

## **COVID-19 the death call for the hospitality industry?-Some pieces of evidence**

**Sanjukta Bhattacharya**

*Corresponding Author: Sanjukta Bhattacharya*

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### **I. Introduction**

COVID-19 has already coined the name of 'pandemic' and it is needless to say that it has led to the worldwide crisis. Furthermore, this pandemic has confronted the entire hospitality industry with some significant challenges. Throwing light on the above-mentioned statement it can be said that strategies for fighting with COVID-19 curve have been implemented by the government and it includes social distancing, community lockdowns, travel, orders for staying at home along with restrictions regarding mobility has decreased the business demand. The hospitality industry is regarded as the hardest hit sector due to COVID-19. This particular case study attempts to examine the significant impact of COVID-19 on the hospitality sector all across the globe. However, there are possible solutions that can be implemented to control the damages such as proactively managing the main stakeholders, keeping plans under review, etc.

### **II. Background**

The name COVID-19 is derived from SARS-COV2. For instance, corona (CO), Virus (VI), Disease (D) makes it COVID-19. This virus first came into existence in the year 2019 so it is COVID-19 and the place where this virus was born in China (Wuhan).

The restrictions placed by the government officials have led to a sharp decline in the occupancies as well as in the revenues of the hotels. However, the reopening process has already started and the government officials are easing the restrictions. For instance, in most of the hotels, as per the orders, they can use 50% present of their space such as if the occupancy of the hotel earlier was 100 then at present they must use 40-50% space in terms of maintaining proper social distance as well as taking other safety measures. Arguably, while the hospitality industry is recovering slowly still COVID-19 continues to extend its branches and impact the hospitality sector's business.

### **III. Issues**

The following segment indicates how COVID-19 impacted the hospitality industry:

- The United Nations World Tourism Organization expects that the international tourists will be mainly down by almost 30-40% in the year 2020 itself when contrasted with the last year. In other words, this can be also contrasted with the breakout of the SARS outbreak that happened in the year 2009 which led to 0.4% concerning the international tourist market. However, it has been observed that the entire hospitality industry mainly accounts for 10% of the global GDP

- The job market is highly affected because the COVID-19 such as 50 million jobs from all across the globe in the hospitality industry is already lost. As per the study conducted by Oxford Economics, Asia will be the worst affected and it is also suggested that this particular industry can take a significant amount of time for recovering. On the contrary, following the travel bans, quarantine measures as well as border closures there are a lot of workers who cannot move to their places of work and it is affecting their income to a great extent. In terms of bouncing back again, the entire hospitality industry needs to keep their consumers and employees happy when the lockdown measures ease up.

It is needless to say that the hospitality industry is quite important for every economy. The hospitality industry is the provider of important services such as food and lodging to the travellers, whether they are for luxury or any other purpose. Hospitality is the main factor in every business trip and vacation and hence it is quite vital to the businesses as well as the consumers.

### **IV. Evaluation of the case**

It is quite evident without vaccine COVID-19 will remain unstoppable and continue to spread its venom across the globe. Curfews and in most of the cities with half and full lockdowns in the past few months

have created a business environment that is quite precarious for the bars, restaurants, cafes, and also other businesses that are highly dependent on the guests. The above-mentioned roadblocks are affecting the business to a great extent and it needs immediate attention.

Throwing light on the above-mentioned discussion it can be said that they are 2 major sceneries for which the entire hospitality industry must prepare a response such as an event that a consumer, guest, or workers do not contract this virus and they experience a significant drop in profits.

#### **V. Proposed changes**

In the event of a huge amount of disruption there are some of the steps that must be considered by the business owners so that they can fight with the losses:

- The hotels must be visually made to shine. At present, there are some of the varieties of visual experiences that can be offered as a part of the consumer experience that might range from zoomable 4k images via interactive and immersive inspections of the guests that are conducted via regular smartphones.

- Leveraging the email list strategically might be one of the intelligent moves during this time. There are a lot of hotels that have been operating for a long period and have developed a significant amount of email lists but they have not used it for fuelling social media marketing. However, they must remember to engage with the individuals in terms of the hotel during the time some of the individuals are in the needs of the lock-down with sensitivity.

- COVID-19 already have a direct impact on the fast-forward reservations of a lot of hoteliers but the business owners can make use of this particular situation as a golden chance to re-evaluate their business as downturns can be an excellent time to train the individuals of the hotel and review the plans for investing long-term success.

- Updating websites can be one of the most intelligent ways to appeal to the consumers in near future after the COVID-19 pandemic. For instance, it can start with videos and photography and business owners must take time to fix or update the website. It will be the right time at present and by this, the business owner can prepare the hotel for the next stage of business

- Lastly, given the fact that the hospitality sector is highly affected so it is quite evident that the brand owners as well as property and review their strategic contingency plan. The owners of the hotel need to create a balanced portfolio in terms of sourcing markets for reducing risks of profit and loss as well as adjusting their pricing strategy properly when the situation alters.

#### **VI. Recommendations**

In the concluding remarks, it can be recommended that the hospitality sector must be prepared in terms of preventing the spread of the virus as it is important for protecting the workers along with the solution. The basic sense consists of washing the hands more often, avoiding touching the face, and always using soap and water for disinfecting and cleaning frequently using surfaces. One of the major things that need to be followed by everyone in the hospitality business is 'Duty of Care' that will be the legal obligation for making sure of the safety or even the well-being of the guests that must be an important part of the hotel operations. Most of the big hotels are closed but hoteliers need to consider the 'Duty of Care' once they are back in business.

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