

# Impact of Corona Virus on the Tourism and Hospitality Sector

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## **Abstract**

*This paper has been written as a part of summer internship project of 2020 by Punya Kalra and Janya Goel under the mentorship of Major General (retired) G.G. Dwivedi. The research paper is titled as 'Impact of Corona Virus on the Tourism and Hospitality Sector'. Corona virus is synonymous not only to a disease declared as a pandemic, claiming lives all over the world but also to the chaos created in the economic, social, political and other realms of different nations at various levels in various ways affecting all sections. This paper discusses one of the most important industries, the tourism industry, which was rendered helpless and had to be completely shut due to the pandemic. The importance of tourism in the global and Indian economy is immense. It contributes profoundly to the GDP with revenues increasing every year and the number of tourists, management and facilities improving in India which is still in the process of utilising its entire potential. The paper also highlights the status of the tourism industry till the eve of covid-19, post which a virus brought the entire world to a standstill and halt. The country was struck by the sudden introduction of a virus weighing no more than 2 grams during early March. A month later, this virus had already created havoc in the country with the nationwide lockdown and rising cases. People were stranded, everything was shut and life was suddenly wrapped inside the household. Amongst this chaos, was an industry that functioned on the premises of people moving and travelling: tourism*

*which bore the maximum brunt because of its non-functionality online. While many businesses were able to survive due to the ability of moving the entire working process online, the tourism industry was struck the hardest as businesses started generating zero revenue and gradually slipped into losses. The paper explores how the major industries related to tourism including aviation; hotels, food and beverage etc have been impacted due to the mass destruction caused by the pernicious virus. The impact of the pandemic is felt not only by the economists, politicians or other experts keeping a close tap on the figures and facts, but also the ordinary man, who is finding it difficult to carry out daily tasks. The survey conducted on a sample population of over 200 candidates, posed a variety of relevant questions related to travel and tourism and how they are affected by it. It proved that awareness of the grave impact has trickled down from the service providers to the consumers as well. The paper emphasises the future possibilities and trends of travel likely to emerge including wellness tourism and increased importance of domestic travel. Despite the losses, there is an optimism of revival with a better structure, policies and facilities in place. Hence, our paper ends with recommendations which are suggestive measures through which we as individuals with the help of the government can help redefine the tourism of tomorrow.*

*Keywords : Corona Virus, Pandemic ,Tourism, Business and Industries, Aviation, Hotel Industry, Migrant & Daily Wage Workers*

*JEL Classification: L-83, I-15, Z-3*

*Our Research paper is divided into 6 parts.*

*The first part is the Introduction which sheds lights on the Travel and Tourism sector, domestic scenario and global scenario.*

*The second part analyses the Impact of corona Virus on various industries which form the backbone of the tourism and hospitality sector.*

*The third part is the overview of the survey questions. We explored a large and diverse sample to find out the public opinion on various important questions regarding the magnitude of impact of the deadly virus on the Tourism sector.*

*In the fourth part, we give various recommendations that could help in uplifting the tourism and hospitality sector.*

*The fifth part is the conclusion which summarises the entire paper.*

# 1 Introduction

*‘Atithi devo bhava’*

*This famous saying in India literally means ‘the guest is God’. It prescribes a dynamic of the host–guest relationship which embodies the religious and traditional Hindu-Buddhist philosophy of revering guests with same respect of God.*

Travel and tourism is considered to be the largest service industry in India as per government reports. It provides heritage, cultural, medical, business and sports tourism along with many other types which are yet undiscovered.<sup>1</sup> Tourism in India promises a lot of potential considering the rich and historical heritage, the vibrant cultural lineage, terrains and places of natural beauty and hotspots of ecology spread across the country. The main purpose and objective of this sector is to develop and promote tourism by maintaining competitiveness of India globally as a tourist destination. It hopes and strives to improve and expand existing tourism products to ensure employment generation and economic growth. Though the data is not very comprehensive, it is considered that the tourism industry accounts for USD 247 billion or nearly 10% of India’s GDP and employs over 55 million people, across the wide spectrum of hotels, transport, restaurants, entertainment and souvenir shops. While there are scores of large companies involved in the business and their major contribution includes working as tour operators, transport providers and running hotels, the tourism industry is fragmented with a large majority of the business being done by small and medium enterprises. This is what makes the tourism industry of India so unique. It encompasses the large companies while maintaining a steady balance of small and medium enterprises as well.

The tourism and hospitality industry is a significant source of foreign exchange for the country. It is said to be a potentially large employment generator. According to WTTC, India ranked third among 185 countries in terms of travel & tourism’s and its total contribution to GDP in 2018. It also ranked 34th within the Travel & Tourism Competitiveness Report which was published by the World Economic Forum in

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<sup>1</sup> <https://www.india.gov.in/topics/travel-tourism>

2019<sup>2</sup>. India is aiming to be the most digitally advanced travel nation in terms of digital tools which will be used for planning, booking and experiencing a journey. India's middle class fragment is rapidly increasing which is further strengthened by increasing disposable incomes. It has continued to support the growth of domestic and outbound tourism.

During 2019, a growth rate of 3.2 per cent year-on-year was recorded and foreign tourist arrivals (FTAs) in India stood at 10.89 million.<sup>3</sup> During January-February 2020, Foreign Tourist Arrivals (FTAs) were recorded as 21, 33,782. In 2019, an enormous growth of 23.6 per cent was registered for a total of 29, 28,303 tourist arriving on e-tourist visa. As given by the data published in 2019, tourism sector in India created 4.2 crores jobs which was accounted as 8.1 per cent of total employment in the country. The number is expected to rise by two per cent per annum to 52.3 million jobs by 2028, thus highlighting the importance of the tourism sector in stimulating the economy.

