Strategic Turnaround at Skagen Strand Resort

SKAGEN STRAND
RESORT

AALBORG UNIVERSITET

0. Title Page

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The global tourism industry is currently in a strong macroeconomic upswing, which is putting significant pressure on margins for individual players. This thesis examines the industry paradox through a qualitative case study of Skagen Strand Resort (SSR), which, despite its unique assets, faces a financial crisis marked by persistent operating losses and a liquidity ratio below 20%.

By integrating the Funnel Method, Resource-Based Theory, and the VRIO Framework, significant misalignments between the strong external brand and the internal operational reality are revealed. SSR's competitive advantages are today neutralized by a massive maintenance backlog and a lack of marketing competencies.

The thesis is that a successful strategic turnaround requires both a strict sequential approach and multiple simultaneous efforts. As a starting point, SSR needs to raise capital to ensure its survival and upgrade its facilities. The next step is to stabilize base-level revenue by outsourcing marketing and targeting their priority segment, "Conscientious Families". Once the previous two (2) steps have been secured, the business model can expand to focus more on shoulder-season tourism through outdoor, cultural, and wellness packages.

SKAGEN STRAND RESORT

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Table of Contents

0. Title Page 2
1. Introduction 4
2. Problem Statement 6
2.1 Research Question 6
3. Conceptual Framework 7
4. Methodology and Methods 12
5. Models 16
6. Analysis 20
6.1 Macro (External) 20
6.1.1 PESTEL 20
6.1.2 Sub Conclusion - Macro 32
6.2 Meso (Regional) 33
6.2.1 Strategic Group Mapping 33
6.2.2 Porter's Five Forces 34
6.2.3 Target Market 38
6.2.4 Sub conclusion - Meso 44
6.3 Micro (Internal) 46
6.3.1 Stakeholder 46
6.3.2 Economy 49
6.3.3 Business Model Canvas 52
6.3.4 Sub Conclusion - Micro 55
6.4 Situation Analysis 58
6.4.1 SWOT 58
6.4.2 VRIO 60
6.5 Positioning & Action Plan 62
6.5.1 Positioning 62
6.5.2 Action Plan 64
7. Discussion 67
8. Conclusion 69
9. Appendix 71
10. Bibliography 72

1. Introduction

The Global tourism and experience economy is currently undergoing a strong macroeconomic rise. After the extensive backlash of the global pandemic, estimated to have eliminated approximately 1.3 trillion USD in export revenue, the industry has not just recovered, it has surged above previous highs (Tourism, 2026). New data indicate that the total number of tourists staying in 2024 surpassed the previous record set in 2018, and there is no sign of it stopping. This overall success of the industry, however, is masking a reality of turbulent microeconomics. Even though the industry thrives, some individual players are fighting the pressure on margins and revenue to follow suit.

Skagen Strand Resort (SSR) poses as a significant example of the paradox of this industry. Located in the northernmost region of Denmark, just 12 kilometers from the iconic city of Skagen, SSR has the fundamental elements that typically characterize a leading resort. SSR manages 142 holiday homes near untouched coastal nature, with a wide range of physical facilities.

Figure 1: A recreation of Skagen Strand Resort, illustrating the location's close nature (SSR, 2026).

Facilities range from an indoor waterpark, tennis, mini golf, and an indoor sports area. Despite its attractive location and valuable physical assets, SSR finds itself in a serious financial crisis.

The underlying problem is not the lack of market potential, but the inability to compete. Continuous operating losses, shallow equity, and critically low liquidity threaten SSR's basis of existence. The acute financial crisis is exacerbated by the massive neglect of physical facility maintenance that has accumulated over the past few years. This has erased SSR's current competitive advantage, leaving the resort extremely vulnerable to intense price wars with local competitors during the shoulder seasons.

To break this negative economic spiral, SSR needs to rethink its value proposition and market position. This thesis aims to create the strategic turnaround necessary to avoid ultimate disaster. This will be done through Business Model Innovation. The main statement of this thesis is that a successful turnaround cannot happen simultaneously. It needs to be taken step by step. To support this argument, the research starts off with a strong conceptual framework that integrates the Funnel Method and Resource-Based Theory. With the help of a qualitative multi-method research design, broad macro-level tendencies (PESTEL) and regional dynamics of competition (Strategic Group Mapping & Porter's Five Forces) will be systematically filtered down to an operational internal evaluation of SSR's resources and bottlenecks (Stakeholder Analysis & Business Model Canvas). Finally, the thesis summarizes these empirical findings through the SWOT and VRIO frameworks to present the final operational strategy and action plan.

2. Problem Statement

Despite the general post-pandemic recovery of the European tourism and holiday sector, individual players may not have what it takes to keep pace with the market's upward trend. SSR finds itself in a critical financial situation driven by an operating loss, depleted equity capital, and dangerously low liquidity. This acute situation is compounded by an extensive, accumulated maintenance backlog across the resort's physical facilities. Amid these internal warning signs, SSR faces intense regional price pressure during the shoulder season and struggles to find specialized staff. Another internal barrier to a strategic turnaround is the organization's complex structure. The setup involves many different stakeholders, adding complexity to every strategic decision. This problem is directly related to the resort's management, board members, and homeowners. These three stakeholders all hold the same interest, seeing the resort thrive financially. If these critical issues remain unresolved, the consequences will be accelerating financial pressure, with the worst possible outcome in sight for SSR. This thesis will examine how this negative spiral can be broken and help relieve the financial pressure facing SSR. This thesis will examine external trends shaping the broader market, followed by a regional analysis to map SSR's competitive landscape. Once all relevant external factors have been researched, an internal analysis will be conducted to highlight internal issues, opportunities, and favorable strategies going forward to achieve a sustainable strategy and the necessary financial turnaround. To encapsulate the core objective of this thesis, the following research question has been formulated:

2.1 Research Question

“How can Skagen Strand Resort reconfigure its business model and positioning to alleviate financial distress?"

3. Conceptual Framework

Introduction and Justification

This study is grounded in a conceptual framework that integrates the Funnel Method and the Resource-Based Theory to help analyze the performance of Skagen Strand Resort. These two theories are highly relevant. The Funnel Method is especially effective at guiding the analysis through the different stages that affect a business. Providing a logical, hierarchical path for readers while offering actionable insights into the study. The Resource-Based Theory provides the foundation for in-depth internal business analysis and highlights the resources necessary to maintain competitiveness.

The Funnel Method provides a strong overview of the entire industry affecting the SSR. Using this structure ensures that the findings are not perceived as isolated data points but as deeply connected conclusions based on evidence.

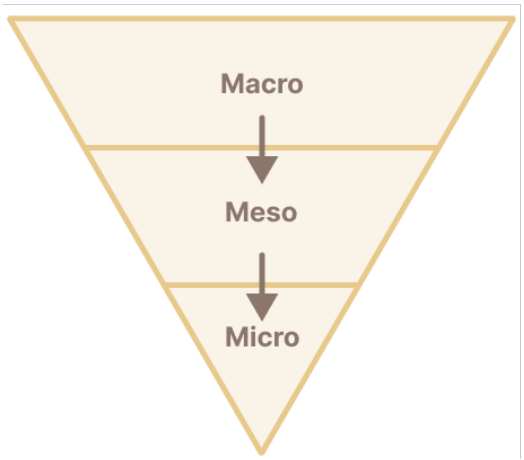

Figure 2: Funnel structure used to guide the analysis, own creation.

This structure helps narrow down from broad industry-wide challenges to specific operational challenges for SSR. Furthermore, the structure highlights the Resource-Based Theory as the destination of the funnel (Internal) (Help, 2024). The Funnel Method brings a crucial foundation to ground the internal analysis upon, ensuring the reader understands the environmental and industry-specific constraints, such as social trends and legal regulations. By systematically filtering out

broad industry-wide challenges, this method clarifies how external pressures influence internal decision-making, resulting in a zoom-in on SSR's core assets.
The Resource-Based Theory is equally critical as it helps shift the focus inward to examine how the resort utilizes its unique assets to gain a competitive edge. Unique assets, such as their physical facilities, management capabilities, service quality, and location. This theory is essential for diagnosing why internal upgrades, such as requiring homeowners to add washing machines, may have led to a net negative return on investment. When applying RBT, the researcher can assess whether the resort possesses the specific, hard-to-imitate resources required to shift from a seasonal, family-focused model to one that entertains a crowd year-round.

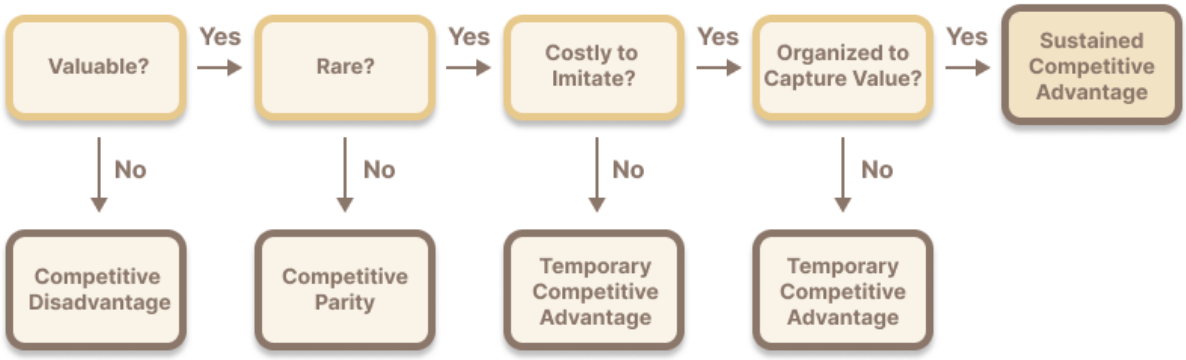

Figure 3: VRIO Framework (Barney, 2002), own creation.

The RBT serves as the destination of the Funnel Method, shifting the focus inwards to evaluate how SSR's internal resources dictate its competitive success. To assess competitiveness, resources are evaluated based on their ability to be Valuable, Rare, Imperfectly Imitable, and Organized (VRIO). In this specific context of SSR, this will help determine whether an asset provides a sustainable advantage. Furthermore, the RBT introduces two concepts: Resource Heterogeneity and Immobility. These two concepts recognize that the resort's unique selection of resources is not easily copied by competitors, which is critical for diagnosing whether and why some internal investments may have failed to generate the anticipated yield.

The combined approach allows the research to move beyond simple description. The Funnel Method provides the relevant contextual scope, while the RBT provides the diagnostic depth needed to determine the types of challenges and how SSR can benefit from its unique bundle of assets.

Critique and Comparison

The Funnel Method is an analytical structure rather than a formal theory. As an analytical structure, it comes with different limitations, such as subjectivity. While it can guide the reader logically through an analysis, the decision about which topics and data to include or exclude is inherently subjective. If the funnel is not applied with care, there is a risk of confirmation bias. Meaning instances might occur in which evidence contradicting the preferred conclusion is left out. Another limitation it faces is simplification. The funnel, by design, forces very complex multidimensional cases into a linear path. In highly dynamic environments like tourism, it can oversimplify interactions among variables.

The RBT is a powerful diagnostic tool, yet it has limitations and has faced academic criticism. RBT is static, meaning it only provides a snapshot of current resources and struggles to explain how a firm successfully adapts its resources over time. Another point of criticism for RBT is that it involves tautological reasoning. Meaning that it is believed to be self-verifying, concluding results based directly on valuable resources, and the resources are valuable because the business is. This means that the results driven by RBT are difficult to empirically test in a predictive way. Lastly, RBT tends to overemphasize the internals. By primarily focusing on internal capabilities, RBT might cause a limited view, potentially ignoring how external market trends can change even the most valuable resources to become obsolete (Barney, 2002).

It is difficult, if not impossible, to have a bulletproof selection of theories and analytical tools. The approach chosen for this thesis is based on the belief that each

provides real value and works well in this context. When the two tools are combined, the value increases, and some limitations are mitigated.

Structure of Thesis

Methodology & Models

Following this section, the methodologies used in this thesis will be presented. Going through the choices made, limitations, and data collection. After the methodology section, all models used in the analysis will be presented, along with the reasoning for their selection.

Macro

The structure of this analysis aims to be as broad as possible while remaining focused on topics relevant to SSR. To achieve this purpose, I will begin by conducting a macro-level analysis using the **PESTEL** model. This will help me understand the external pressures shaping tourism demand in Northern Jutland. Following the macro analysis, we will move into a meso-level analysis at the industry level.

Meso

The industry-level analysis begins with **Strategic Group Mapping** to identify SSR's closest competitors. Once the competitive landscape around SSR has been mapped, I will assess SSR's bargaining power and industry profitability using **Porter's Five Forces.** Once SSR's bargaining power has been disclosed, the analysis will move on to identifying SSR's target market. To help identify the target market, I will build on the extensive market analyses conducted by VisitDenmark for the Swedish, Norwegian, and German tourism markets.

