



# STRATEGIC REVIVAL CHALLENGES FOR TOURISM AND HOSPITALITY INDUSTRY POST-COVID 19: AN INDIAN PERSPECTIVE

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## Abstract

In the context of the Tourism and hospitality industry, employing 8.1 percent of total employment in the country and providing the most exciting career avenues for their growth; accounts for 7.5 percent of the country's **GDP** would be interesting to explore the status of strategic revival challenges in Tourism and Hospitality Industry Post COVID 19 in India. This is an industry where COVID 19 has caused an unpredictable market crisis with occupancy declining by more than half in March 2020 compared to the corresponding period last year (FY 2019- Occupancy rate.66.7%).

In view of the above surveillance, the present paper addresses the adversity of the Tourism and Hospitality industry during COVID 19 and discusses the progressive resumption of the tourism services and vigor protocols in hospitality establishments. The outcomes of the paper highlight the survival and revival strategies for the sustenance of the sector post -covid-19.

**Keywords:** Post Pandemic; Revival of Tourism; Safety; Tourism in India; Financial Reforms; Hospitality & Tourism

## Introduction

Tourism Hospitality Sector is facing a severe crisis and showing negative trends in this lockdown period with occupancy declining by more than half in March 2020 compared to the corresponding period last year. . The revenue per available room collapsed by 64 percent in March compared to the previous month. Travel restrictions imposed by the Indian government as well as governments across the globe result in its revenue decline by ₹90,000 crores in 2020. The Confederation of Indian Industry expects more than half of the industry to go sick, impacting nearly 20 million jobs as a fallout of the lockdown.

## Literature Review

### Effects of Coronavirus on Travel & Tourism in India

Because of the Coronavirus infection, the Indian tourism and hospitality industry is expecting a probable job loss of around 38 million. In the mid of March 2020 itself, the hotel sector downtrend by more than 65% in occupancy levels as compared to the same period in 2019. With international and domestic travel on bring to a close, demand for turbine fuel has significantly declined.

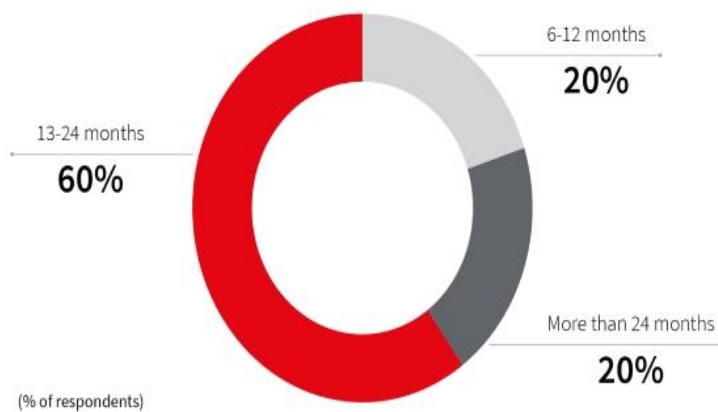
Indian Association of Tour Operators (IATO) estimates the hotel, aviation, and travel sectors together may undergo a loss of about ₹85 billion keeping in mind the travel restrictions imposed on foreign tourists. Both white and blue-collar jobs would be felt as consequences of the impact of Covid-19. India's outbound and inbound travel will witness the greatest short. The restaurant industry in India is anticipating just about zero income in the instantaneous term, and a drop of half in the months to come. At least 30 percent of the hospitality industry's income could be impacted if the situation doesn't improve by the end of December 2020.

There is intimidation of job loss of nearly 15% in the hotel and restaurant industry once the lockdown is lifted, as they will not see an immediate surge in demand. The aviation industry in India is expecting losses worth ₹ 27,000 crores (\$3.3-3.6 billion) in the first quarter of 2020-21.

The passenger growth of airlines is likely to fall stridently to a downbeat 20-25% growth for 2020-21. An in-depth survey with key hotel operators advocated that 60% of the operators surveyed believe that it will take 13 to 24 months for their portfolio to bounce back to 2019 RevPAR levels

### Performance outlook

Expected time for hotels to return back to 2019 RevPAR levels



Source: [www.jll.co.in/en/trends-and-insights/research/hotel-operators-survey](http://www.jll.co.in/en/trends-and-insights/research/hotel-operators-survey)

Leading hotel operators (53%) have shut down the majority (80%) of their inventory during the nationwide lockdown period. Over 60% of respondents serve as quarantine facilities (10% of their total hotels) predominantly in key markets, with a few of these hotels that rooms for the “Vande Bharat Mission”. As discussed in the above survey, we are living in an unprecedented time. Economic recession hits all of us and we have to start from scratch. Stay home today and travel tomorrow encapsulate a message of solidarity and hope now, virtual is a reality at the present, Adversity is an Opportunity at this instant, and regular cleaning and social distancing are two main preventive measures for COVID 19. For the moment, though, given the sector's huge employment as well as upstream and downstream linkages with other sectors, urgent and structured support is needed to ensure that players at least manage to survive the immediate crisis period. The truth is the pandemic is temporary and shall pass and the industry is bracing itself for the new changes that will be seen once the lockdown is completely lifted.