In 2020 around 47 per cent of share in the Tourism & Hospitality sector of India will be owned by the International hotel chains which are now increasing their presence. <sup>4</sup>It'll rise to 50 per cent by 2022.

But some researchers believe that India has not been able to fully utilise its potential. This is due to the following reasons-

Mass tourism is a form of tourism that involves a huge number of people going to the same resort preferably at the same time of the year. It is now the most popular form of tourism as it is often the cheapest way to holiday. A very important problem in India's path to achieve mass tourism is the lack of adequate infrastructure. Most tourists arrive in big cities but want to travel around and discover new and untouched beauty. But the necessary infrastructure is missing in terms of good connecting roads, flights, railway transportation that is safe, reliable and hygienic for their chosen destinations. But the government has been trying to solve this issue by upgrading the small airports, and big airports are being decongested by having more security check facilities.

Another huge problem is the big gap that arises in the form of requirements of tourists and the availability of hotel rooms at reasonable prices. The demand clearly

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<sup>2</sup> <https://www.ibef.org/archives/industry/indian-tourism-and-hospitality-industry-analysis-reports/indian-tourism-and-hospitality-industry-analysis-september-2019#:~:text=Total%20contribution%20by%20travel%20and,contribution%20to%20GDP%20in%202018.>

<sup>3</sup> <https://www.ibef.org/industry/indian-tourism-and-hospitality-industry-analysis-presentation>

<sup>4</sup> <https://timesofindia.indiatimes.com/business/india-business/the-impact-of-covid-19-on-the-hospitality-sector/articleshow/75290137.cms>

exceeds supply and the private sector has pitched in with a growing number of alternatives like budget guest houses and Bed and Breakfast hotels with new ventures such as AirBnB. Guaranteeing safety to women tourists is also of utmost importance for clearing the air regarding the perception of India being an unsafe place for women. Molestations and rapes of foreign women tourists are indeed a big stigma that India has to strive hard to get rid of.

## **Origin of Covid-19**

The industry was doing just fine until one day the whole world started talking about a virus infecting people exponentially in China. In mid March 2020, there were 30-40 rickshaw pullers outside a hotel in Amritsar hoping to at least take 10-20 rupees home for their family, shopkeepers were running deficits as no customers were seen in the busiest markets, the street vendors were finding it excessively difficult to make ends meet, a restaurant owner near the Wagah border was worried as the hotel had been empty for an entire week now due to a virus that originated far-far away from us. This was precisely the situation in all the tourist spots in India and worldwide. People were keeping home and avoiding unnecessary and unimportant travel even before the announcement of the official lockdown. A million others were suffering as their world was being uprooted without an income to survive.

On March 11 2020, the WHO declared corona virus a pandemic. A pandemic occurs when a disease people are not immune to spreads across large nations. Corona viruses are common in certain species of animals; the first transmission from animals to humans remains unclear.

The first few cases were reported in Wuhan, a city in Hubei province of China. One of the versions of the origin story suggests that the transmission happened at the Huanan seafood market in Wuhan due to interaction between an animal and a human. The news bulletins have been flooded with images of a scaly mammal called pangolins, suggesting that this animal was the staging post for the virus before spreading to humans. Prof Stephen Turner, head of the department of microbiology at Melbourne's Monash University, believes that most likely the virus originated in bats. Scientists believe that it is likely that the virus originated in bats and it passed through an intermediary animal before being transmitted to humans.

However, many aspects of the story are still uncertain and scientists are trying to unravel them as the cause of this pandemic can help stop the next one.

Rumours also suggested that the outbreak was human-made and leaked from a lab in China studying the virus. Even though human-engineered pandemics are a risk to the world, there is no clear evidence to prove the rumour. Most likely the virus is originated through natural processes as two other viruses SARS and MERS emerged from bats. Covid-19 can also be the result of the same.

The virus spreads through close contact to an infected person or through things they've been in contact with. In early January the first outside China case was reported in Thailand, the patient was a woman who had arrived from Wuhan. Authorities in the US, South Korea, Nepal, France, Australia etc. confirmed cases over the next few days. Countries announced a screening process but the virus continued to spread. By the time the countries realized the severity of the matter, the damage had been done. There are more than 12.3million confirmed cases of corona virus today (10<sup>th</sup> July) across more than 200 countries.

## **Aim of the Research Paper-**

Analyse the tourism and hospitality industry in India and study the future trends.

## **Objectives -**

- To analyse the current scenario in India.
- To analyse future trends of the tourism industry and list recommendations.
- To study the impact of covid-19 on tourism and hospitality in detail.

## 2 Parts

### 2.1 Current scenario and Overview of covid-19; the Global and Domestic current scenario

Tourism has a major role in the economic development of the country along with generating opportunities of employment for the local residents of the country. A lot of countries majorly depend on the tourism and hospitality sector for their economic development. Though the global tourism sector has grown at 3.9%, laid a contribution record of \$8.8 trillion and generated about 319 million jobs in 2018 for the world economy. It is said to be a volatile sector as it is susceptible to social, economic and political changes.

Hence, the services and tourism sector became the most vulnerable during the pandemic and has undergone many major changes, thereby affecting the course of development of the national and world economy.