Micro

Now that the competitive position, landscape, strengths, and target market have been established, we will move from the industry level (meso) to the internal level (micro). The micro analysis will start with a **Stakeholder Analysis** to help gain

structure and an overview of the stakeholders involved. After the stakeholders have been mapped, there will be a short financial analysis of the SSR financial books. Once the financial books have been reviewed, all internal (micro) findings will be summarized in a **Business Model Canvas**. This will help showcase the key elements of the SSR business.

Situation & Positioning

The analysis, from the macro to the micro level, will now be structured as a **SWOT** framework to identify the strengths and weaknesses of the SSR business. The identified strengths will then be evaluated using the **VRIO** framework to determine which can be considered a "Sustained Competitive Advantage". When these strengths have been identified, the focus shifts towards positioning of the target market. Following the positioning, an action plan is derived using **TOWS** and the **Ansoff Matrix**.

Discussion

After the analysis section concludes, there will be a discussion section that serves as a bridge to the thesis's conclusion. This section discusses the key findings and the theoretical applications. Furthermore, this section briefly discusses how limitations will be addressed and what future research might look like.

Conclusion

Finally, the conclusion will bring the thesis together by highlighting key findings and summarizing the proposed solution to the research question.

4. Methodology and Methods

Research Design

The overall design for this thesis is a qualitative, multi-method case study of Skagen Strand Resort. The combination of primary and secondary data is useful when building a full picture of the resort's situation and context. The four complementary methods used in this case are: **1.** Participant Observation, **2.** Ethnographic Meetings, **3.** Documentary Analysis and **4.** Structured Interviews

Figure 4: Graphic overview of methods used (own creation).

The design logic is to focus on one resort and examine it from several angles, rather than testing a wide range of hypotheses across multiple businesses. Each method helps confirm, challenge, or deepen one or more of the other methods. The design of this research aligns with the objectives of the thesis because SSR appears to face both internal and external issues. Regional competition, seasonal demand, cost pressure, and possible rigidity of the business model. Each method contributed essential findings to this thesis. The site visit, spanning over 24 hours and including overnight accommodation at SSR, helped highlight real on-site operations, the service flow, and the environment for the resort's guests. The continuous participation in the ethnographic meetings with the board of directors and with the board and employees uncovered an understanding of the culture, constraints, and decisions to be made. The structured interviews with management at SSR were essential for collecting comparable data across functions within

the resort. Lastly, the documentary analysis provides secondary evidence on tourism trends and performance.

The reason for choosing the manager of each department to participate in the structured interview is that they have the best overview of how their department works. They know which specific problems the department faces, and which improvements would make the most difference. This provides reliable, comparable data across departments within the resort. The three managers attending the structured interview were Annika, head of the kitchen, Tom, head of building and facilities, and Vibeke, head of reception and bookings. Another strong reason for choosing the approach I have is that SSR's CEO was laid off just as this project was presented to me. Saying goodbye to the CEO meant that the managers of each department now had to step up and take even more responsibility for their department. By choosing the managers, I ensure that the study will not become unmanageable.

Data Collection Methods

The methods used for data collection in this thesis are qualitative, consisting of structured interviews and observations. Both data collection methods were used during my 24-hour stay at SSR. The interview was structured very simply. The interview had 3-4 department-specific questions followed by the same question for all three. The reasoning for this design is that I can get an overview of department-specific issues or highlights through the 3-4 department-specific questions. By closing out the interview with the same question for all three subjects, I was able to uncover any inconsistencies between departments. To see all the questions and answers from the structured interview's view. [Appendix A]

The on-site observations began with a guided tour of the resort area in a golf cart. I was driven around by a staff member while she explained the different rental home classes. Eco, Standard, and Comfort. I was shown one of the big subjects of

discussion at the ethnographic meetings I have been participating in beforehand. After the tour, I was shown to my accommodation and got the opportunity to check out all the facilities on my own. The freedom to move around the resort unsupervised opened opportunities to get in-depth with its facilities. For example, I went to hit the gym in the indoor sports area. Here I was able to test the locker room, fitness facilities, and the indoor sports hall. In general, this let me see how the resort looked, even in its least-used parts. [Appendix H]

Limitations, Validity, and Reliability

The primary constraint is that case study results are often very specific to the case. While this research approach helps with in-depth analysis, which is a strength when trying to diagnose issues specific to SSR, it limits external validity. Case studies are highly time-consuming, especially when managing the volume of data and observational field notes. Furthermore, it requires a well-structured data set to prevent it from becoming subjective or overwhelming.

The internal validity of this case includes the researcher's bias. My own perspective or expectations might influence how different observations or answers have been interpreted. This also shows when different observations are highlighted. If the case study were conducted with multiple people, the findings and answers would most likely be presented differently. Another mechanism to have in mind is the response bias. The managers participating in the structured interview might have provided socially desirable answers or withheld information that would reflect negatively on their department's performance. Finally, the Hawthorne effect must be taken into consideration. The staff at SSR had known for some time that I would be a guest at the resort. This could have influenced the rental home, its cleanliness, and the overall service provided to me.

To mitigate these threats to internal validity and bias, I have been using Triangulation to the best of my ability. Taking in what I have been told and cross-referencing it with the specific observation made in the field and secondary data.

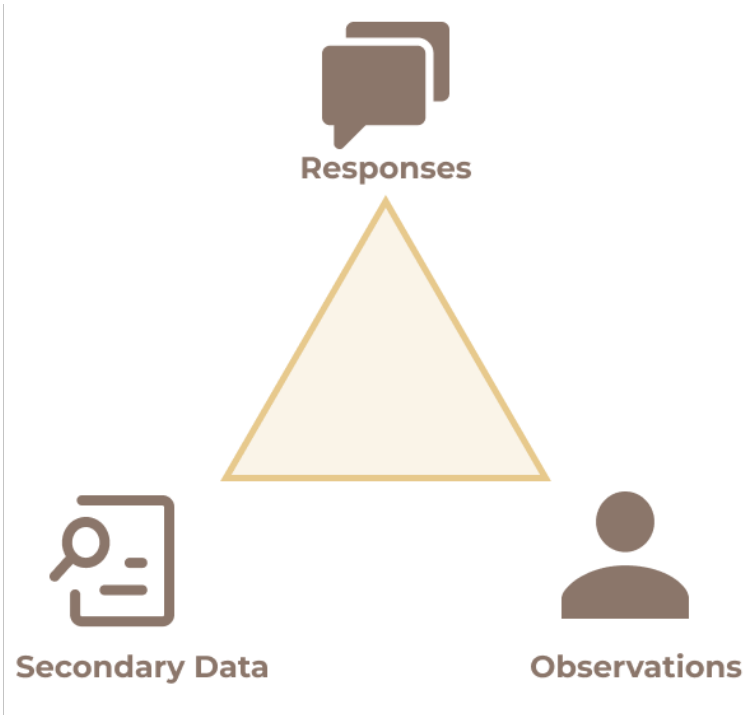

Figure 5: Graphic representation of data triangulation (Chand, 2025), own creation.

For example, if the building and facilities manager said his budget was too low to fix all the imperfections in the resort. This could then be double-checked by reviewing the provided budget and expense reports. Furthermore, the physical observation made during the site visit would conclude the triangulation.

5. Models

PESTEL (Liam Fahey and V. K. Narayanan)

Business Model Innovation (BMI) is building upon a foundation of understanding of the external dynamics that affect a company's strategic capabilities. The PESTEL Framework (Narayanan, 1986) is used as the primary analytical tool to cover the macro perspective. The reason for this is that PESTEL is countering a near-sighted internal analysis by isolating the macroeconomic forces that SSR is affected by and does not control. PESTEL works as a diagnostic tool to identify which external tendencies threaten the current business model and open new strategic opportunities for transformation.

Secondly, this tool secures a holistic and multidimensional approach, which is essential in a complex sector such as the tourism and experience economy. PESTEL allows for an integrated analysis of the interactions between different macro sectors. As an example, how political and legal tightening on short-term rentals is affecting the social tendencies, resulting in behavioral changes. Finally, this framework is the foundation of the methodology of this thesis's analytical progression (Funnel Approach). Defining the overall area of interest on a macro level creates the necessary variables to strengthen the meso and micro analysis that follows.

Strategic Group Mapping (Michael E. Porter)

While PESTEL maps the general terms of the market, Strategic Group Mapping (Porter, 1980) is used to visualize and analyze the direct competitive situation on a regional level. This tool has been chosen firstly because of the ability to identify the strategic dimensions separating competitors in the market. Clarifying the limitations and strengths of different types of competitors. Secondly, this framework has direct ties to the target of this thesis, business model innovation. Grouping

the competitors helps visualize the strategic unmarked areas where SSR might be able to relocate to.

Porter's Five Forces (Michael E. Porter)

After successfully mapping the strategic groups of competitors, Porter's Five Forces (Porter, 1980) is being applied to analyze the structural activities and competitive powers of the industry. This framework helps counter a one-dimensional understanding of the competition by switching focus from only direct competitors to shed light on the whole dynamic of the value chain. It is essential to consider the threat of substitution, together with the bargaining powers of buyers and suppliers, since these directly affect the profit margins of SSR. Furthermore, this tool functions as a direct catalyst for BMI. By systematically mapping where the value accumulates and where the pressure is biggest in the industry.

Stakeholder Analysis (R. Edward Freeman)

All previous models have mapped the industry's external terms. Now it is time to transition to the micro level. The Stakeholder Analysis (Freeman, 1984) helps identify the internal and external stakeholders who hold influence over and interest in SSR. I have chosen this model first because it enables dissection of the complex organizational structure. By systematically mapping the different stakeholders, the deeper connection of the company's structure is being revealed. Secondly, this model functions as a necessary reality check for the BMI. A new and reconfigured business model cannot be implemented in practice unless it takes the balance of power within the organization into account.

Business Model Canvas (Osterwalder & Pigneur)

When the external market terms and the internal power dynamics and economy have been uncovered, the Business Model Canvas (BMC) framework (Osterwalder, 2010) is used to create a holistic and visual deconstruction of the current business model. By mapping the company across nine (9) synchronized columns of the

business, it makes it possible to identify the exact internal imbalances and misalignments, which are creating the critical financial pressure. The model functions as the primary framework for the transformation and creation of the turnaround model. BMC is not just a static, descriptive tool, it is a dynamic platform for BMI. By strategically adjusting and experimenting with the different individual columns of BMC, it is providing the structural architecture needed to design a new sustainable business model.

SWOT (Heinz Weihrich) & VRIO (Jay B. Barney)

To sum up all the results from previously used models, the SWOT framework (Weihrich, 1982) is being used. It functions as the methodology bridge connecting and structuring the thesis's extensive empirical database. By systematically confronting the internal strengths and weaknesses of SSR, with the external opportunities and threats of the market, SWOT highlights the most critical strategic challenges. The tool is ensuring that the analysis moves from purely descriptive to more actionable. Secondly, it functions as a strategic foundation to evaluate which parts of the current business model need to be preserved and which to be reconfigured.

The VRIO framework (Barney, 2002) helps to analyze the strengths found in the SWOT. The framework makes it possible to go deep into a microlevel to evaluate internal strengths. I have chosen this tool, firstly, because it makes it possible to go beyond a descriptive list of core capabilities. The framework uses four (4) parameters, value, rarity, inimitability, and organization, to help identify specific internal strengths capable of becoming a competitive advantage. Secondly, the framework directly supports the thesis focus of BMI and strategic turnaround.
To SSR, this connection creates a crucial analytical insight. In the SWOT analysis, the resort's unique infrastructure and Green Key certification stand out as clear strengths; however, when these are run through the VRIO Framework, it is

revealed whether these strengths are something SSR is geared to benefit from or not.

TOWS (Heinz Weihrich) & Ansoff Matrix (H. Igor Ansoff)

The combination of the TOWS framework and the Ansoff Matrix is chosen to build a methodological bridge between the generation of strategy and strategic prioritization. TOWS generates tactical possibilities compared to the traditional SWOT analysis, which is a great tool to identify (Weihrich, 1982). TOWS functions as an active strategy generator by systematically crossing the internal weaknesses and strengths with the external possibilities and threats. The model is generating concrete tactical initiatives (SO, WO, ST, WT). To SSR, this results in an example matching the external demand for sustainability and SSR's Green Key certification. Ansoff is structuring and evaluating the risk of execution (Ansoff, 1957). The TOWS Matrix delivers raw strategic ideas, however it lacks a filter to assess the risks, market readiness, and strategic orientation. This is where the Ansoff Matrix is perfectly supported by placing TOWS ideas into a strategic growth coordinate. (Market Penetration, Product Development, Market Development, Diversification)

Using the models together makes for a science-based argumentation of the sequential turnaround strategy. The TOWS idea of outsourcing marketing to regain and stabilize the core segment, "*The Conscientious Families*," classifies via Ansoff as Market Penetration and is seen as a low-risk activity, which needs to be executed first to help secure baseline revenue and capital. On the other side is the TOWS idea of attracting "The Global Tourist" in shoulder seasons as Market and Product Development, a high-risk activity, placing this in the final stage of the action plan.

