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The impact of the COVID-19 pandemic on the domestic tourism industry of India: A study of the hotels and restaurants in the Delhi region

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**Abstract**---The covid-19 has hit badly the hotel, aviation, and the tourism. These sectors are largely dependent and interdependent. It is accepted globally that the covid-19 has given the biggest challenge trouble worldwide. Due to the covid-19 pandemic, there is uncertainty in the market crisis in the hotel, tourism, and aviation. There is a need to plan to recover from the market crisis of hotels, restaurants, and tourism post-covid-19 pandemic. The lockdown and the international closer of the boundaries of the country for the airlines have put the operation of the local hotel, and restaurant on zero. Deep planning and implementation are required by the government for the survival of the hospitality business. According to the WHO report the Covid-19 pandemic has affected 193 million people and the death rate is 4.5 million. According to the UNWTO figures, there is 70% decrease in tourism in 2020 as against 2019. The tourism-driven countries are finding it difficult to survive for their livelihood and to earn the bread. There is descriptive research on the hotels and the restaurants in the Delhi and NCR region on the kind of nature of business during the Covid-19 pandemic. The Delhi region is divided into four zones such as East Delhi, West Delhi, North Delhi, and South Delhi and a questionnaire is given to the hoteliers to know how they are performing in the Covid-19 pandemic. The secondary data is also collected from various magazines, journals, newspapers, and books.

**Keywords**---hospitality, hotel, tourism, sustainability, covid-19 pandemic.
Introduction

Covid-19 has halted the travel and tourism activities worldwide. According to the ministry of aviation in India, there is 30% cancellation in the booking of airlines ticket in the year 2019. It increased to 45%-50% of cancellations of airlines ticket in the year 2020. The ministry of the tourism department in India reported that 1.25 trillion losses were bared by the tourism and hospitality industry in India. The figures in table 1 also showed that there is a drastic decline in foreign tourist travel in India in 2019 and 2020. The figure in table 2 showed foreign exchange Earning has also declined to USD-67.66% in India. It can be said that the tourism and hospitality industry is also not untouched by the decline in tourism activities worldwide.

Table 1
Foreign Tourist Arrivals in India

<table>
<thead>
<tr>
<th>Months</th>
<th>FTAs in India</th>
<th>Month over Month% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>October-19</td>
<td>9,45,323</td>
<td>25.81</td>
</tr>
<tr>
<td>November-19</td>
<td>10,91,946</td>
<td>5.64</td>
</tr>
<tr>
<td>December-19</td>
<td>12,25,762</td>
<td>12.25</td>
</tr>
<tr>
<td>January-20</td>
<td>11,18,150</td>
<td>-8.77</td>
</tr>
<tr>
<td>February-20</td>
<td>10,15,632</td>
<td>-9.17</td>
</tr>
<tr>
<td>March-20</td>
<td>3,28,462</td>
<td>-67.66</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism (Govt. of India)

Table 2
Foreign Exchange Earning in India in USD billions

<table>
<thead>
<tr>
<th>Months</th>
<th>FEE In India</th>
<th>Year-over Year% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>October-19</td>
<td>2.3 Billion USD</td>
<td>25.81</td>
</tr>
<tr>
<td>November-19</td>
<td>2.7 Billion USD</td>
<td>5.64</td>
</tr>
<tr>
<td>December-19</td>
<td>3.1 Billion USD</td>
<td>12.25</td>
</tr>
<tr>
<td>January-20</td>
<td>2.8 Billion USD</td>
<td>-8.77</td>
</tr>
<tr>
<td>February-20</td>
<td>2.5 Billion USD</td>
<td>-9.17</td>
</tr>
<tr>
<td>March-20</td>
<td>0.78 Billion USD</td>
<td>-67.66</td>
</tr>
</tbody>
</table>

Source: Ministry of Tourism (Govt. of India)
According to Ahmed & Krohn, (1992). The tourism sector creates a large number of employment in the country. It is a major source of foreign exchange earning in the economic activities of the nation. According to WTTC, 2021 the global economic report the travel and tourism have fallen by -36.3% is 4.7% against the previous year's 6.9%. The total contribution of tourism and travel to employment is declining by -20.8% in 2020 compared to the previous year. According to Holtz, D., Zhao (2020) social distancing is required to control the spread of Covid-19 disease. It will decrease the mortality and mobility of people. Many countries are working on the shelter in place policy to avoid social contact. Though it is not clear that one place’s policy is affecting another place. It is also monitored that the initial increase in the Covid-19 pandemic is caused by international and domestic travels.