Before the pandemic hit the world, according to UNTWO, International tourism was expanding continuously, irrespective of occasional shocks. It exhibited the strength of the sector leading to the benefit of the world's economic regions. The sector experienced a minor decline in the year 2003 following the Iraq war and the SARS disease. Post that, in the middle of 2009, the tough times of financial and the economic crisis were testing. The sector displayed recovery speedily and rapidly in the following years. Tourism can be one of the causes of the spread of pandemic on large scales. If tourists are infected with some epidemic/ pandemic disease, it can lead to spread of disease at a large scale in no time. Covid-19 is a pandemic disease and is spreading at large scale. The disease has killed people in huge numbers. The disease spreads from the infected person who acts as a carrier by the means of coughs, sneezes, or exhales.

Corona virus began at the end of year 2019. It led to a period of change and global transformation for all mankind. The Corona pandemic is the most important global challenge faced by the entire world today. This pandemic has changed and is yet changing the routes of economic development and world economic policies. The pandemic is leading the world to recession in the global economy. This recession is expected to last for a significant number of years as per experts.

The pandemic has affected large-scale changes and affected the travel, hospitality and tourism industry, turning it into the most affected area.

As per UNWTO's 2019 information release, the growth rate of tourism is 4% in the world economy. This pandemic will lead to pull back of industry development by 5-7 years. UNWTO has estimated the tourists' arrivals to be declining by 1% to 3% globally in 2020. The estimation was interpreted on the basis of factoring of global market for travel, SARS scenario, current disruptions, etc. At present, it is expected that the Pacific and Asia will be the most affected areas. Heavy losses are predicted until the global corona virus pandemic is suspended. International Monetary Fund has stated that the world economy is on track to record one of its worst years since the Great Depression of the 1930s.

The tourism industry is paralyzed. Devastating economies that are largely dependent on tourism are leaving travellers scrambling to return home. The European Union (EU) has acted to help the travel and tourism sector, for instance, by offering financial support to businesses, among them numerous small and medium-sized (MSME's) enterprises are included. <sup>5</sup>The European Parliament approved three initial measures in response to the crisis, which would benefit businesses, workers in tourism inter alia.

In many otherwise popular tourist destinations globally, hotels have been deserted and restaurants, bars, tourist attractions, theme parks and museums closed. Trade fairs, cultural events and congresses have been postponed or cancelled. Sporting events, such as the Olympic Games and the Euro 2020 football championship have been postponed until 2021 impacting the industry as the hotels profit large amounts due to their stay facilities. Ski resorts have ended the winter season early thereby registering major losses. Cruise ships have been stranded and major cruise companies have halted operations as more and more ports have refused them entry. Many countries have banned certain travellers from entering their territory or reintroduced border controls. The situation is particularly difficult in several EU countries that are key tourist destinations, such as Italy, France and Spain. According to estimates by Assoturismo, the Italian Tourism Federation, Italy stands to lose around 60 % of its tourists this year.

EU Member States have announced they are introducing economic assistance packages that would cover tourism sectors. Measures include extended deadlines for payments of social charges, tax moratoriums and wage subsidies, loans and guarantees for workers. Some countries have re-nationalized corona virus-hit companies. For instance, the United Kingdom has partially nationalised its railways, Italy has taken full ownership of Alitalia and has also implemented a tourism-specific

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<sup>5</sup> <https://www.europarl.europa.eu/news/en/headlines/society/20200429STO78175/covid-19-eu-support-for-the-tourism-industry>



support package<sup>6</sup>.

Tourism in India is important for the country's economy and is rapidly growing.

FAITH,(The national federation of 10 tourism, travel and hospitality organizations of India) said, “It was safe to say that the overall value of the losses could be in the range at Rs 5 lakh crore, covering all aspects of the business”. <sup>7</sup>It has shared the revision of loss guidance with an inter-ministerial group of the government. It has already requested help from the government for the survival of the tourism and hospitality sector.

For the revival of any demand in tourism, the tourism supply in India has to first remain intact, the statement said.

A potential job loss of around 38 million is expected on account of corona virus.

The hotel sector saw a decline of more than 65% in occupancy levels as compared to the same period in 2019 in the third week of March 2020 itself.

Minding the travel restrictions imposed on foreign tourists, Indian Association of Tour Operators (IATO) estimates the travel sector , hotel and aviation may suffer a loss of about ₹85 billion, considering the Impact of Covid-19 would be felt on both blue and white collar jobs. In India, Aviation industry could incur losses worth ₹ 27,000 crore in the first quarter of 2020-21.

In mid of May, Kadakampally Surendran the Tourism Minister of Kerela said that the state’s tourism sector has incurred a loss of Rs 15,000 crore due to the corona virus-induced lockdown. The Indian tourism industry is expected to book a revenue loss of Rs 69,400 crore, denoting a year-on-year loss of 30% during April-June.<sup>8</sup>

Corona virus may have brought the pace of travel & tourism industry in India to a complete halt, but it hasn’t yet defeated the spirit of the people involved in this sector.

The blow may seem harsh but there’s still hope left. It is believed, if we persevere and stay in this together, we as travelers and they as operators, we will get through

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<sup>6</sup>[https://www.europarl.europa.eu/RegData/etudes/ATAG/2020/649368/EPRS\\_ATA\(2020\)649368\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/ATAG/2020/649368/EPRS_ATA(2020)649368_EN.pdf)

<sup>7</sup> <https://economictimes.indiatimes.com/news/economy/indicators/indias-tourism-sector-may-lose-rs-5-lakh-cr-4-5-cr-jobs-could-be-cut-due-to-covid-19/articleshow/74968781.cms>

<sup>8</sup> <https://www.newindianexpress.com/states/kerala/2020/may/16/kerala-tourism-incurred-15000-crore-loss-due-to-covid-19-crisis-tourism-minister-surendran-2144200.html>

what right now feels like a nightmare. It is important to maintain calm and tolerance in relation to all adverse factors. We have to be prepared for any outcome of the situation.