6. Analysis

6.1 Macro (External)

6.1.1 PESTEL

Introduction

The PESTEL model is a great tool to create an overview of external factors a business must operate under. By analyzing everything from political situations to legal guidelines that need to be complied with by companies within the space. In this case, it is an important tool to help draw up the industry standards and tendencies that SSR needs to have in mind when operating within the industry of tourism and hospitality.

Political

When examining the political situation in tourism, it is essential to consider any political plans. To better understand the political direction the Danish government wishes for the industry, I will examine the document "National strategi for bæredygtig vækst i dansk turisme," published by Erhvervsministeriet in June 2022. In this document, Erhvervsministeriet has laid out its most important pillars for the tourism industry going forward towards 2030. The document states that the Danish industry should aim to grow in a fashion that is economically, environmentally, and socially sustainable. All while still creating value for local communities, residents, and tourists. This includes trying to spread the concentration of activity in the industry. Trying to spread out activities, the so-called "Shoulder Periods" of the year. Another key pillar in the plan is to have a greener industry, more sustainable accommodation, and transport. Tourism should play a bigger role in Denmark's climate goals in 2030. Furthermore, the strategy focuses on improving capacity and investment in the industry outside Denmark's larger cities, with the goal of creating higher-quality accommodation across the nation. Some of the key numbers in the plan can be seen in **Figure 6** below.

Description	Goal
Total tourist overnights in Denmark	72 million
Tourism turnover	190 billion DKK
Overnights outside July and August	23% of all overnights

Figure 6: Table for overview, own creation (Danmarks Statistik, 2024)

The goal for total tourist overnights in Denmark by 2030 is 72 million. According to numbers from Danmarks Statistik, this number in 2025 was 66,08 million (Danmarks Statistik, 2024). This number has been steadily rising since COVID-19. In the last 3 years, there has been an increase of 3,38 million stays, around 1,13 million increase every year. This means that with the current annual increase, Denmark will be just shy of the 72 million goal.

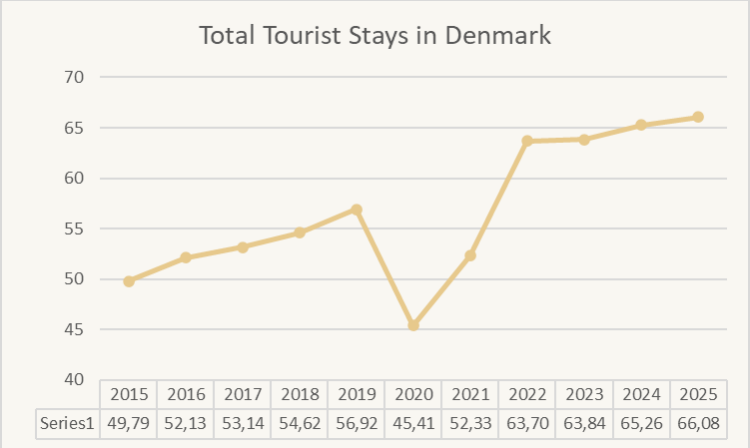

Figure 7: Graph of total stays in DK in millions, own creation (Danmarks Statistik, 2024)

Regarding the tourism industry's revenue goal, the Danish government aims to reach 190 billion DKK in annual turnover by 2030.

Economic

Before diving into the economic aspect of PESTEL, it is important for us to establish which economies affect the Danish tourism industry. To determine the most important nations to look at. According to GoWithGuide's data, nations can be grouped into two categories. Germany is in a category of its own, with more than

20 million stays in 2023. Norway and the Netherlands are in a group following Germany, with approximately a tenth of Germany's count, 1.8 and 1.78 million stays (GoWithGuide, 2025). The fourth and fifth place goes to Sweden (1.44m) and Great Britain (1m). This concludes that the most important economies will be Germany, Norway, the Netherlands, and Sweden.

Looking at the German economy at this moment, inflation is rising, as in most other economies. Looking at inflation in Germany over the last 10 years, it is currently within a relatively normal range at the moment (RateInformation, 2026). Inflation went from 0.5% in 2015 to a COVID-19-driven bottom of -5% in 2020, then peaked at 6.9% in 2022. Due to geopolitical tensions involving Iran and the closure of the Strait of Hormuz, energy prices have risen sharply. This comes with the byproduct of inflating inflation. From February to March, the inflation rose from 1.9% to 2.7%. Looking at the Gross Domestic Product of the German people over the last decade, we can see an increase of approximately 5%. The GDP went from 60.600 USD to 63.000 USD (Economics, 2025). Along with rising GDP, the disposable income of the German people is steadily increasing as well. From an approximate average of 630B EURs in 2015 to an approximate average of 900B EURs in 2025. The disposable income has an average growth rate of 4.32% (Charts, 2025). Finally, the purchasing power of German citizens has also been rising. With €27,848 per capita in 2024, (IQ, 2024) the purchasing power is projected to increase to an average of €31,193 per capita. An increase of 12% in purchasing power over just 2 years. The final word on the German economy is that it is a solid economy currently. The German economy is growing and thriving, at least in the three categories examined for this thesis.

Besides the German economy, the most important economy for the tourism industry in Denmark is the Danish economy. The Danish economy continues to be solid, which creates a generally supportive environment for the tourism and hospitality sector. In 2025, Denmark's GDP expanded by 2.9% (Nordea, Weathering

the Storm, 2026), indicating continued economic strength and a labor market that is still able to sustain consumer spending. This is all while Europe and the world are phasing through times of extreme uncertainty, emphasizing the real strength of the Danish economy. At the same time, wage growth has been strong enough to improve purchasing power for many households, which supports demand for leisure travel and domestic holiday consumption.

As in all economies, a key factor shaping tourism demand is the development of household purchasing power. Nordea notes that wage growth in Denmark has recently outpaced inflation across most income groups, meaning real wages have been restored following the inflation boom in 2022. Furthermore, these are expected to continue improving over the forecast period. All of this strengthens the Danish households' ability to spend on pleasure, short breaks, dining, and holiday accommodation.

Meanwhile, the benefits from this improvement are not distributed equally amongst the Danish population. Nordea highlights that lower-income households have been more exposed to rising food prices, which have pushed inflation higher for this group of the population and made their spending power even more vulnerable than that of higher-income households. As a result, tourism demand remains supported, yet it remains more price-sensitive among households with less room in their budgets.

For Danish tourism businesses, this means the overall economic environment is in a strong position. Yet it is important to note that consumers remain selective. The rise in disposable income and lower inflation improve the overall conditions for spending money on traveling and holiday accommodations. That said, it is important to note that spending decisions are influenced by household confidence, interest rates, and cost pressures. Meaning, this creates a market where demand exists, but value-for-money and flexible pricing remain important.

The last important factor researched in this section will be the substantial weakening of the Swedish krona (SEK) and Norwegian krone (NOK) against the Danish krone (DKK). Denmark has a fixed rate policy against the Euro (EUR). The ERM II agreement (Nationalbank, 2026) has enabled the DKK to maintain its high and stable value compared to its Scandinavian neighbors, who have hit historically low levels for their currencies (Sweden Macro). This asymmetry of currency is creating a threat against tourism in North Jutland, since Norway and Sweden have historically been happy to spend their vacation in North Jutland. The weakening of the currency has lowered the purchasing power, resulting in a more expensive vacation if Denmark is chosen. This decrease in purchasing power enhances incentives to spend a vacation at home within the borders. To SSR, this means that they must consider that segments featuring Swedish and Norwegian tourists can pose a bigger challenge to attract, compared to our Euro-based neighbors to the south (Industri, 2024).

Social

Moving from the economic landscape to the social dimension of the PESTEL analysis, it is essential to examine the societal and demographic shifts in the key markets of the Danish tourism industry. Germany has become the primary source of tourism for Denmark, increasing the importance of understanding the societal trends and shifts within it. Furthermore, a closer look at internal social pressures in the national tourism culture of Denmark.

Firstly, it is important to address the significant demographic shift that Germany is currently undergoing. Recent numbers suggest that by 2035, a quarter of the German population will be aged 67 or above (Statis, 2025). This is important to understand due to age having a great deal to say about the interest in traveling and what type of vacation to go for. A report from McKinsey & Company based on a survey asking if interest in traveling has increased since COVID-19. The answer from the survey shows that younger people are more interested in traveling than older people (McKinsey & Company). The report also highlights the big differences

in traveling domestically or internationally. Gen Zers (age 18-25) are traveling internationally as often as domestically. Looking at the “baby boomers” (age 58+), they are traveling internationally half as much as the younger generations do. When “baby boomers” are traveling, a demand for safety, local culture, and nature is one of the top pullers (Staalduinen, 2014). They aim for a simpler experience with comfort and safety amongst the top priorities, together with an accessible nature and local sightings. One of the things that separates the baby boomer generation from all other generations is their freedom to travel whenever. Like Gen Zs doing a gap year, many from the baby boomer generation are retired and therefore look to travel during the off-peak seasons for better pricing.

Looking into some national tendencies in Denmark, it is important to establish the peak and off-peak seasons of tourism and hospitality. According to this 2024 report by Danmarks Statistik, based on 2023 data, 42% and 41% of employed Danes went on vacation in week 52 and 29. These two weeks are closely followed by 40% in week 30 (Danmarks Statistik, 2024). Week 52, being the week around Christmas and New Year's, is the week when the Danes seek refuge from the cold winter weather in the southern European heat, most often in Spain. Week 52 often includes multiple public holidays, making it an easy decision to combine them with vacation. Weeks 28, 29, and 30 are the busiest travel weeks in Denmark during the summer.

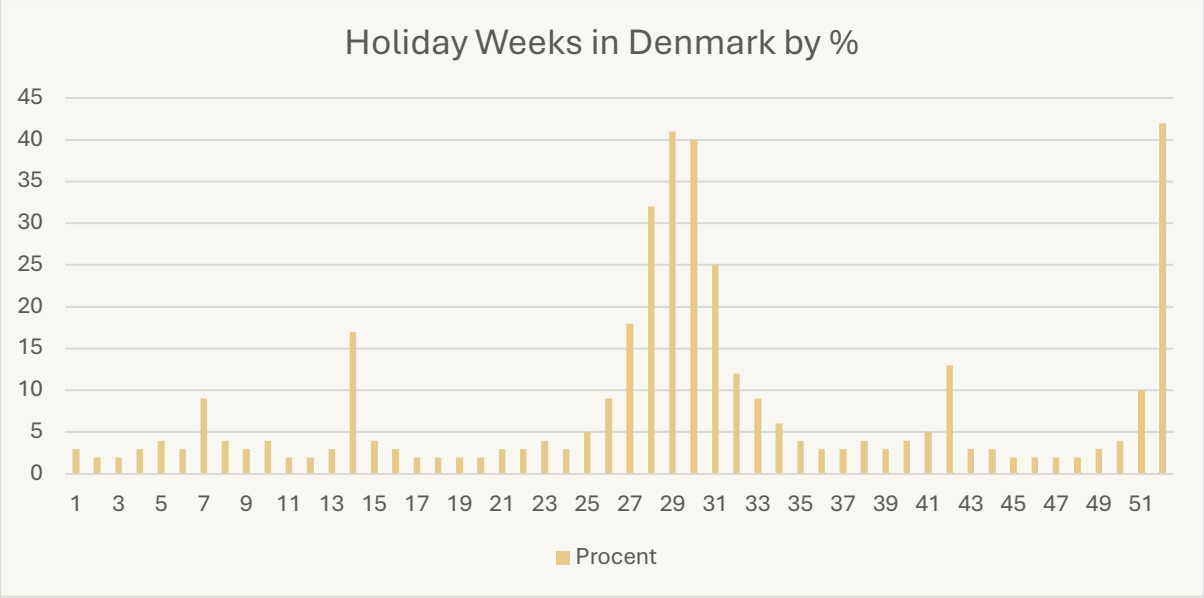

Figure 8: Graph of the most popular holiday weeks in Denmark by percentage (Danmarks Statistik, 2024).

Week 29 has a special reputation within Denmark's own borders, known as the "Hellerup-Ugen" in Skagen. The name is a joke on all the rich people from Northern Zealand driving across Denmark in their expensive cars and, in general, behaving in a very showy way. The population of the small fishing town grows from 8.000 to 50.000 during the infamous week (Danmark, 2025).

