. CEO Leonardo discussed Ifriend's substantial growth in registered guides over the past three years. In 2019, the platform had 1,000 reregistered guides, while the number had risen to 100,000 by 2022.

Concluding the interviews, the representatives were asked to provide advice for individuals aspiring to start their own tourism startup. According to CEO Jucelha, essential factors include thorough planning, validation of one's product, establishing strong partnerships with other institutions, and a focus on marketing, even if it requires offering the product for free in exchange for visibility. CEO Leonardo highlighted the importance of the three "P's": patience, persistence, and personal and financial preparation, all underpinned by a comprehensive business plan and a thorough market study.

Arthur, the Marketing representative, stressed the need for a well-structured product that resonates with the end consumer, strong management, and a prepared team. He also emphasized the importance of creating a product that engenders consumer's dependence, making it indispensable even in challenging times like the pandemic period.

CONCLUSIONS

The general objective of this study was to identify the critical success factors of tourism startups during the pandemic through a multiple case study involving Onfly, Smart Tour, and Ifriend to extract data and support the provided information. It is evident that organizations that continued to thrive during the pandemic had to reinvent themselves and seek new digital product alternatives. This adaptability was facilitated by startups business model, often referred to as Travel Techs.

The first specific objective was to identify the practices employed by tourism startups that conferred a competitive edge. The analysis showed that effective management should prioritize the development of well-structured products that meet customer needs, providing meaningful solutions and value to the end consumer.

The second specific objective was to establish correlations between literature review and interviews. This facilitated a more comprehensive and in-depth understanding of the strategies and market growth. The information and analysis derived from the semi-structured questionnaire can serve as a valuable resource for individuals entering the market and researchers seeking a deeper understanding of the subject.

Although the three companies faced similar external challenges during the pandemic, their strategies varied based on their unique profiles, market vision, product offerings, and management practices. Few studies have examined success factors during pandemic and post-pandemic periods, making this research valuable by filling this gap and providing exclusive insights from CEOs of the organizations.

Gaining access to such extensive data demonstrates a shift in the mindset and practices of these organizations. Furthermore, the fact that representatives shared valuable tips for aspiring travel tech entrepreneurs indicates progress within the sector. It is worth noting that this information was freely shared, whereas it has become a prevailing trend to sell online courses covering similar content.

Although the study highlighted the success factors of Onfly, Smart Tour, and Ifriend, it is important to recognize that each organization is unique and may employ distinct development strategies. Precise formulas for achieving desired results cannot be universally extracted. Therefore, while these researched institutions serve as valuable benchmarks and examples, it is crucial to analyze each startup's specific situation and the period of uncertainty they are navigating. Market development data obtained during the study are dynamic and not always entirely disclosed by the startups. Consequently, it is vital to continually monitor each company's status within the national tourism landscape.

Exploring success factors during crisis time of other tourism startups or analyzing customer opinions about these organizations' products could provide further



insights. Additionally, investigating public policies designed to encourage the growth of new travel techs in the domestic market and assessing potential improvements or legislative developments would be a valuable avenue for future research.

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