## **2.2 Impact on the Aviation Industry**

In the light of the ongoing pandemic “Covid-19” or corona virus, the aviation industry has borne a significant brunt of it. With countries being under a lockdown and international and domestic travel through airlines completely restricted for weeks and fairly restricted in the future, the aviation industry is likely to face a change in its functional pattern. A majority of the future prospects of the industry will depend upon decisions taken today. According to the International Air Transport Association, companies can lose as much as \$113 billion from passenger revenues. According to some experts this is the worst ever crisis in the aviation industry.

### **Short Term Impact**

Airlines could suffer short term losses on two grounds. Firstly, due to the borders of many countries being shut, the number of flights will reduce. The European airlines might experience 50% loss of its passengers and turn over in 2020 as compared to 2019<sup>9</sup>. Secondly, as social distancing becomes a norm until the vaccine is out, the number of passengers on board might half or go two-thirds as prescribed by the government. This could lead to a major financial crunch for many airlines.

### **Before Corona (BC)**

Before the pandemic, the aviation industry had improved and was doing very well with regard to its functioning, growth and mechanisms. According to the World Bank Organization, 4.2 billion passengers were carried across the globe in 2018. The factors responsible for such tremendous figures were:

1. An increased amount of disposable income for people all over the world.
2. The lower air fares introduced recently.
3. Greater connectivity and increased number of flights operating.
4. The increased trade and global activities
5. Newer travel trends and the replacement of older aircrafts with new and better ones.

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<sup>9</sup> <https://www.intotheminds.com/blog/en/covid-19-impacts-aviation-sector/>

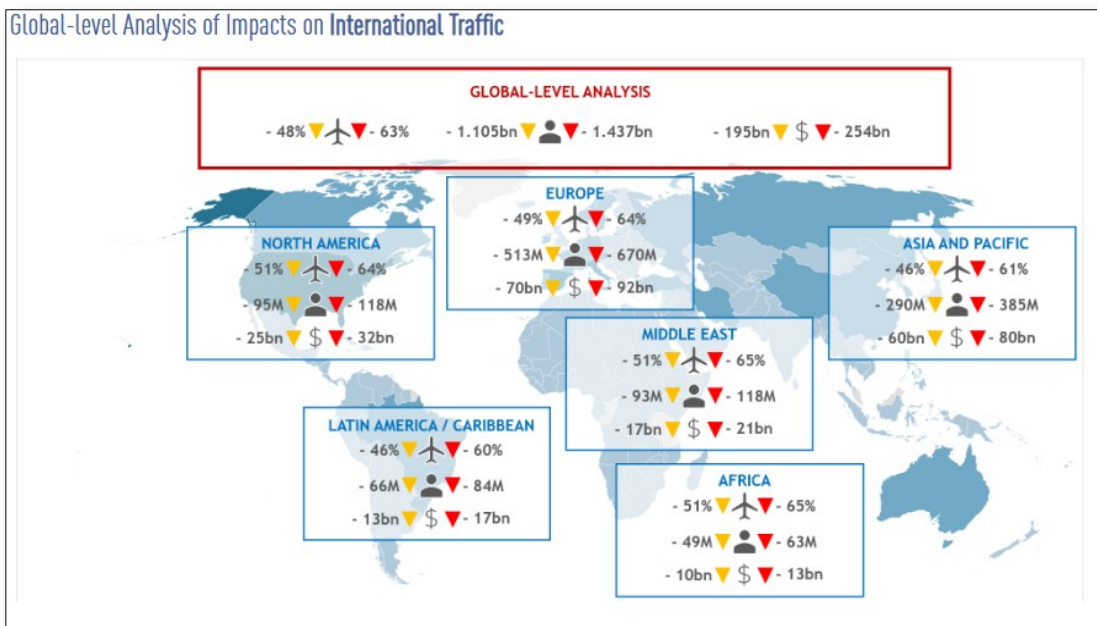
## After Corona (AC)

The major impact on the aviation industry is the reduced tourism and travel. The governments over the past three months have been cancelling visas, locking down areas and cancelling domestic and international flights to control the spread of the virus.

The aviation industry is divided into:

1. passenger airlines
2. cargo airlines
3. aircraft manufacturing companies
4. airports managing companies
5. catering & other service providing companies

The worst affected among these stands the passenger airlines, seconded by catering and other services. In the near future, airline manufacturing companies will experience a loss as airlines may not demand new aircrafts.



The main impacts felt are:

- Aviation is an industry providing a rapid mode of transport, making it essential for global business. It generates many jobs, facilities and opportunities for international trade and tourism. The industry is responsible for 65.5 million jobs globally which will suffer due to the present conditions.
- Due to the grounding of the industry the airline revenues have fallen to zero and the companies are finding it difficult to bear the fixed costs and other liabilities. Cash reserves of many companies are running low and they are marching towards bankruptcy. Employees are forced to take unpaid leaves; there are pay cuts and job cuts. The industry is going through turmoil.
- Airfares have significantly dropped due to cancellation of travel to virus affected areas. Domestic travel has also been cancelled or postponed. Airfares and travel is expected to remain low during the entire summer season.

## **Path Ahead**

The SpiceJet CMD, Ajay Singh said, “As we say in India, crisis gives the opportunity for structural reform.” He added that the officials are trying to urge the government for short-term help and to include jet fuel under GST.

Some of the airlines have accepted advance bookings hoping for some relaxation in the near future, even though operations are not expected to run normally. The airlines have started domestic operations. Brokerage is expecting an improvement only after the third quarter of financial year 2021.