The peak holiday season in Denmark is from week 27-32, with week 32 the least busy, with 12% of employed Danes going on vacation that week. During the off-peak seasons, there are three outliers to mention. In week 14, during the Easter break, 17% of employed Danes went on vacation. Following the Easter break, there is the so-called "Fall-Vacation" in week 42 (13%). Finally, there are outliers in the off-peak season, such as week 7 and the winter break. Here, almost 10% of employed Danes went on vacation.

For many years, vacation and work have been separated, even opposites. Following a stabilization of hybrid work models, a travel trend called "workation" has risen. A contraction of work and vacation underlines the possibilities and benefits of the hybrid and often more fluent work patterns compared to the past. The

workation trend emerged after the global COVID-19 pandemic, highlighting that many jobs could be done remotely. The most important features for people using workation, according to Norwegian, are that the travel destination has a great infrastructure, walkable cities, and easy access to nature when downtime occurs (Norwegian, 2026). Historically, the coastal market in Denmark was designed to withstand a rush over a 6-week summer period. However, the workation trend can be a valuable tool for businesses in the Danish travel industry to extend peak season or bring more life to the shoulder seasons. It is hard to find any specific numbers on the workation trend. The only data available is the growing number of articles describing the trend's rising popularity.

Technological

Following the analysis of the social shifts and tendencies, it is crucial to examine how technology is being integrated. Denmark is, according to Eurostat, the 3rd most skilled user of digital tools in Europe (Eurostat, 2026) (Statistik, 2026). 81.45% of the population in Denmark holds a skillset covering the basics of digital tools. In general, all Nordic countries have high levels of digital skills. All four Nordic countries were among the top 10 European countries. To determine the most impactful technological factors in this industry, the infrastructure that supports connectivity, mobility, and sustainable management must be examined.

The success of the “workation” trend, as discussed in the section above on social shifts, is heavily dependent on Denmark's robust digital backbone. As mentioned earlier, 81.45% of the population is engaging with digital services on a weekly basis. Denmark is consistently pushing for better digitalization. Like in 2022, when the government published a national strategy for digitalization. This strategy stated that the Danish government would allocate 2 billion DKK over the period 2022-2026. For international travelers, this means that when traveling within the borders of Denmark, there is a connectivity guarantee almost anywhere. This

connectivity status is the “silent enabler” for travelers on a “workation,” allowing them to switch seamlessly between work and vacation modes.

Transportation is another important pillar in this industry. Here, the electric vehicle (EV) market has seen significant growth over the last decade. Denmark is also a frontrunner in this area in Europe. A strong charging network is needed to help make the transition from combustion engines to EVs easier. For foreign travelers, it is also a safety to know that Denmark has reached a total of 50.000 public EV charging points (Vehicles, 2026). Looking at how Germans like to travel to Denmark, I have not been able to find any specific data. The report published in 2025 by the German National Tourist Board states that 67% of Danes' travel to Germany is by car. (*plane* 12%, *train* 11%, *bus* 7%, *caravan* 3%) (Germany Travel, 2025). I personally believe these numbers provide a more realistic picture of the German transportation methods. And I believe the same distribution will resemble the data about travelers from Norway and Sweden as well. The percentage of EVs sold in these three countries is steadily rising. Numbers from 2025 suggest that EVs account for 19% of cars sold in Germany, 36% in Sweden, and 96% in Norway (Cars, 2026).

Final words on the technological aspect of this analysis, it is important to underline the fact that Denmark is not just keeping up with the pace of digitalization. Denmark is pushing digitalization forward. With government strategies making the transition question as easy as possible from a user perspective. With the combination of great EV and connectivity infrastructure, Denmark is providing a high standard of what travelers can expect.

Environment

Transitioning from the technological aspect of the analysis to the environmental dimension, it is important to evaluate how climate change and sustainability regulation are reshaping the Danish nature product. Considering that 72% of tourism

in the Nordic countries is based on coastal and nature visits. The health and preservation of set areas are the top priority (Akademier, 2025).

One of the primary environmental challenges that the Danish tourism industry is facing in 2026 is the increasing frequency of extreme weather events. An article from CONCITO published on the 18th of January states that 29% of the Danish area is now affected by storm surges, heavy downpours, or rising groundwater. These 29% of the Danish landmass includes 440.000 year-round houses and 160.000 holiday homes. These 600.000 homes could potentially already be damaged from said dangers. Many of the preferred holiday homes for German and Dutch tourists are these places alongside the coastal areas of Denmark, where the dangers of water-related damage are greater. Since these holiday homes placed along the coastal line of Denmark are great revenue drivers for the Danish tourism industry, solutions must be thought of immediately. CONCITO discusses different types of solutions. The final proposal is a pull-back of properties close to the coast. Creating a double benefit of lowering the risk of water damage to the home while increasing the amount of coastal nature (Concito, 2024).

When speaking about the environmental dimensions, biodiversity is also important to mention. Recent years have been big for biodiversity. In 2023, the first Science-Based Target for Nature (SBTN) initiative was concluded. SBTN is a global initiative that has more than 80 science experts, NGOs, businesses, and cities that equip companies and cities to set measurable goals to halt and reverse nature loss (Network, 2023). Biodiversity, being as unique as it is, can function as a selling point for industries.

Much like digitization, the Danish government remains a global leader when it comes to climate policy. Denmark is aiming for a 70% reduction in CO2e emissions by 2030 and full neutrality by 2045 (Regeringen, 2024). Specifically for the tourism industry, the impact comes in the form of the expanding carbon tax and the 2024

Green Tripartite Agreement. These policies are driving mandatory changes towards more sustainable operations, from energy used in holiday homes to the supply chains of local restaurants. Parties within the tourism industry that fail to adopt these changes risk fines and guest losses. Reports from the Global Sustainable Tourism Council show that travelers' awareness of traveling sustainably is at 92%, and 57% are traveling sustainably (Council, 2024).

The Danish tourism industry currently stands at a crossroads. While the physical landscape is increasingly threatened by water-related climate risks, the government and the nation are aggressively pursuing biodiversity and carbon neutrality. Using said policies to claim a gold standard title as a destination for environmentally conscious travelers. Success in this category will depend on the industry's ability to turn climate adaptation into a visible and positive part of the visitor experience.

Legal

To conclude the PESTEL analysis, the legal framework must be addressed. The legal framework is currently undergoing a period of significant tightening and standardization. Multiple different incentives are being implemented or debated to be so. Stricter immigration, work permits, student residency, and even a tourist tax are being debated in Copenhagen. As established in the economic section of this analysis, the dominance of the German market makes Danish rental legislation and EU-wide transparency directives the most critical legal levers for this industry in Denmark.

The legal landscape for holiday home rentals is now defined by the full implementation of the EU DAC7 directive in 2023. This directive instructs digital platforms to report all rental income directly to the tax authorities (SKAT, 2026). To balance out this transparency and encouragement of professional rental management, the Danish government has increased the tax-exempt standard deduction for rental

house owners renting through agencies to 50.200 DKK in 2026. This translates to an increase of 0,5% going from 47.900 DKK in 2025. The reasoning behind these actions from the Danish government is to professionalize the market and ensure that the accessible nature products demanded by the German demographics are managed through official channels rather than unregulated peer-to-peer markets.

As established in the social section of this analysis, Skagen is exposed to overtourism in week 29. New legal tools have been implemented to help control overtourism in the short-term rental market. More specifically, the EU Regulation 2024/1028, which will become operational in May 2026. This regulation mandates a Single Digital Entry Point for all short-term rentals. This gives municipalities like Frederikshavn the legal authority to do multiple things. Two things relevant for this thesis are.

1. Real-time data sharing allows authorities to enforce rental limits during peak periods like week 29.
2. Authorities can now legally order platforms to delist certain places to manage overtourism (Scaleup, 2026).

Finally, the tourism industry faces new legal hurdles regarding its workforce. As of January, the 1st 2026, Denmark has introduced a stricter immigration rule, raising the minimum salary thresholds for foreign workers and narrowing the "Positive List" of job titles. Going from 65 skilled jobs to 57, making it harder for non-EU/EEA workers to qualify for job openings in Denmark (Fragomen, 2026). These legal restrictions are increasing operational costs and putting higher pressure on digital solutions able to cover the labor gap. Especially in the hospitality industry, foreign workers are a very common workforce. Numbers from the hotel and restaurant industry suggest that almost a third of the workforce is international (Horesta, 2025). I unfortunately have not been able to find data specifically about the tourism industry.

To close out the legal section of this analysis, it is important to highlight that Denmark is moving towards a high compliance era. With a focus on transparency, stricter regulations on immigration, and more control over the short-term rental market.

6.1.2 Sub Conclusion - Macro

In conclusion, the Macro analysis in the form of the PESTEL shows that SSR operates in a macro-environment characterized by both extensive possibilities for strategic growth and intensifying structural and regulatory pressures.

On the offensive market side, external trends align closely with the need for a transformation towards year-round tourism. The national tourism strategy for 2030 aims to spread tourism across the shoulder seasons, supported by significant shifts in social and demographic trends. Especially the growing segment of German “baby boomers” with high buying power loves to travel outside peak seasons and seeks safety, comfort, and accessible nature. Furthermore, has the post-pandemic “Workation” trend opened the door to expanding the season? Denmark is a frontrunner in digitalization and has a strong network of EV chargers that serves as a silent enabler in meeting expectations.

On the defensive side of the market, SSR is facing complex pressure on economic and sustainability fronts. The currency asymmetry between Denmark, Norway, and Sweden is lowering the purchasing power of important guests from the Nordics. This places sharp demands on value-for-money concepts. Sustainability-wise, houses near the coast are increasingly exposed to extreme weather and rising groundwater levels. Meanwhile, the Danish government is ambitiously working with new climate targets, CO2 fees, and the “Grønne Trepart”.

All in all, the macro-environment demands that SSR professionalize its processes and utilize its unique infrastructure. This must be done to withstand rising costs while tapping into the untapped potential in the shoulder seasons.

6.2 Meso (Regional)

6.2.1 Strategic Group Mapping

Introduction

Following the macro analysis, it is relevant to visualize the competitive landscape mentioned, which will be discussed in the following Porter's Five Forces analysis. To address the regional competitive landscape SSR is facing, a Strategic Group Mapping framework will be used. This technique allows for different clusters of competitors to be created, based on similar strategic dimensions and business models. Altogether, this should help paint the picture of the competitive landscape of SSR. Based on the current market structure in North Jutland, the regional competitors have been divided into the following four groups.

Group A: Integrated Regional Resorts

Key Players: Skallerup Seaside Resort and Landahl Rønbjerg Feriecenter

Strategic Profile: This group represents the "High Facility" cluster of competitors. These competitors offer a wide variety of facilities, such as sports, water parks, and other structured family activities. They are competing in the space of delivering a complete all-in-one holiday environment. This is also the group in which SSR is located.

Gruppe B: High-End Alternatives

Key Player: Ruth's Hotel

Strategic Profile: This group represents the exclusive segment focused on luxury, gastronomy, and a high degree of service. This group does not possess a high degree of independence like Group A, yet they are still competing for the "Best Ager" segment through their prestige and cultural heritage. This group functions as a substitution rival for guests who are prioritizing luxury and status above the slightly more kid- and family-friendly Group A.

Gruppe C: Local Alternatives

Key Players: Ingers Hotel, Skagen Camping, and local B&Bs

Strategic Profile: This group represents local and often cheaper alternatives. These alternatives are limited in the selection of activities available, yet competitive in terms of location close to nature and the train station. This group lacks the privacy and facilities provided by resorts like those in Group A.

Gruppe D: Other Rental Alternatives

Key Players: Airbnb, Novasol, International Traveling, and Private Rentals

Strategic Profile: This group represents competitors with very few facilities, which still provides plenty of opportunities. They represent high independence and a wide spread of prices. This group primarily competes on the sheer number of possibilities. This group also offers great offseason options, such as cheap flights directly from Aalborg Airport to a wide range of European destinations.

6.2.2 Porter's Five Forces

Introduction

To transition from the macro perspective to the micro perspective, I will use Porter's Five Forces (PFF). This model allows us to zoom in directly on SSR by evaluating industry-specific industry attractiveness and competitive intensity surrounding SSR. The PESTEL analysis highlighted macro trends, such as the demographic change in Germany and "workation". PFF will help determine how SSR can capture value within local rivalry and shifting power dynamics.

Figure 9: Porter's Five Forces, own creation. (Porter, 1980)

1. Threat of New Entrants: Low

The tourism industry and market are very lucrative, yet the barriers to entry for opening a physical resort in Denmark are substantial. Regulations like the "Klitfredningslinje" pose a hurdle for new players seeking a spot with natural conditions like SSR and other competitors. The law prevents new large-scale developments in proximity to the coastline. In terms of opening a large resort compared to SSR, it is also very expensive to build a competitor in Group A from the ground up. In general, the threat of new entrants, like SSR, is low. Speaking of new entrants in the form of soft competitors like glamping spots, boutiques, and nature hotels located in and around the coastline, the barriers of entry are being lowered significantly compared to opening a traditional resort. These types of soft competitors get to bypass some of the regulations and need less cash to kick off the process. The threat of soft competitors entering the market will therefore be set to moderate.

