Northern hotels and hospitality-businesses often operate in smaller rural communities catering to different sets of customers, and stakeholders. They constitute an important, and growing, source of employment and income for local communities while catering to both local and non-local guests.

They also often face instability and fluctuating demand.

Most firms are small and dependent on accessing external resources in the local community and beyond. This relationship, between the firm and their community is pivotal for our understanding of how firms manage instability and build resilience.

It is also a relationship whose role and effects are not well understood.

Here we look at how such firms handle external challenges in the form of fluctuations and market upturns. Drawing on semi-structured interviews in Finnish Lapland, Northern Norway and Iceland, we investigate how these firms’ perception of their surroundings, influence how firms see and handle such demands. In doing so we combine three different, yet complementary perspectives.

- A managerial cognitive perspective with an emphasis on how identity motivates, inform goals and directs attention.
- A resource based perspective focusing on how firms manage and secure resources.
- A processual and learning perspective. Processes may reinforce existing identities or introduce firms to new possible identities.

In the paper we show how tourism-firms’ construal of their relationship to this context inform strategic choices with respect to accessing resources, choices that may range from self-reliance and ‘going it alone’ to forming close, local alliances. We also show how such choices serve to reinforce existing perceptions and worldviews.