Iorgulescu, M. C., & Răvar, A. S. (2013) said the innovative and creative ways to attract the tourist. The use of information technology is the latest addition to attracting tourists. It helps to provide the information to the tourist in a cost-effective and easily accessible way. Innovation and creativity help to identify the consumer need, target the right consumer, and satisfy their need. To survive in this competitive age, it is required that employees should be equipped with the latest technology edge and think creatively to attract customers. Cooper, C., Fletcher, J., Gilbert, D., Fyall, A., & Wanhill, S. (2005). Said in their paper published in tourism principle and practice that the main function of the travel agent is to book a reservation of the tourist. It is part of the supply chain and the life insurance and foreign exchange facilities are also provided by the travel agent. A travel agent is also a part of the supply chain of business.

Susskind, A. M. (2002). Said in I told you so! Restaurant customers' word-of-mouth communication patterns. That restaurant and hotels work on the mouth to mouth communication. The customer evaluates the money paid for the service and the quality of the service rendered to them. Further dissatisfied customer talks more about the service than satisfied customer. Customer takes to their
family members, friends, and relatives about the experience they had with the restaurant. But a dissatisfied customer is more harmful than a satisfied customer in building the image of the restaurant. Budhwar, K. (2004) said that the difference between the perception of the hotels and restaurant about their customer need and want and the actual perception of the customer need and demand. It is said that the competition does not change the need of the customer. It is said in the paper that the average operator in the Delhi region knows the basic need and demands of the customer. The average operator should work on the standardized recipe and should not underestimate the competition and should follow the trends in the market to sustain. This study was carried out in the restaurant and club of Delhi which is a chain and stand-alone without the data of in-house restaurants or hotels. The paper also recommends some ideas, practices, tips, and methods of marketing statistics to increase the business in this fast pace competition.

The objective of the study

- To study the impact of a covid-19 pandemic on the hospitality industry in India and Global.
- To study the strategies to recover from the situation of the post-covid-19 pandemic in the hospitality industry.
- To study the impact of the covid-19 pandemic on the hotels and the restaurants in Delhi and the NCR region.
- The study of the influence of the Covid-19 pandemic on changing consumer behavior and habit in the Delhi region of India.

Research Methodology

Sampling Design

- **Area of Study**
  Delhi is the capital of India. It is also a tourist attraction because of its wide tourist destination and business hub. The sample is collected from four zones, the West, South, North, and East parts of Delhi. It is also convenient and nearest for the collection of data.

- **Population**
  The data is collected from all parts of Delhi. It is also seen that uniformity and homogeneity of the data are maintained. Data is collected from the clubs, restaurants, and hotels, covering all parts of the component of hospitality.

- **Sampling Unit**
  A sample is collected from the age group of individuals above 15 years in Delhi. This age group is selected because they are more mature, aware, and using the hospitality more often and the sample is collected from all ages, incomes, occupations, and gender. This is considered to have more liable, and authentic sample data. A total 100 sample size was collected which is divided into West Delhi-25, South Delhi-25, North Delhi-25, and East Delhi-25. An equal sample size is collected from all parts of Delhi. Strata sampling and convenience sampling are done to conclude the result. Initial stage
convenience sampling is done from each zone of Delhi. 50% of data is collected from males and 50% of data is collected from females.

**Source of data collection**

Data is collected from the primary and secondary data collection methods. Primary data is collected from structured questionnaires. The questionnaire is mailed, distributed on what's an app, and mailed through the internet and secondary data is collected from magazines, hospitality journals, literature, newspaper, books, and publish articles.