2. Threat of Substitutes: Moderate

This force represents the most significant threat and competitive pressure for SSR. The primary substitution being the private holiday home, which is deeply embedded in Danish and German vacation culture. Agencies like "Novasol" and

“Sol og Strand” offer a similar product in terms of self-catering. Furthermore, Airbnb has been expanding its operations in the Skagen area, enabling private owners to undercut resort prices. While private holiday homes are exerting competitive pressure on SSR, there are several factors that set their products apart. Another substitution for traditional resorts is international travel. Aalborg Airport, with more than 20 destinations on its international flight schedule, is within reach of citizens of North Jutland. Especially during the shoulder seasons, international travel is competing with traditional resorts. A cheap flight to southern Europe during the shoulder seasons can often be cheaper than a stay in Skagen during the same season. This forces the resorts to compete not only locally but also globally.

3. Bargaining Power of Buyers: High

Today, the modern tourists are “digitally empowered,” which helps shift the balance of power to face the consumer. The transparency provided by Online Travel Agencies (OTAs) like Booking.com and Expedia allows consumers to compare SSR with hundreds of regional alternatives at any given moment. The sensitivity of customers has changed since introducing OTAs; the core segment, families, is showing high price fluctuation and low switching costs. A marginal price difference or a slightly higher review score at a nearby competitor can trigger a direct shift in booking behavior. This is the general image when speaking about bargaining power amongst buyers. The prestige of the Skagen brand is the only mitigating factor to high buyer power. The destination’s unique cultural capital acts as a slight tether, where the loyalty to the specific location reduces the likelihood of previously mentioned customer sensitivity. Customers traveling to Skagen are doing so because it is Skagen, not Frederikshavn. Price alone will not be enough to send customers towards Frederikshavn.

4. Bargaining Power of Suppliers: High

The most important suppliers for resorts like SSR are not commodity providers, they are specialized labor and local experience partners. Employees who know the market and the area. The Danish hospitality sector is currently battling with a structural shortage of cleaning staff, facility managers, and seasonal service workers. [Appendix A, Q3] This results in the workforce in North Jutland having a significant bargaining power, which in the end drives up operational costs. Large resorts like SSR are in desperate need of a specialized workforce due to their scale, 142 rental homes, a restaurant, a swimming pool, and multiple other facilities. Every single little thing is a part of the resort experience customers buy into when booking at SSR, all these facilities need to be managed and controlled by a specialized/trained workforce.

5. Rivalry Among Existing Competitors: High (Seasonal)

The first stop in Porter's Five Forces is the Rivalry Among Existing Competitors. The competitive landscape in North Jutland is characterized by high fragmentation during the peak season and an intense price competition during the shoulder seasons. SSR is competing with other resorts and hospitality businesses offering similar self-catering facilities.

The competitive intensity is dictated by the perishability of inventory, meaning that products cannot be stored and sold later. Due to the product's perishability, resorts face immense pressure to fill their capacity year-round, especially during the shoulder seasons when demand drops. This all leads to a seasonal price war between competitors, where SSR needs to differentiate itself from its closest competitors. A key indicator of the high level of rivalry is the close monitoring of pricing parity across digital platforms and the high volume of “last-minute” tactical discounts used by regional players to secure baseline occupancy.

6.2.3 Target Market

Introduction

This section on the target market for SSR is based on a national market analysis conducted by VisitDenmark. The two different types of sources used are called "De Seks Segmenter - Markedsanalyse Norge, Sverige, Tyskland", found via. This link, The Six Segments and "Markedsprofil: Sweden, Norway, Germany, and Denmark, found via. This link Markedsprofiler. VisitDenmark has done a market analysis on each of the listed countries. Meaning this section is built upon three (3) segmentation analyses and four (4) Market Profiles. The reasoning behind this section, in general, is to help figure out which segments of guests have the most value for SSR. The segments will be judged based on their size, motives, and geographic potential in the most important markets: Norway, Sweden, Germany, and Denmark.

1. The conscientious families (Primary Segment)

This segment is the absolute main target market for holiday resorts in Denmark. This segment typically includes parents with kids under 18 who prioritize kid-friendly facilities and opportunities to relax together as a family. This segment has a high loyalty towards resorts and choice destinations where activities, safety, and nature are combined. The core products of SSR are matching the needs of this segment. This segment functions as the primary volume.

Geographic Potential:

- Norway: Primary Potential (22% market share)
- Sweden: Primary Potential (24% market share)
- Denmark: Primary Potential, strong conviction towards weekend and short vacation trips
- Germany: Secondary Potential, Germans often prefer private rental homes and camping.

2. The Global Tourists (Primary Segment)

This segment represents the group of guests who seek the full package. They want nature, culture, gastronomy, and activities all in the same package. This segment often travels with kids, has a high daily budget, and wishes to experience as much as possible in the shortest amount of time. They often share their vacation experiences on social media and place a high value on quality and authenticity. A key feature SSR provides is the train connection 50 meters from the reception, which makes it possible to live close to nature, and still be 20 minutes from culture. This segment is important for raising revenue and increasing per-guest value.

Geographic Potential:

- Norway: Primary Potential, high willingness to pay, and a big interest in Denmark.
- Sweden: Primary Potential, over 1 million Swedes are in this segment, and 66% are considering Denmark for short vacations.
- Germany: Secondary Potential, high competition from German rental homes.

3. Nature and Outdoor (Primary Segment)

This segment is seeking activities like hiking, cycling, and exploration of coastal landscapes. They often travel without kids and prioritize authenticity, nature, and sustainability. The relevance for SSR is that Skagen is one of the most iconic nature areas in Denmark. SSR would function as a perfect base for bike adventures around the local nature. After a long day of exploration, they appreciate the services provided, like saunas, steam baths, and restaurants. This segment is essential to increase activity in the shoulder season.

Geographic Potential:

- Germany: Primary Potential (23% market share)
- Denmark: Primary Potential, Danes are increasingly more interested in outdoor experiences year-round.
- Norway/Sweden: Secondary Potential, this segment exists, yet they often choose a more primitive type of accommodation.

4. Urban and Cultural (Secondary Segment)

This segment primarily seeks to experience culture, art, architecture, and shopping. They often choose hotels, while still remaining open to different alternatives providing more space, calmness, and nature. SSR is able to attract this group with its emphasis on comfort, nature, and calm. All combined with the close connection with Skagen. This segment often travels during weekends and has a short booking horizon, which is strengthening activity outside the peak seasons.

5. Luxury and Wellbeing (Secondary Segment)

This segment prioritizes the possibilities of relaxation, great food, and comfort. They often travel as couples without kids and seek quality and wellness. SSR would have a hard time attracting this segment due to its facilities appealing more to the masses and not niche luxury segments. The strength of attracting this specific segment would be to extend the peak seasons and increase activity during the shoulder seasons.

6. Sun and Beach (Secondary Segment)

Tourists in this segment are primarily seeking the sun, heat, and relaxation. They prefer to stay at one spot and avoid planning a lot of activities. This segment is, in general, very hard to attract to Denmark. The relevance of these groups is therefore also very limited.

Selection of Target Market

The selection of the target market is essential to ensure a sharp and direct strategy for SSR's positioning in the market. To ensure this selection is systematic and data-driven, it will be based on the SMUK model, translated into English as the "SPEC" Model. This model examines the Size (S), Possibilities (M), Expenses (U), and Competition (K) for each segment. The model enables prioritizing segments based on the greatest potential for financial gain and aligns with the resort's strengths and facilities. As a foundation of the selection, the market analysis of the six (6) core segments from VisitDenmark will be used. These segments will be evaluated against SSR's specific capabilities and features, such as the train connection, EV charging station, and Green Key certification.

Priority 1: The conscientious families (High Volume)

This guest segment is the most important for mass bookings, since its needs perfectly align with the goods provided by SSR.

S (Sales potential) is huge, since this segment is 22% of the Norwegian market and 24% of the Swedish market. This is equal to 1.7 million people. Their daily spending on vacation is very high (4.800 NOK/Day), and they often travel in large groups, which quickly helps fill up the booking calendar.

P (Possibilities) are many. This segment is very digitally exposed, and 63% of Swedes are already familiar with Denmark and are actively seeking holiday resorts. Google and Social Media.

E (Expenses): Low marketing budget to reach this segment since 64% are already considering Denmark for shorter vacations.

C (Competition): SSR is very well-placed competitively, since they have most of the core wishes in this segment.

Priority 2: The Global Tourists (High Value & Prestige)

This segment will become the premium segment for SSR. This segment will secure higher revenue per guest.

S: Even though this segment takes up less market share (5-6%), they have the absolute highest daily expenses with over 10.350 NOK per group.

P: This segment is also very digitally exposed to social media, and they have a short booking horizon, meaning this segment would be useful to fill up the few leftover spots.

E: Marketing costs are higher for this segment since the competition for this segment is higher. Their daily spending could compensate for the heightened marketing costs.

C: As mentioned, the competition for this segment is high. SSR's selling point for this segment would be the possibility of living close to nature while having the connection straight to the luxury and culture of Skagen

Priority 3: Nature and Outdoor (Shoulder Season)

This segment is a strategically important segment to fill up the resort outside of the peak seasons.

S: The sales potential for the segment is huge in Germany, 12.3 million people, equal to 23% of the market share. They are enjoying vacations in the spring and fall to go hiking or biking.

P: This segment specifically seeks routes and outdoor experiences online. The Green Key certification of SSR is, in this case, a cheap sales argument since this segment highly values the environment.

E: The expenses for this segment are moderate, since the knowledge of Denmark is lower in Germany (38%) (VisitDenmark, 2024) compared to Scandinavia, which will demand a more extensive branding effort.

C: The unique nature of the local area, Grenen, Råbjerg Mile, etc., is a selling point that only very few competitors can match. SSR would function as a great base for this segment seeking outdoor adventures in the Danish nature.

Priority 4: Urban and Cultural

This segment's importance to SSR is purely due to the excellent train connection to Skagen.

S: This segment takes up 17% market share in Sweden (VisitDenmark, 2023), and they have an average daily budget. The upside of this segment is that they travel all year.

P: To catch this segment, SSR needs to push the message of being a more relaxed alternative compared to a hotel in the city center, while still providing the opportunities of an urban getaway.

E: Expense level is moderate for this segment. It will take some marketing costs to advertise for this segment.

C: There is high competition for this segment. Hotels in the city center of Skagen will be competing for this segment.

Priority 5 + 6: Luxury + Sun and Beach (Low Priority)

These two segments are both seeking something a bit too much out of scope for SSR. The luxury needs of extreme wellness and high-class gastronomy are hard to fulfill with the current setup at SSR. Regarding the sun and beach segment, Denmark, in general, has a hard time compelling this segment due to the weather conditions in the Nordic countries.

6.2.4 Sub conclusion - Meso

Strategic Group Mapping places SSR in Group A “Integrated Regional Resorts” alongside players like Skallerup Seaside Resort. While strict coastal and dune protection lines, together with heavy equity requirements, are effectively protecting SSR against direct competition from integrated resorts. However, SSR is experiencing moderate pressure from agile software substitutes. In the shoulder seasons, SSR is pressured by local private rentals and Airbnb players offering low rates. Furthermore, a slight global pressure from Aalborg Airport, with budget flights covering most of Europe.

The analysis of the regional Meso-environment indicates an extremely competitive local area that is exposing SSR to structural-margin pressure. The industry's embedded challenge is the perishability of inventory, where every unsold item is a definitive loss. This forces players in the market into a seasonal price war to secure higher occupancy rates during the shoulder seasons. This phenomenon is enhanced by two (2) massive market forces that are creating structural limits on the profitability of the resort.

(1) The purchasing power of the buyers is enhanced by the OTAs, who are creating total price transparency and low costs of changes.

(2) Suppliers’ bargaining power is centered around a critical lack of specialized workforce in North Jutland.