## **2.3 Impact on Hotel Industry**

Ever since the lockdown was announced on 25<sup>th</sup> March, hotels all across the country have been shut generating zero revenue and rendering fixed costs to the owners.

The best method to control the virus is claimed to be lockdown and isolation. While the Indian government tried to keep the best interests of its citizens in mind, the economy has gone downhill with no stopping.

With the cancellation of flights and trains across the country, hotel bookings have faced end number of cancellations. The impact is likely to remain till October 2020. Chains like Hyatt and Hilton in the capital have started food delivery after collaborating with Zomato and Swiggy to cover some expenses. According to JLL India, the resulting decline is of up to 29% per room available during January- March 2020.

The bigger hotel chains have definitely suffered huge losses but what are also significant to observe are the losses borne by the smaller chains: home stays, guest houses, hostels etc.

### **Before Corona (BC)**

Over the past five years there has been tremendous growth of the smaller chains as small property owners converted their lands into guest houses and home stays. The demand for these was particularly by the modern age millennial travelers looking for less expensive places to stay.

Social media platforms have made these fairly available and accessible. Travel sites like make my trip and travel magazines have extensively advertised the ventures and encouraged people to explore India.

India has the largest train network with an expanding network of air travel reaching remote areas day after day. This has made it easy to explore the country logistically and provided an opportunity for all kinds of travelers with all kinds of budgets and requirements.

### **Short Term Impact**

The next six months are quite instrumental and difficult for businesses. The ones with proper finances and guest experience stand a chance to survive. In the coming months access to bank loans and government loans is precisely difficult, hence only personal savings can help in surviving. Businesses should renegotiate lease contracts, defer part salaries, analyze expenses and cut down on avoidable expenses, utilize their social media platforms and previous databases to spread information on tackling of the pandemic and how they would ensure a safe stay post it.

The government can also help through wavering of the rent for the next six months to business owners in this time of distress and zero revenue. It can also come up with financial schemes to help them.

The smaller travel groups are on the verge of bankruptcy, risking the entire economic system to go into a spiral. To stop the pandemic to turn into an economic one we can do our bit. We can focus on domestic travel post covid-19 which will go a long way in renewing the travel industry.

### **After Corona (AC)**

With the number of active cases rising rapidly daily, even if covid-19 is contained the ripple-effects would be felt across the world for a longer time pushing major economies into a possible recession.

After claiming 2019 to be a record year and 2020 to be a bigger one<sup>10</sup>, the hotels are likely to be worse hit during the second quarter and they may attract business at lower costs.

The growth and developments of the industry will be impacted with deals being postponed or cancelled. The builders and developers with cash reserves will have an opportunity to invest in projects on account of reduced construction and finishing costs.

The first renewal phase is expected from the travel industry as the lockdown is being relaxed. The hotel industry, led by the Federation of Hotel & Restaurant Associations of India has offered 45000 rooms to enable quarantine facilities for the tourists and domestic travelers, if stuck.

The hotel owners will have to come up with reopening plans and win over the trust and confidence of the customers to revive their business.

## **2.4 Impact on the Food and Beverage Industry**

The food and beverage industry at the global level includes various online and offline food chains. It includes the companies that deal in processing of raw food material, packaging and distribution of prepared and packaged foods along with alcoholic and

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<sup>10</sup> <http://bwhotelier.businessworld.in/article/COVID-19-Impact-on-the-Indian-Hotels-Sector-A-Report-by-HVS/10-04-2020-188770/>  
<https://www.icao.int/sustainability/Pages/Economic-Impacts-of-COVID-19.aspx>

non-alcoholic beverages.<sup>11</sup>

The predecessor of the industry that is agriculture is also an important source of raw material and with the peak of the rabi season in India, harvesting time is approaching also deciding the fate of the food industry.

## **Before Corona (BC)**

The food and beverage industry was rapidly growing before the pandemic entered the world. The main influencing factors were:

1. Rise in the number of on the go consumers
2. Increased adoption of ready to eat food
3. Increasing population and per capita income
4. Change in lifestyle of the population.

## **Short Term Impact**

The short term impact on the industry has been loss of revenue, the industry has not gone bankrupt as food is a vital part of our lives upon which survival depends and many youngsters who are unable to cook and stranded away from home do depend on outside food. Though the large companies have had tie-ups with delivering apps like Zomato and Swiggy, the street food carts, smalls dhabas and restaurants have suffered a lot with some of them returning to their home towns as they are unable to meet the daily expenses.

## **After Corona (AC)**

The global food and beverage industry suffered directly due to the shutdowns of the restaurants and cafes under the imposed lockdown.

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<sup>11</sup> [https://www.businesswire.com/news/home/20200415005321/en/Global-Food-Beverages-Industry- Effects-COVID-19--](https://www.businesswire.com/news/home/20200415005321/en/Global-Food-Beverages-Industry-Effects-COVID-19--)

Source: <https://www.researchandmarkets.com/reports/5013571/impact-of-covid-19-on-the-food-and-beverages>

<https://www.preparedfoods.com/articles/123788-examining-the-covid-19-impact-on-the-food-beverage-industry>

The industry is divided into online and offline chains, so the impact was also dual with offline services

completely restricted and online deliveries available in certain zones.

While food is important and irreplaceable there were changes witnessed in its pattern of consumption. The demand for packaged food such as shelf-stable foods and beverages including milk products has risen under the lockdown period as consumers wished to stock and hoard items for future use under uncertain times.

Apart from the food chains, the supply chains have been disrupted by covid-19. For example the raw material for coca cola comes from China and due to the ongoing situation it has faced disruptions and delays in production and export.