**Questionnaire Development**

A questionnaire is developed after studying and reviewing the previous hospitality journals. It is also evaluated by three hospitality professionals to remove the few vague and ambiguous statements from the questionnaire. It is divided into two parts. Part-1 characteristic the age, sex, income, gender, profession, and education of the participant, and part-2 was the actual question designed to perform the study and to come to some conclusion. It also covered the objective of the study. It was a structured and closed-ended questionnaire with limited questions for the comfortable submission of the questionnaire.

**Methods Used in Research- Descriptive Statistic**

- **Frequencies analysis**- Frequency analysis is used to check the occurrences of events. It can also be converted into a hologram and bar chart. It helps to perform the mean, median, and standard deviation. It is used to check the variable on the different events on the chart.
- **Mean**: It is used to check the central tendency of the charts where all the variables accrued.
- **Standard deviation**- The difference in the mean is called the standard deviation. It is the measure of the extent of dispersion of data from the objective of the research. If the data is clustered around the mean then there is a small deviation and if the data is scattered then the deviation is large.
- **Skewness and kurtosis**- It is necessary to check the reliability and validity of the model. The shape of the curve is also equally important. It should be a bell-shaped curve and skewed on both sides. Kurtosis means the level of peak ness and lateness of the graph and the skewness means its tilt on the negative and positive side of the graph.
- **Level of significance**- It is called the degree of tolerance of the error. There is two types of error type-1 and type-2 error.

**Chi-Square Statistics**

Chi-square statistic is used to check the level of goodness of fitness of the model. It means the merger of two and more variables in a single chart. It is represented in a cross-tabulation format. It checks the reliability and validity of the model. It checks whether a systematic association exists between two variables or not. Null hypothesis means there is no significant relationship between the variable and
the alternative hypothesis means that there is a significant association between the two variables and model is reliable and valid. It is seen that 93% of the male agreed with the change in consumer behavior and habits post Covid-19 and 94% of the female also agreed that Covid-19 has influenced and changed their food habit and behavior.

**Finding and Recommendation**

- **Culture influences my consumer behavior**: the chi-square diagram figure showed that there is a significant influence of the culture on their eating habits. Male and female agreed to it and the value of chi-square is 565.98 and 527.18 which are very much acceptable respectively. It is a big factor in their decision making to choose an eating outlet.

- **Social class influences my consumer behavior**: the chi-square showed that both the men and female agreed that the social class to which they belong influence their eating habit and behavior. The chi-square is 668.40 and 822.79 respectively which is acceptable. The level of significance in the case is .000 which lies within the limit.

- **Reference groups influence my consumer behavior**: Both the male and the female groups agreed that their reference groups influence their choice of eating outlets and habits. The chi-square figure is largely accepted 11.50 respectively. The significance level in both cases is .000, which lies within the limits.

- **The family influences my consumer behavior**: The male and female agreed to a large extent that family influences their eating habit and behavior. It helps in their decision-making process. It is depicted that the chi-square value is 664.86 and 783.93 which is highly acceptable and the significance level in both cases is .000 which lies within the limit.

- **Role and status influence consumer behavior**: As per the statistic it is depicted that the male and females both agreed that role and status have an influence on their consumer behavior and the selection of hospitality products. The chi-square showed the value that 6.87 and 7.83 which is acceptable with a significance level 0.00 which lies within the limit.

- **Customs and traditions influence consumer behavior**: As per the analysis, it has resulted that both male and female agreed that their customs and tradition influences consuming the hospitality product. The statistic shows 7.98 and 6.43 values which are acceptable with a level of significance of 0.00 which is within the limit.

- **Influence of age on consumer behavior**: As the statistic depicted the age factor is also important in the choice of the hospitality product agreed by both males and females. It showed a statistic of 5.97 and 7.03 which is acceptable with a significance level of value 0.00 which lies within limits.

- **Influence of occupation on consumer behavior**: As per the figures the occupation of the male and female also helps to a large extent in the decision-making process of the hospitality product. The conclusion is further supported by the chi-square value of 755.98 and 635.68 respectively. The significance level in both the cases is .000, which lies within the limits.
• **Influence of economic circumstances on consumer behavior:** As per the statistic the male and females both agreed that the economic condition of an individual influences the buying process of the hospitality product. The conclusion is further supported by the chi-square value of 543.16 and 527.68 respectively. The significance level in both cases is .000, which lies within the limits.