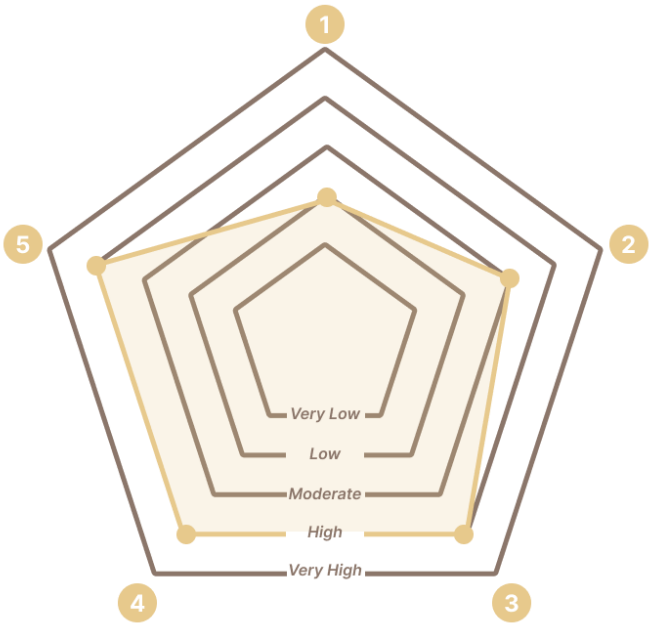

Figure 10: [1] Threat of New Entrants **[2]** Threat of Substitutes **[3]** Bargaining Power of Buyers **[4]** Bargaining Power of Suppliers **[5]** Rivalry Among Existing Competitors. (Porter, 1980)

To help them navigate competitive pressures and differentiate themselves from Group A, the segment analysis from VisitDenmark and the "SMUK" model provide the foundation for both defensive and offensive market positioning. The defensive choice of target market is "*The Conscientious Families*," priority number 1. This segment should be the backbone of the baseline revenue, due to its large market volume and moderate daily spending. The facilities of SSR match this segment. The offensive strategy aims to raise the revenue per guest. Meaning the target markets in focus would be "The Global Tourist" and "Urban" + "Outdoor" segments to benefit from the resort's unique internal assets, the location, and nature.

In conclusion, the Meso analysis shows that the survival of SSR depends heavily on a strategic adjustment in which unused internal assets, such as infrastructure, location, and Green Key certification, are reconfigured to capture new segments and stabilize the core target market.

6.3 Micro (Internal)

6.3.1 Stakeholder

Introduction

This section presents the complete stakeholder analysis of SSR, based on the provided sources on the resort's operations, market conditions, and the national tourism strategy. This analysis shows each stakeholder group's interests and influence. Below is a visual representation (Mendelow Matrix) of the stakeholders involved in SSR.

	Low Interest	High Interest
Low Influence	Local Competitors	Staff, Local Population
High Influence	Frederikshavn Kommune, Transportation Providers (Train)	Homeowners, Guests, VisitDenmark/Destination Nord

Figure 11: Stakeholder Table (Freeman, 1984)

1.The Vital Stakeholders (High Influence + High Interest)

These stakeholders, presented in this group, are vital for the future of SSR. This group of stakeholders needs to be managed closely.

Homeowners (35 Timeshare / Company Homes)

The homeowners in SSR all wish to gain from their investment. This will be in the form of the resort thriving and continuing to evolve and expand its business, so that the homes they own can hold or increase their value. The value of owning a home will increase, together with the value of the resort. All of this means that the types of homeowners in SSR wish for the resort to thrive.

Guests

The guests' primary interest is value for money. This comes in the form of facilities, luxury, culture, and easy access to nature. The guests of the resort play a crucial role in the financial well-being of SSR. The primary source of income comes directly from guests. This results in the guest reviews being alpha omega. They have significant influence over which future changes will be implemented.

VisitDenmark and Destination Nord

Tourist organizations are highly interested in SSR, contributing to the national strategy for sustainable growth, environmental certification, and year-round tourism. These tourist organizations have a significant influence on SSR, as they drive the overall branding of Denmark's tourism industry. So far, the branding is aligning very well with the facilities of SSR.

2.The Strategic Enablers (High Influence + Low Interest)

This group of stakeholders is the one that is able to block or enhance the operation of SSR, while not being the most important stakeholders to keep in the loop of constant reporting. This is a group of stakeholders that needs to be kept satisfied.

Frederikshavn Kommune

The municipality possesses a general interest in growth in the local area. Local businesses must operate under the given regulations and rules set by the local municipality. The success of SSR will not impact Frederikshavn Kommune enough to put them in the "High Interest" category. Their influence, on the other hand, is in the "High Influence" category. The municipality is the organization managing the physical surroundings and the infrastructure of the municipality. These factors have a significant influence on the potential success of SSR.

Transportation Providers (Nordjyske Jernbaner)

The organization Nordjyske Jernbaner is a group 2 stakeholder since they are the ones operating the train activities around SSR. They are responsible for the route between SSR and Skagen Centrum, which is an important route for SSR. This is resulting in them having "High Influence", since it makes it possible for the guests of SSR to travel by train to Skagen in under 20 minutes.

3.The Supporting Stakeholder (Low Influence + High Interest)

This group of stakeholders needs to be informed and included in the process to keep the local support of SSR. This group of stakeholders falls into the category "Keep Informed".

Staff of SSR

The staff of SSR is very interested in great working conditions and job security. The importance of fulfilling these conditions is emphasized by the struggling recruitment rate of about 30% (Wammen, 2023). The staff of SSR is very interested in the well-being of the resort. The reason managers have been excluded from this group is that I got the impression that the managers are in close dialogue with the board members. Meaning they seem to hold a bit more influence on the direction and decisions made regarding strategy.

Locals in Hulsig and Skagen

The perseverance of the local nature and pride in their local area are of great importance to SSR. The locals are very interested in boosting the positive reputation of their area. The public is of great importance since 75% of Danes are positive towards tourism, yet concerned about the wear and tear on nature (VisitDenmark, Danskerne har et positivt syn på turismen, 2026). The locals of Hulsig and Skagen do not hold any direct influence on the strategic decisions made in SSR.

4.Monitor Stakeholders (Low Influence + Low Interest)

Local Competitors

The local competitors are stakeholders in relation to the continuous battle for market share and pricing. The local competitors are monitoring SSR to see if they bring new successful initiatives that they can adopt. Furthermore, it is important to keep an eye on your competitors to make sure you won't be left behind or in any way start to differentiate yourself in a negative manner.

6.3.2 Economy

Introduction

To gain a complete understanding of the strategic reality of SSR, an extensive financial analysis is crucial. While the qualitative analysis maps the competitive landscape and market positioning, the key financial figures serve as the ultimate diagnostic tool for quantifying the magnitude of the current financial crisis. This section evaluates financial well-being over the two-year period from 2023 to 2024, focusing on financial stability and liquidity.

Since the net turnover is not publicly known, the profit margin and asset turnover rate are omitted from this section, as they require net turnover to calculate. Instead of net turnover, the focus has shifted to other central elements, along with the equity structure.

The profitability analysis examines the company's ability to generate returns on invested equity.

Rate of Return (RoR) (Proff, 2026)

- 2023: -6,1%
- 2024: -6,6%

The RoR is negative in both years and decreases by half a percentage point from 2023 to 2024. A negative RoR indicates that operations fail to generate a return on

the total equity tied up in the company's assets (IG, 2026). The operating profit (EBIT) decreased from -1,04 million DKK to -1,2 million DKK, which is primarily caused by the decrease in RoR.

Return on Equity (RoE) (Proff, 2026)

- 2023: -39,48%
- 2024: -37,46%

The RoE is extremely low and strongly negative in both 2023 and 2024. When the RoE is more negative than the RoR, it is called a negative leverage effect. This means that the SSR's borrowing costs are higher than the profit of the assets. This is a mechanism or a state that is tough for companies to operate under. The increase of two (2) percentage points from 2023 to 2024 is mostly a result of an equity injection, which increases the net equity from 2,74 million DKK to 3,06 million DKK.

Solvency Ratio (SR) (Proff, 2026)

The equity structure is illustrated through the solvency ratio. Describing how much of SSR's assets are financed through the net equity. This tells us how robust SSR is against potential losses.

- 2023: 15,49%
- 2024: 17,63%

The SR increases by a little over two (2) percentage points from 2023 - 2024. The general level for these two years must be in the low end, taking into account that SRR is a resort with heavy fixed assets. SSR is largely financed with debt, which increases the financial risk, especially when operations are running at a loss.

Liquidity Ratio (LR) (Proff, 2026)

- 2023: 21,82% (1,99 m. DKK / (9,115 m. DKK * 100)
- 2024: 18,18% (2,05 m. DKK / (11,30 m. DKK * 100)

The LR measures a company's ability to pay for its short-term obligations, in the form of short-term debt or trade creditors, as they fall due. From 2023 to 2024, SSR saw a decrease in its LR of 3,64%. An LR of 18,18% is critically low. As a rule of thumb, the current assets should be significantly larger than the short-term debt. The LR should be at least 100% or preferably at 150% (Rentabilitet, 2026). SSR has less than one-fifth of the liquid assets needed to cover the short-term debt. This number strongly suggests that SSR urgently needs financial support from the parent company or credit institutions.

Booking statistics

Looking at the booking data from 2023-2025, it is clear to see why the key figures found in the section above look like they do. The overall booking percentages are sitting at around 33% as an average over that three-year period. The table below shows the decrease from 2023 to 2024, which reflects the key figures perfectly. Another worrying datapoint is the percentage of children (17,64%). In section 6.2.3, the research concluded that the main segment of guests should be "Conscientious Families", which, judging by the table below, is not the case right now. This segment should be the primary volume of guests for SSR.

Year	Stays (#)	% of Total Capacity	Persons (Adult/Child)	Persons pr. Stays	Adult %	Kid %	Length of Stay (Avg.)
2023	17389	33,55%	48188 (37609/10579)	2,77	78,05%	21,95%	3,94
2024	16118	31,10%	43227 (36615/6612)	2,68	84,70%	15,30%	4,17
2025	18185	35,09%	46963 (38679/8284)	2,58	82,36%	17,64%	4,29

Figure 12: Data table of bookings (*Total Capacity* = 142*365 = 51.830) [Appendix E]

For 2025, SSR has seen a slight increase in stays, which might be due to rebranding and other initiatives introduced by the board. Furthermore, the length of the bookings has been continuously increasing since 2023. This is positive, since longer guest stays at the resort reduce the need for new sales.

Conclusion

The economic analysis of Aktivitetscentret Skagen Strand A/S indicates a critical financial position during 2023-2024, marked by persistent operating losses, negative returns, and strained liquidity. Even though the SR is increasing by two (2) percentage points, the critically low LR is leaving SSR vulnerable against short-term debt. There is no financial basis for major investments without additional capital injections. SSR needs to continue the positive development of stays.

6.3.3 Business Model Canvas

After the resort's critical financial situation has been established, it is important to understand the underlying operational mechanics driving these numbers. The financial analysis shows symptoms of the crisis, and now we must research the root of the problem. To decipher how SSR creates, delivers, and catches value, and where the structural bottlenecks show up, the Business Model Canvas will be used. This mode deconstructs the business model of the resort into nine (9) strategic building blocks and is therefore an essential bridge between the static key figures from the financial analysis and the daily operations.

1. **Customer Segment**
    a. **The Volume:** Families with kids who love nature. This group seeks child-friendly, sustainable, and safe holiday environments.
    b. **The Offseason:** This group is the nature-loving older couples traveling during the offseason. Seeking hiking and biking activities together with culture.
    c. **The Global Tourist:** This group is of high value. These are tourists from Norway, Sweden, and Germany who seek culture and conveniences.

2. **Value Proposition**
    a. **The Ultimate Flexibility:** A hybrid model that is able to combine the privacy of the holiday apartment and the many facilities provided by the resort.
    b. **The Skagen Connection:** SSR provides car-free access to Skagen's rich culture and food scene via a train station located 50 meters from the resort's reception. All this while being situated in the middle of untouched nature.
    c. **Clean Conscience:** SSR provides the possibility of a green holiday. With Green Key certification, 12 EV charges, and a great connection to public transportation.

3. **Channels**
    a. **Direct Digital Services:** Direct access to online bookings through their own webpage, www.skagenstrand.dk. (SSR, 2026)
    b. **Social media:** Visual storytelling through Facebook and Instagram.
    c. **Partnerships:** Branding and advertising through VisitDenmark and Destination Nord.
    d. **Corporate Partnerships:** Corporate agreements with different corporate entities planning events, conferences, and camp schools.

4. **Customer Relationship**
    a. **Personal Hosting:** The staff of SSR functions as local ambassadors and guides to the different experiences Skagen and the area present.
    b. **Digital Connection:** Inspiration and comfort before arrival through social media and newsletters.

5. **Revenue Stream**
    a. **House Rentals:** Differentiated pricing through newly implemented categories, Economy, Standard, and Comfort. [Appendix B]

b. **Services:** Restaurant, minishop, and additional options.
c. **Events:** Renting out specific facilities and the restaurant for big events.