The prominent companies like McDonald's, subway, KFC, Burger King etc have been affected significantly due to the pandemic. Even though the online delivery is available, the associated stigma with the delivery despite promises has led to a downfall in sales.

The larger food brands and companies will be able to recover much rapidly as compared to the smaller outlets and street food vendors due to the newly developed conscience towards a healthy lifestyle. The vendors may find it difficult to meet the ends. Many of them have returned to their hometowns and looking for alternate livelihood opportunities.

The hotel chains have also started food delivery services. Food innovation and development has been possible from home office and labs for many developers<sup>III</sup> but food and cinema will be the last to revive at the malls.

The companies exporting food will also be highly impacted due to international barriers hence price of export commodities like seafood will fall. The startups will also find it difficult to launch themselves.

The larger impact of covid-19 is yet to be determined. It may take months/years for the economies to revive depending upon the recovery and vaccine development. The food companies will have to boost their online sales in order to avoid heavy losses and shutting down. 2020 shall be marked as an example to tackle a global pandemic in the age of technology.



## **2.5 Impact on Migrant Workers and Daily Wage Workers involved in the Industry**

In the year 2020, covid-19 will reduce travel by 25% and take away more than a 100 million jobs in the travel and tourism sector.

The most vulnerable sections, the migrants and daily wage workers, are largely finding themselves without an income. Around 40 million unrecognized sector workers, who thrive on daily wages and play an important role in many economic activities like workers at hotels and restaurants, are finding it difficult to survive. Despite several measures to provide food and basic sanitation facilities to them, there is lack of comprehensive data on these workers to trace them. As observed, this section has a long march towards uncertainty. The National Statistical Commission's report of 2012 highlights the dichotomy of importance of the informal sector in both output and employment. This report asserts that the informal economy contributes to about 50% of the national product and the economic survey of 2018-19 claims that around 93% of the workforce is informal<sup>12</sup>. These figures clearly suggest the importance of these workers to restore economic activities once the restrictions are lifted.

The negative effects of the lockdown have been magnified for the migrant workers of the tourism industry particularly the low-skilled ones doing menial jobs and earning very less. Many of these workers returned to their native villages on foot, on carts or through local transports in the absence of funds. They barely made their ends meet and with the lockdown in place they lost the bare minimum they were earning. Many workers have been thrown out of their previous jobs and their houses due to nonpayment of rent affecting not only them but also their families.

With the peak holiday season of India- the summer break- gone; the tourism industry has incurred nothing but losses. This has forced the owners to lay off workers and increased the plight of the daily wage and migrant workers.

The strict regulations are likely to remain at least for the rest of the year. The Federation of Associations in Indian Tourism and Hospitality (FAITH) has reached to the Chief Ministers to come up with State packages to boost the industry apart waivers on cess.

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<sup>12</sup> <https://www.businesstoday.in/current/economy-politics/coronavirus-lockdown-reverse-migration-will-affect-informal-economy-labourers-daily-wagers/story/400209.html>

The strategies need to be focused on the domestic traveler focusing on the guest health and safety. The food and beverage industry should be realigned.

The key to bring back the migrants to health is to bring back the associated industries to normality. The workers may/may not return any time soon due to non-surety of opportunities in the mega-cities which were earlier a promise of hope. However, the sooner the industries recover, the higher are the chances that the migrant workers actually running these industries will recover their jobs and return to cities.

## **2.6 Future Trends : Shift in tourist destinations and behaviour of tourists and way ahead**

“Fear”

Fear plays a very important role in the lives of people. Most of the decisions taken by an individual are governed by fear. Going by the current scenario in the world, fear is completely installed in the minds of people. Fear of carrying the virus, fear of touching a surface when travelling, fear of coming in contact with someone who's under any kind of risk, fear of life and most importantly fear of death.

Zurab Pololikashvili, UNWTO Secretary-General said: “Tourism is among the hardest hit of all economic sectors. However, tourism is also united in helping to address this immense health emergency <sup>13</sup>—our first and utmost priority —while working together is to mitigate the impact of the crisis, particularly on employment, and to support the wider recovery efforts through providing jobs and driving economic welfare worldwide.”

It is too early to estimate the full-fledged impact of COVID-19 on global tourism considering the evolving nature of this frightening situation. In such crisis, which is very uncertain it is very difficult to make any kind of forecast for further development in the economy and more importantly in the tourism sector. It can probably be considered that after the end of the quarantine period the tourism sector will be able to recover globally but not fully. A development plan which is strategic can be deployed for sustainable development of tourism.

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<sup>13</sup> <https://www.unwto.org/news/international-tourism-arrivals-could-fall-in-2020>

<https://www.businesstoday.in/current/economy-politics/coronavirus-lockdown-reverse-migration-will-affect-informal-economy-labourers-daily-wagers/story/400209.html>

Tourism sector should be paid utmost attention. New programs and schemes should be developed and promoted by various governments to strengthen the tourism sector and local residents should be actively involved to increase employability. Infrastructure should be developed further and proper care should be taken.

Thus, to sum up, it is very important and necessary to thoroughly change and revise the tourism sector.

Leisure travel is expected to dwindle for some time, owing to so much uncertainty around the world such as shut borders, grounded flights, job losses, shuttered establishments, recessionary economy and uncertain school terms being just a few reasons. Holiday traveling also seems like a distant frontier for now. Experts suggest that domestic prospects may be somewhat better.

According to many researchers, post the trauma of covid-19 people are more likely to engage in health tourism which mainly includes wellness tourism and some may encourage local travelling to help their countries revive the travel and tourism economy.