• **Influence of gender on consumer behavior:** The analysis shows that the male and females agreed, that their gender influences their consumer behavior, which further influenced their decision-making process when they availed hospitality services. The conclusion is further supported by the chi-square value of 255.58 and 373.91 respectively. The significance level in both the cases is .000, which lies within the limits.

• **Influence of interests on consumer behavior:** The analysis shows that the men and women of both the genders agreed, that their interests influenced their consumer behavior to a large extent which further influenced their decision-making process while they availed hospitality services. The conclusion is further supported by the chi-square value of 508.63 and 534.58 respectively. The significance level in both the cases is .000, which lies within the limits.

• **Influence of needs on consumer behavior:** As the statistic showed that the needs of individual also has an influence on the buying behavior of hospitality product to a large extent. The conclusion is further supported by the chi-square value of 704.70 and 962.24 respectively. The significance level in both the cases is .000, which lies within the limits.

• **Influence of motivation on consumer behavior:** As the statistic showed that the male and females both agreed that the motivation factor also influences the decision-making in buying the hospitality product. The conclusion is further supported by the chi-square value of 338.37 and 517.25 respectively. The significance level in both the cases is .000, which lies within the limits.

• **Influence of personality, belief, and perception on consumer behavior:** It is depicted from the figure that both males and females agreed that personality, belief, and perception of the person also play a part in the decision-making process of an individual to buy the hospitality product. The conclusion is further supported by the chi-square value of 660.41 and 487.51 respectively. The significance level in both cases is .000, which lies within limits.

• **Influence of past experiences on consumer behavior:** The statistic showed that both males and females agreed that the experience also helps in the decision-making process of the consumption of the hospitality product. The chi-square figures showed 613.81 and 728.27 respectively. The significance level in both the cases is .000, which lies within limits.

• **Influence of learning's on consumer behavior:** The statistic showed that both the men and female agreed that the learning also influences their decision making to buy the hospitality product. The figures showed that males and females have 6.98 and 6.44 which is acceptable with a significance value of 0.00 which lies within the limits.
Conclusion

It is evaluated in the descriptive analysis of the factor that all the variables and components of the model influence the consumer behavior agreed by both the male and the female gender of society and the Covid-19 outbreak has influenced their eating habit, consumer behavior, and decision-making process of choosing the hospitality service. The customer is more concerned about their social distancing, less contact in the public gathering, and use of sanitizer, gloves, and hygienic food. Prefer to eat homemade food but the component which influenced most are family, role and status, personality, and experience with an average mean 4.6. The second component which stood in the second position with an average mean of 3.93 included the factors like culture, social class, reference group, occupation, economic circumstances, needs, and learning. The 3rd component which influenced the decision-making process of respondents with an average mean of 3.53 contained the factors like motivation, gender, and age. Further analysis showed that the female respondent is more influenced due to the Covid-19 outbreak than their male counterpart with a high average mean for the male.

Questionnaire

<table>
<thead>
<tr>
<th>Factors</th>
<th>Gender</th>
<th>To a very large extent</th>
<th>To Large extent</th>
<th>Not at all</th>
<th>To Some extent</th>
<th>To a very small extent</th>
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<tbody>
<tr>
<td>Culture influences my consumer behavior</td>
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<tr>
<td>The social class to which I belong influences my consumer behavior</td>
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<td>My reference groups influence my consumer behavior</td>
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<tr>
<td>My family has influenced my consumer behavior</td>
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<tr>
<td>Role and social status influence my consumer behavior</td>
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<td>custom influences my consumer behavior</td>
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<tr>
<td>Age influences my consumer behavior</td>
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<tr>
<td>Economic circumstance influences my consumer behavior</td>
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<tr>
<td>My age influences my consumer behavior</td>
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<tr>
<td>My gender influences my customer behavior</td>
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<tr>
<td>My income influences my</td>
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</tbody>
</table>
consumer behavior

| My beliefs, perception, and personality has influenced consumer behavior |
| My motivation has influenced consumer behavior |
| My need influences consumer behavior |
| My interest influences consumer behavior |
| Influence of learning on consumer behavior |
| Influence of past on consumer behavior |

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