6. **Key Resources**
   a. **The Facilities:** The mere size of 140+ homes and the number of different possibilities to do different activities close to the unique nature of Northern Jutland.
   b. **Infrastructure:** Unique placement right next to the train station and 800 meters to the water.
   c. **Skagen Brand:** The strong connection to the Skagen brand.
   d. **Workforce:** The specialized staff with years of experience in the industry and area. [Appendix A, Q14]

7. **Key Activities**
   a. **Facility Management:** Operating and maintaining 142 holiday homes, an indoor swimming area, outside areas, an indoor sports arena, and other facilities in need of attention and service.
   b. **Hosting & Service:** Welcoming guests, cleaning, and making sure the holiday experience is as frictionless as possible.
   c. **Strategic Branding:** Targeted segmentation and rebranding of the center to a resort. [Appendix C]

8. **Key Partners**
   a. **Homeowners (Ejerforeningen):** Critical providers of capital for the resort.
   b. **VisitDenmark + Destination Nord:** Partners in terms of branding and market data.
   c. **Nordjyske Jernbaner:** Operating the train connection between Hulsig and Skagen.

d. **Local Culture:** Museums and guides enrich the customer experience.

9. **Cost Structure**
    a. **Maintenance:** Heavy costs to better the wear and tear as a result of neglect and aging. Windows, roofs, stairs, etc. [Appendix D]
    b. **Staff Costs:** Service, cleaning, facility management, restaurant, and administration. High salary level in Denmark.
    c. **Energy Consumption & Operations:** Heating of swimming pool, kitchen, offices, conference rooms, indoor sports area, other common areas, and facilities.
    d. **Financial Expenses:** Interest on debt and capital injections.

Collective Assessment

SSR excels in the value proposition. The strong connection between nature and culture. This creates multiple unique ways of experiencing SSR, just as modern, global sustainable tourists seek. The ability to offer a green-certified resort places SRR at the center of the national tourism strategy (Erhvervsministeriet, 2022). SSR is lagging in the operational bottlenecks. The BMC shows that there is a critical gap between the expense structure and key activities. The massive financial cost of maintaining facilities and homes is threatening the quality of the resort, which might affect guest satisfaction. Furthermore, the financial model between the resort and homeowners poses a challenge to a joint strategy and growth, which might constrain the necessary investments in digitalization and operational automation.

6.3.4 Sub Conclusion - Micro

The internal Micro analysis reveals a critical and paradoxical mismatch between SSR's strong strategic potential and its current financial and operational realities.

The Business Model Canvas identifies the value proposition as the ultimate strength. The combination of privacy, unique infrastructure, location, and a wide range of facilities aligns with consumer trends and preferences. The analysis shows that these Key Resources are being neutralized by deep operational and financial bottlenecks in the organization. The key figures from the financial analysis confirm the current financial situation as a crisis in the period 2023-2024.

The Rate of Return (RoR) was negative and declining (from -6.1% in 2023 to -6.6% in 2024), indicating that the key resources were failing to generate a positive operating return. The even lower Return on Equity (RoE of -37.46% in 2024) indicates a severe negative leverage effect, in which borrowing costs exceed the earnings generated by the assets.

A low solidity rate (SR) of 17,63% in 2024 shows a capital structure with high financial risk, which is problematic for companies with heavy fixed assets.

The liquidity rate (LR) fell to the critical level of 18,18% in 2024. Meaning that SSR possesses less than a fifth of the liquid funds needed to cover the short-term debt, which results in the resort's need for acute external capital injections.

These financial realities correlate directly with the booking stats, with the average occupancy rate standing at 33% over three (3) years. A decrease from 21,95% to 17,64% in 2025 in the number of children visiting the resort strongly indicates that SSR is losing its ability to attract its primary target market, "*The Conscientious Families*". The growth in average length of stay indicates strong potential to reduce transaction expenses for new sales.

The financial headroom is limiting the strategic freedom of actions towards vital stakeholders. The Mendelow Matrix identifies homeowners as a vital stakeholder with high influence and interest. The ownership structure and financial model between the resort and homeowners are creating a strategic deadlock that impedes shared growth initiatives and facility improvements. Meanwhile, operations

are challenged by the high supplier bargaining power of the staff, where a low recruitment rate in the region (30%) puts pressure on SSR to maintain attractive working conditions to retain staff.

In summary, the micro analysis concludes that SSR is in an unsustainable operational cycle. The resort's strong market position and differentiated value proposition cannot be effectively commercialized until the liquidity crisis is resolved and the internal ownership structure and marketing efforts are streamlined to enable the necessary turnaround.

6.4 Situation Analysis

6.4.1 SWOT

Introduction

Now that the Macro, Meso, and Micro-environments have been fully mapped, the SWOT model functions as the ultimate transition from diagnostics to strategic synthesis. The aim of this section is to consolidate the many empirical findings from the previous models into a single overview. By systematically integrating the resort's internal operational strengths and weaknesses, identified in the Micro analysis, with the external opportunities and threats, identified in the Macro and Meso analyses, the SWOT model distills the complex data. This provides the final evidence-based foundation for developing a concrete, action-oriented turnaround strategy for SSR.

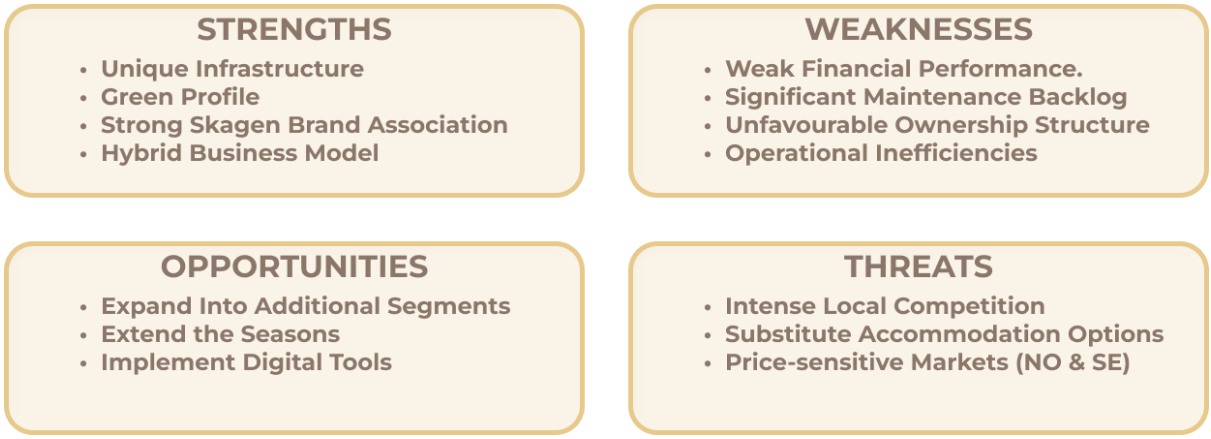

Figure 13: SWOT overview, own creation (Weihrich, 1982)

Strengths

1. Unique Infrastructure: Location close to nature and to the train, giving access to Skagen car-free within 20 minutes.
2. Green Profile: Green Key certification and EV-Charging station matching national tourism targets and consumer needs.
3. Skagen Branding: Positive connection with the premium Skagen brand.

4. Hybrid Business Model: Private life in the form of holiday apartments combined with the facilities of a resort.

Weaknesses

1. Critical Financials: Equity has been wiped out, liquidity is under pressure, and SSR is in desperate need of new capital.
2. Maintenance Backlog: SSR's facilities have been facing the consequences of maintenance neglect over the years. [Appendix H]
3. Broken Ownership Model: Complicated ownership structure. [Appendix D]
4. Operational Ineffectiveness: Lag of data collection and structure in the internal system. [Appendix I]

Opportunities

1. Expand Segments: Appealing to two new segments, the outdoor and urban segments.
2. Extend the Seasons: Implementing new packages, as an example: outdoor package and Skagen city sightseeing package.
3. Implementation of Digital Tools: Implementing tools to structure data and automate manual procedures.

Threats

1. Intense Local Rivalry: In the shoulder seasons, North Jutland is struggling to fill up the resorts, with only between 20-30% of the capacity booked (VisitDenmark, 2020).
2. Substitutions (Private Rentals): Increasing competition with private rentals.
3. Price-sensitive Markets (NO + SE): The currencies of Norway and Sweden have been weakening in recent years, making Denmark an expensive location.

6.4.2 VRIO

Introduction

While the SWOT analysis has successfully condensed the Macro, Meso, and Micro analyses into a comprehensible strategic landscape, it is in its nature predominantly descriptive. SWOT tells us what SSR's strengths are, it does not evaluate the systematic abilities to create a long-term competitive advantage. To filter the basic assets from the strategic golden assets, like the unique location, the VRIO framework is being used. VRIO serves as a stress test for SSR's internal assets. This model answers whether the assets are valuable, rare, and difficult to imitate, and most importantly, whether SSR's current organization is geared to exploit them.

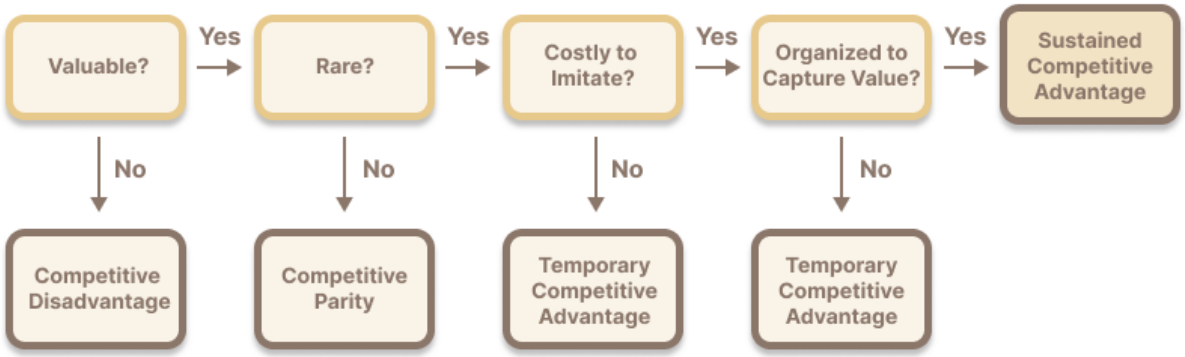

Figure 14: VRIO flowchart, own creation (Barney, 2002)

Unique Infrastructure

Valuable (V) - Yes. The train connection removes the logistical issue of parking in Skagen city center. Giving guests car-free access to culture and gastronomy.

Rare (R) - Yes. Very few resorts have a train station 50m from the reception.

Costly to Imitate (I) - Yes. Competitors cannot move their resort into a similar location.

Organized to Capture Value (O) - Yes. The train is being advertised as a central feature.

This is a **Sustained Competitive Advantage** for SSR. This is SSR's strongest asset.

Green Profile

V - Yes. It is appealing to a lot of the tourism segments.

R - Moderate. Not every resort has the Green Key certification and EV-Chargers on site.

I - Moderate. It will take some capital for competitors to get to the same green level.

O - Yes. This is used as a central part of the advertisement.

This is a **Temporary Competitive Advantage**. At some point, competitors will catch up.

Skagen Branding

V - Yes. The Skagen branding reduces the price sensitivity of the guests and creates loyalty.

R - Yes. There is only one Skagen in the world, and the history attached is unique.

I - Yes. The history, light, and culture of Skagen are impossible to replicate in any other place.

O - Yes. Skagen has made it into the name of SSR.

This is a **Sustained Competitive Advantage**.

Hybrid Business Model

V - Yes. This business model is appealing directly to the continuous family and global tourist segments.

R - Moderate. There are other resorts with a similar setup, but this is the only resort with this setup this close to Skagen.

I - Yes. The setup can be achieved, yet the full package of location, facilities, and the volume of the resort is very hard to imitate.

O - No. The maintenance backlog is a huge disadvantage. Meanwhile, the missing differentiation between the houses results in a suboptimal usage of this model.

This is not a Sustained Competitive Advantage for SSR right now. The hybrid business model is an unused market advantage. The model has the potential to become a Sustained Competitive Advantage, but the maintenance and standardization of the products is hurting the guests' willingness to pay.

6.5 Positioning & Action Plan

6.5.1 Positioning

Introduction

Before concreting strategic and operational measures can be implemented, it is essential to define SSR's market positioning. With the foundation in the Meso analysis target market selection, this section determines how SSR can differentiate and place itself in the consciousness of the chosen core segments from the volume "*Conscientious Families*" to the niche segments of "*Outdoor + Urban*" and "*The Global Tourist*". Compared to VRIO, which confirmed the potential of internal assets, positioning defines how these assets need to communicate externally to win market share. A sharp and delimited positioning functions as a strategic compass for the following action plan to guide towards.

Defining a unique market position that separates SSR from both traditional city hotels in the center of Skagen and resorts in the local area, as well as holiday homes along the coastal area, is very important. Hence, these two variables have been chosen:

1. Nature + City Access vs. Isolated
2. High vs. Low Opportunity for Activities

These two variables are important for both SSR and its target market. The chosen positioning leaves SSR in the winner quadrant, which none of its competitors can match directly. SSR has been placed in the top right quadrant with high access to nature and city, while being high regarding options for activities.