The world of wellness – a global economy of workout offerings, nutrients, care, alternative medicine and more that reached a whopping \$4.5 trillion in 2018 – has witnessed a triumphant ascension over the past decade<sup>15</sup>, thereby highlighting how more and more people are shifting towards it as a very popular option. Popular perceptions of the importance of diet, healthy practices and fitness have transformed, empowering vibrant new business sectors and opening new avenues

TABLE – 1. Concept of Health and Wellness Tourism

<b>Health Tourism</b>				
	<i>Wellness</i>	<i>Medical</i>	<i>Medical</i>	
	Leisure and Recreation	Medical Wellness	Therapeutic	Surgical
Holistic	Beauty Treatment	Therapeutic Recreation	Illness related Rehabilitation	Cosmetic Surgery
Spiritual	Sport and Fitness	Lifestyle related Rehabilitation	Healing and Recuperation	Dentistry
Yoga and Meditation	Pampering	Occupational Wellness	Thalassotherapy, Nutritional and Detox Programs	Operations and Transplants
New Age	<b>Types of Health Tourism Facilities</b>			
	Retreat	Spas	Clinics and Hospitals	
	Ashram Festivals	Leisure Centers	Hotels and Resorts	Cruises

SOURCE: Adapted from Smith and Puczko (2009:7)

<sup>14</sup> <https://brandequity.economicstimes.indiatimes.com/news/business-of-brands/future-shock-25-travel-tourism-trends-post-covid-19/75463449>

<sup>15</sup> <https://globalwellnessinstitute.org/press-room/press-releases/wellness-now-a-4-2-trillion-global-industry/>

Nature is also reviving, with lockdowns imposed in almost every corner of the world, it has given a nature a chance to triumph. It is expected, nature and wildlife will be preferred over monuments and history in the times ahead. So, wild life reserves, the sea resorts, the hills, and slightly isolated and virgin locations will win over crowded favourites of yore. Health farms, spas, nature villages, Ayurvedic vacations, these are all considered to be the upcoming future of travel and tourism in the post corona world.

With so much time to introspect, people now seem to realise the importance of sustainable living instead of the usual fast lifestyle everyone was accustomed to. Professionalism in sustainable tourism practices is considered as the next important thing. Majority of the future tourists around the world are most likely going to be sustainability-oriented tourists. A positive impact of Covid-19 on future tourists is a heightened sense of awareness of environmental health and its wellbeing. The various adventure travel destinations around the world should position themselves to capture this wave of the new, mindful, sustainability-oriented tourists and accommodate to a sustainable practices.

It is speculated by some that tourism might become expensive. Various businesses are on the edge of bankruptcy due to the halt of tourism globally, revealing how interdependent global economy is with non-stop travel.

One startling irony about the ongoing corona virus pandemic is that areas with concentrated outbreaks are called **hot spots**—which is exactly the same phrase the commercial travel industry has used to denote fashionable and popular destinations. This uncomfortable parallel reminds us of our responsibilities that we hold as a tourist, making us aware that our globalized and inter-dependent era has enabled the spread of the virus in a historically unprecedented way. So called tourist Hotspots such as Bali, Venice have made constant headlines leading them to become overcrowded and now empty ,silent **hot spots** of the corona virus pandemic.

It is not possible to go back in time, but we can certainly learn lessons from past mistakes of how sustainable development over destruction can positively influence quality of life and the environment for communities dependent on tourism.

# **The Unlocking Process undertaken by The Government Of India**

## **Unlock 1.0 -**

The Government Of India on 30th of May , while extending the lockdown to its fifth phase, informed that Unlock 1 will be initiated from June 8,2020 under which the restrictions imposed under the Covid-19-induced lockdown will be relaxed to a great extent especially in Green, Orange and Yellow zones. However, the order also stated that strict restrictions will continue till June 30 in containment zones ( red zones) across the nation. This news was like a breathe of fresh air for most people, months after the government imposed a nation wide lockdown to curb the spread of the deadly Corona Virus.

As a part of Unlock 1.0, Malls, restaurants, places of worship and hotels were re-opened but with a stringent set of Standard Operating Procedures ( SOP's).<sup>16</sup>

In a relief for the hospitality sector of the country, the centre had allowed the opening of hotels in various parts of the country, except the containment areas. Meanwhile strict SOP's were issued by the government.

SOP's issued were-

- Only asymptomatic staff and guests should be allowed inside the premises and proper crowd management should be followed.
- Masks are mandatory for all the guests and employees. Employees need to maintain a minimum distance of 6ft. Practice of social distancing should be followed.
- Guests and employees are advised to practice sanitation measures such as frequent hand washing and use of alcohol based sanitisers.
- Separate entry and exit guests, staff and goods and supplies should be organised. Luggage should be disinfected before sending them to rooms.
- For room service, the only form of communication between the guests and staff should be through intercom. Gaming arcades and children playing area should remain closed.

## **Unlock 2.0 -**

The Union Home ministry had issued guidelines for Unlock 2.0 phase across India between July 1 to July 31st. The focus was to gradually open the economy and re-open various activities. The revised guidelines for Unlock 2.0 had been issued based on the feedback obtained from States and Union Territories, and extensive consultations had been held with related departments and central ministries.

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<sup>16</sup> <https://indianexpress.com/article/india/unlock-1-0-coronavirus-guidelines-malls-religious-places-6447443/>

Lockdown was supposed to be strictly enforced in the containment areas.

Domestic flights and passenger trains were further expected to be expanded in a calibrated manner. Movement of the Sharmik special trains and passenger trains were supposed to be regulated according to the SOP's as issued by the Ministry of Home Affairs.