## Methodology

In this study, Secondary research data has been implemented for the research. Data collection has been collected through literature, journal articles, government documents, press release, newspapers, online portals, temple websites, advertisements, etc. Primary Data has been collected from the tourist's experience, discussions with local students, and subsequent interviews with their residents, daily-based workers' relatively age group of 20-45, which represent the field's current situation.

The research findings show that COVID-19 in India has significantly affected the hospitality and tourism sector. Mainly affected sectors of airlines data had published by International Air Transport Association (IATA). However, hotels and other sectors' data were not clearly shown by those sectors. During the pandemic, the author conducted direct interviews with local people, local students, and pilgrims to collect information. Though there are various approaches to reviewing the literature, the author has followed both mixed methodologies of a qualitative and quantitative approach (Stylidis, & Szivas, 2008). With a mixed-methods approach to research, researchers integrate collecting and analyzing data from the quantitative and qualitative research approaches in a single research study (Carrie, 2018; Kunwar & Karki, 2020; Mair, Ritchie, & Walters, 2016).

### **Recovery plans /Directions for the progressive resumption of tourism services and vigor protocols in hospitality establishments:**

By using **Automated Cloud Technologies as a Preventive Measure such as mobile check-ins and check-outs**, implementing **contactless payment via smartphone**, offering an **opportunity to order anything via a mobile app**, by meeting **guest's needs via direct chat** the businesses can communicate with guests in real-time with no personal contact involved. Hoteliers can provide support in urgent situations or discuss any extra requirements during their stay.

Due to the uncertainty of the **changes in customer needs** after the epidemic, hotels must review their existing service offerings to adapt to the changes in customer experience. Restaurants in hotels may start presenting personal serving spoons when delivering a shared dish, promoting contactless delivery for in-room dining, and designing menus in single portions rather than a sharing size. What's more, to cope with the sudden increase in demand without sacrificing service quality, hotels can plan for manpower scheduling, assess bottlenecks in service delivery, allocate resources, and maintain cash flow through pre-sales.

It is believed that after the epidemic, customers will pay more attention to the safety of food choices. While taking into account the taste, customers will rely more on whether the source of the ingredients is reliable, whether the quality of the ingredients is good enough, whether the handling of the ingredients is safe and whether the ingredients are rich in nutrition. In response to this **change in consumer thinking**, hotels need to make adjustments promptly.

To cope with the shift in **consumption patterns** because of pandemics, hotels can make full use of existing online platforms to enhance interaction with customers.

Hotel owners also need to optimize **asset strategy**, refurbish or renovate high-potential assets, and enhance asset competitiveness to cater to changes in customer needs.

Hoteliers need to create and constantly update their **crisis communications plan**. Hospitality businesses must constantly keep in touch with local public health authorities to receive the latest updates on rules and regulations. There should be ongoing **cooperation with governmental bodies** to ensure the effectiveness of your approach.

It is crucial to **reconsider existing health and safety techniques, policies, and procedures** in place, especially for hotel business that relies on in-person interactions. Flexible Cancellation policies, Confidence building, and social distancing is guaranteed, Ensure the safety of tourists, Mice tourism may be more of webinars, Virtual tools, and Flight ambulance services.

Adopt **Hotel Friend Digitization Package** like Marketplace - commission-free room booking, Voucher sales - immediate revenue generation, Cloud-based hotel software - every employee can work remotely, including a home office, Information app - everything you need to know about the hotel, Service order app - social distancing is achieved with any custom orders. Special promotional strategies for hoteliers to safeguard their confidence.

The idea of a “**travel bubble**” to revitalize the tourism sector is suggested by countries like New Zealand, Australia, and the Baltic countries. “Travel bubbles” are an agreement between countries or regions within a country that allows for travel across borders for non-essential trips without the requirement of 14-day quarantine upon arrival. The goal is to create a safe passage for travel in an attempt to normalize economic activity. India preserves the same to keep the travel and tourism industry safe from the risk of new infections by standardizing testing requirements for all travelers and ensuring the partial movement of incoming tourists within destination cities.

## Conclusion

From the present study as regards the post-pandemic revival strategies of the Indian Tourism and hospitality industry, it is found that there is a significant change in the performance of the hospitality industry during the pandemic days. In the year 2015 tourists around India were 4.5 million, it reaches the highest in 2019 which is 6.1 million. But up to March 2020, it is significantly declined to 0.33 million. This shows the performance of the tourism and hospitality industry is very pathetic. Similarly, the earnings show an increasing trend from the year 2010 to 2019, but quarterly earnings of the industry are drastically declined. Considering this pandemic situation the hospitality industry may adopt revival strategies for re-engineering the sector. The different factors like automation and health-related issues will be the prime focus area for the industry. As regards the survey, it is found that the gross margins declined in the last quarter of 2019-20. To reverse this declining trend, the company may also adopt revival strategies like less use of manpower, proper sanitization, use of Robot, giving more importance to the IT sector, maintaining social distancing strictly, etc.

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