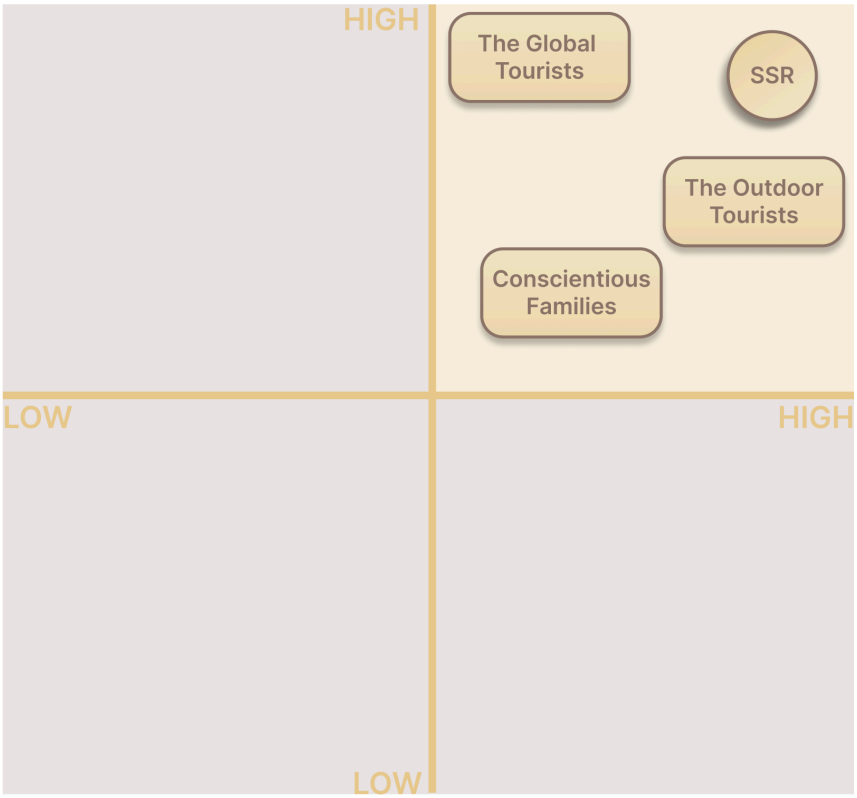

Figure 15: Positioning of Tarket Markets

Looking at the vertical axis. Most holiday destinations force guests to choose between the silence and calmness of nature or the pulse of the city. Here, SSR can isolate itself from its competitors by supporting both options in one package. Switching the focus to the horizontal axis. Modern guests are demanding more flexibility regarding activities and wanting to control their own time. SSR provides the freedom to choose between multiple activities at any given moment.

Plotting the three most important segments from SSR's target market makes it clear that they all fit in the same quadrant as SSR. This makes it clear that SSR is the only resort in North Jutland providing this package of "Ultimate Freedom of Choice". SSR does not just sell a bed and an apartment to stay. They are selling the raw nature of Northern Jutland together with the unique culture of Skagen.

6.5.2 Action Plan

Building on the analysis and positioning, the Action Plan is the operational culmination of this thesis. As formulated in the thesis statement, the financial situation and operational bottlenecks of SSR dictate that a successful turnaround cannot be done with multiple simultaneous actions. It needs to be implemented as a strict sequential process. This section is therefore unfolding the priority and order of the steps. The first phase focuses on acutely raising capital to better the maintenance backlog. The second phase is to outsource marketing, and the third phase is to see through the full potential of the resort through business model innovation in the shoulder seasons. The action plan translates the thesis's many analytical findings into a concrete executable plan for SSR's management.

To create the action plan of SSR's business model, an integrated TOWS & Ansoff Matrix has been used. In the table presented below, the columns represent the internal conditions (Strengths (S) + Weaknesses (W)) and the rows represent the external conditions (Opportunities (O) + Threats (T)).

	(S)	(W)
(O)	**SO-STRATEGIES (Maxi-Maxi)**	**WO-STRATEGIES (Mini-Maxi)**
	Market Penetration: Use the unique train connection to Skagen as the center of attention of campaigns towards nordic families to increase the return visit rate.	**Market Penetration:** Structurise and automate bookings and operations to increase efficiency and consistency for the current customer base.
	Product Development: Launch specialised wellness and outdoor package deals targeted at segments travelling during shoulder seasons.	**Product Development:** Follow through with the current plan of upgrading the "Comfort" houses, to create added value which guests are willing to pay a premium to get.
	Market Development: Use the Green-Key certification and 12 EV-Chargers to attract Global Tourists from Norway, Sweden and Germany.	**Market Development:** Use targeted digital advertisement through social media of the renovated homes to reach a younger audience with higher buying power, who are preferring premium quality.
	Diversification: In the long run consider a strategic rebranding to "Skagen Strand SPA Resort" to help move the resort into the more exclusive category of international wellness market.	**Diversification:** Take advantage of regional support to create a digital transition creating a new business model around "Workations" in unbothered conditions.
(T)	**ST-STRATEGIES (Maxi-Mini)**	**WT-STRATEGIES (Mini-Mini)**
	Market Penetration: Differentiate from the cheaper private holiday home rentals by advertising the huge organised resort community.	**Market Penetration:** Solve the current lack of equity capital through a new ownership structure to secure the survival of SSR in an intense local market.
	Product Development: Add extreme flexible booking options and 1-day wellness retreats to counter the threat of cheap flights from Aalborg Airport.	**Product Development:** Complete a focussed maintenance plan to stop the loss of value and the transition towards private Airbnb alternatives.
	Market Development: Position the train as the stress free alternative to the parking chaos of Skagen, to win over price-sensitive guests who wish to save money on fuel and parking.	**Market Development:** Focus on the close Danish staycation market to lower the vulnerability towards the weak currency of Norway and Sweden.
	Diversification: Use the Green-Key status to win offered "green" industry seminars, which private rentals can not handle professionally.	**Diversification:** Transform SSR from a critical financial situation by changing up the share structure.

Figure 16: Image of TOWS + Ansoff Matrix (Weihrich, 1982) (Ansoff, 1957)

To enhance the market position of SSR, I present two action plans based on the TOWS model.

1. **The Offensive Strategy (SO):** SSR needs to capitalize on its unique location near the train and nature through product development. Being in the form of new packages, outdoor, and wellness trips. This will attract the high spending "Global Tourist", the "Outdoor," and the Urban segment. These three segments will all help raise revenue during shoulder seasons.
2. **The Defensive Strategy (WT):** SSR needs to address internal weaknesses by reestablishing equity and modernizing physical facilities. Without any

improvements in the maintenance backlog, even the best advertising will fail, since guests will experience the gap between brand value and reality.

Recommendation

Priority should be to raise equity capital. Raising the equity capital will solve multiple things here and now, and given the financial situation, this is what is needed. Benefits of raising capital include the ability to get ahead on maintenance and make low-cost add-ons to the facilities. This could be mapping hiking and biking routes in the local area. Ultimately, getting ahead of maintenance is key to attracting new guests and providing them with the positive experience they need. When SSR has addressed the maintenance backlog, they need to redirect all their attention to advertising to their target market, “Conscientious Families”. This segment should provide the volume of bookings and be the main revenue driver. Once the targeted advertisement for this segment has been implemented, the focus can shift to expanding the business model to the three segments traveling during the shoulder season. This will increase revenue year-round and help spread the word about the resort.

7. Discussion

Summary of Key Findings and Interpretation of Results

This thesis examines how SSR can restructure its business model to survive the severe financial crisis. Through the integration of external and internal analyses, there is a fatal mismatch between the resort's external brand value and its internal operational reality. The PESTEL analysis highlights huge potential for year-round sustainable tourism, and SSR, on paper, has the facilities to capitalize on it. Unfortunately, operational losses and a critically low liquidity rate of 18,18% neglecting the valuable facilities like being close to the train, nature, culture, and the Skagen brand. The results strongly indicate that SSR needs a strict sequential turnaround plan. The first thing will be to raise capital to secure survival and liquidity to start getting facilities back up to date. Afterward, SSR needs to stabilize baseline revenue in the primary segment "Conscientious Families" through specialized advertising and, lastly, expand the business model to increase activity during shoulder seasons.

Theoretical Context and Comparison to Other Studies

The use of the Funnel Method, combined with Resource-Based Theory and the VRIO framework, has provided a robust diagnostic framework for this study. The analysis is nuancing the classic RBT by empirically illustrating how material and immaterial resources (VRIO) can be completely paralyzing if the company's financial foundation fails. This confirms the theory that resources confer a direct competitive advantage when supported by the appropriate organizational capabilities. At SSR, the organization fails to capture the value of its rare assets due to physical deterioration and limited marketing capabilities. This has all brought down the level of competitive parity.

Handling Limitations

Even though the methodology of triangulation of participant observations, document analyses, and structured interviews has minimized blind spots and strengthened the internal validity, does the case study have its natural boundaries? The research is deeply rooted in the specific market terms of North Jutland, which reduces the broader external generalization factor. Furthermore, it must take into consideration the researcher's bias during fieldwork, such as structured interviews that hold a risk of containing answer biases where weaknesses of departments can be left unspoken. Finally, the Hawthorne effect could have influenced the observed level of service during the on-site stay.

Theoretical and Practical Implications

In practice, the findings are all pointing towards an operational three-step implementation strategy. The primary practical implication is the need to outsource their marketing responsibilities to experienced professionals. This way, management can free up time to focus on other areas of the business. Theoretically, this study contributes to crisis management in the experience economy by showing that business model innovation under financial pressure must proceed sequentially rather than simultaneously.

Future Research and Conclusion

To build upon these implications, future research should quantify the Return on Investment of in-house marketing versus engaging experienced professionals for resorts facing crises that threaten their existence. Furthermore, it would be highly relevant to research how the tightening of the EU's DAC7 directive will change the competitive balance between private rentals and resorts like SSR. ¨The current trajectory of SSR is financially unsustainable. SSR needs a strict restoration of facilities and baseline revenue, so that its unique and highly valuable assets can demonstrate sustained competitive advantage, help SSR exit the negative financial spiral, and establish SSR as a leading year-round destination.

8. Conclusion

Summary of Key Findings

This thesis investigates how SSR can reconfigure its business model to navigate a severe financial crisis. The empirical findings indicate that SSR possesses highly valuable and rare assets, specifically the train connection to Skagen, Green-Key certification, and a connection to the strong Skagen brand. A critical liquidity level of 18,18% in 2024, an operational loss, and a massive maintenance backlog have, for the moment, been neutralized. These valuable and rare assets put SSR at a competitive disadvantage. To achieve a strategic turnaround, SSR needs to get ahead of its maintenance backlog and focus more on its marketing to attract the volume segment of guests, "Conscientious Families". Once these two keystones are implemented, SSR can begin transforming its business model to attract Outdoor and Global tourists and increase activity during the shoulder seasons.

Recommendations Based on Findings

Based on the research, the three-step plan to achieve the strategic turnaround needed to escape the critical financial situation starts with

(1) Securing new equity. SSR needs to prioritize raising new equity to survive the current critical financial figures and help reduce the maintenance backlog.

(2) When new equity has been raised, and the physical facilities of the resort are up to date, SSR needs to start attracting its target market, "Conscientious Families". This segment provides the baseline revenue and volume for the resort to run. SSR needs to outsource its marketing to an experienced professional in this industry to ensure it attracts this customer segment.

(3) The facilities of the resort and the baseline revenue should be ensured. Now, SSR can explore expanding its business model to capture more revenue during

the shoulder seasons and enhance capacity utilization. This will be done by attracting priority #2 & #3 segments with outdoor and wellness packages.

Reflection on the Research Process

The qualitative research design employed multiple methods through methodological triangulation, participant observation, ethnographic meetings, document analysis, and structured interviews. This proved essential for addressing the misalignment between SSR's external brand and its internal operational reality. By cross-checking interview answers with on-site physical observations and financial data, the internal validity was strengthened. Even if the parameters of a single case study limit the possibilities for broader market generalization, it has the depth to provide specific, operational constraints tailored to SSR's unique crisis.

Skagen Strand Resort is facing a critical crossroad. The current direction of the business is not financially sustainable. Yet a foundation for a successful and sustainable holiday resort is already in place in the form of location and brand value. By combining its business model with sustained competitive advantages, SSR has the potential to break the negative financial spiral and reinvent itself as a leading year-round destination in northern Europe.

9. Appendix

Appendix Overview

Appendix - Skagen Strand Resort

Appendix A - Structured Interviews

Appendix B - Product Development (Comfort)

Appendix C - Product Development (Rebranding)

Appendix D - General Assembly (Generalforsamling)

Appendix E - Booking Data (Mail)

Appendix F - Landdahl Meeting Notes (18.02.26)

Appendix G - Handwritten Notes from Staff Meeting

Appendix H - Observations on site

Appendix I - Marketing Mail

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