International air travel of passengers had been allowed in a permitted manner as a part of the Vande Bharat Express. It was expected that further opening up will soon follow. SOP's were to be issued for ensuring that social distancing norms are followed.

The opening of hotel industry and the aviation industry was a big relief to all the stakeholders after incurring huge losses for a long period of time due to the global pandemic.

### **Unlock 3.0 -**

August 1, 2020 relieved many travel companies, hotels and travellers as the Government of India released the guidelines for 'Unlock 3.0', which marked the third phase of opening up and reducing restrictions only outside the containment zones. As per the new guidelines, the night curfew in the country was no longer intact and interstate travel was also permitted. However, more power and authority was given to the state governments to analyze the spread of the virus, judge the situation and formulate the guidelines. Keeping the situation of their states in mind, many states decided to continue the lockdown and restrict travel and tourism in their state. One such state was Tamil Nadu. It decided to continue the lockdown till August 31 and decided to monitor and regulate the interstate travelling by introducing movement passes.<sup>17</sup>

Maharashtra with the highest number of cases in the country followed the same steps. The West Bengal government went in for complete lockdown for 6 days of August. It also prohibited the use of personal vehicle for non-essential activities and followed the same procedure regarding an e-pass for crossing the state borders.

Mostly travel had been made free all across the country but some states made it necessary to quarantine travellers on arrival, others required a covid test result. The government allowed some domestic flight operations under strict rules under the unlock but flying into any of the states required the traveler to follow the guidelines approved by the state. Arogya Setu application, e-permits for state travel and guidelines issued by the particular state became the new important travel tools.

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<sup>17</sup> <https://www.timesnownews.com/auto/features/article/india-unlock-3-guidelines-interstate-travel-rules-in-the-country/630430>



However, International Air Transport Association (IATA) and Tourism Economics estimated only 2022 to be the next normal year<sup>18</sup>.

Airports in India followed the social distancing norms, proper sanitization and flights complied with the Ministry of Home Affairs and Aviation rules.

Despite tourist spots, hotels and other tourist driven places opening travelling in these uncertain times has been difficult.

## **Unlock 4.0 -**

India has started its fourth phase of unlock from September 1. The Ministry of Home Affairs issued the list of activities permitted and not permitted during the lockdown. The travelling restrictions saw a substantial decrease, unrestricted and unobstructed movement is now permitted except in containment zones.

With the opening of certain hotels and banquet halls, social gatherings of up to hundred people are allowed with adequate precautions.

Inter-district and interstate travel and export of goods was permitted restriction free<sup>19</sup> and the citizens did not require any movement pass to travel inter or intra state.

The most important restriction that was on the metro services is supposed to be lifted and country wide operations are set to begin in a phased manner. The Ministry of Housing and Urban Affairs along with the Ministry of Railways will ensure the safe reopening in consultation with the Ministry of Home Affairs by emphasising on limited passengers in the beginning and then laying out the standard operating procedures. Containment zones continue to face strict travel restrictions and lockdown with only essential activities permitted and the need for a movement pass for any other purpose of travel<sup>20</sup>.

The state governments can't introduce any lockdown without consulting the central government except in containment zones.

On board meals are now allowed on flights and in-flight entertainment provisions are also in place. This has been permitted only now since their resumption on May 25.

While cinemas, swimming pools and many recreational areas are shut, open air theatres are allowed to function.

International air travel, other than permitted by the Home Affairs Ministry is suspended.

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<sup>18</sup> <https://www.outlookindia.com/outlooktraveller/travelnews/story/70467/interstate-travel-resumes-but-several-procedures-and-requirements-are-still-in-place>

<sup>19</sup> <https://www.timesnownews.com/auto/features/article/unlock-4-guidelines-details-about-interstate-travelling-and-metro-rail-operations/644880#:~:text=Delhi%20Metro%20and%20other%20Metro,limited%20passengers%20in%20the%20beginning.>

<sup>20</sup> <https://indianexpress.com/article/india/unlock-4-0-guidelines-here-is-whats-allowed-whats-not-6576059/>

### 3 Survey & Analysis

To support our research hypothesis that covid-19 has negative and long-lasting impacts on the tourism industry, we conducted a survey including a variety of questions related to the pandemic and travel. The major results and observations are formulated as follows

- More than 75% of the surveyed people live in areas affected by Covid-19. However, less than 15% people live with family members/ people affected by covid-19 suggesting that Covid-19 has still not reached the community transmission phase but is spreading fast.
- Around 17% of the sample population have jobs entailing travel while around 84% of the people are either annual, seasonal or avid travelers. Hence, even from a small sample we observe that a lot of people are directly/indirectly supporting the tourism sector. Many of these people now want to travel locally than properly invest in travel. Around 35% of the sample population cancelled their bookings while around 49% know people who have cancelled their trip to India suggesting that the damage to the Indian travel industry has already begun.
- Almost half of the sample population feels that they can take their next trip only in 1-2 years suggesting that people are apprehensive to travel in the immediate future. 46% people prefer to stay at home than to step out for any kind of activity like visiting a hotel/ restaurant or a relative.
- Almost all people believe that covid-19 had some sort of negative impact on the tourism industry and many of survey-takers work/ know someone who works in the tourism industry. Hence, they translate first hand experiences into data. Around 66% people have not helped the tourism industry most likely because of the lack of medium but most people aren't sure if the government is doing enough to support and revive this sector post the pandemic.
- Through the survey, a lot of interesting insights regarding the support and revival of the tourism industry were provided. Some of them are as follows:



1. Some believe that the people working in the sector should stay put and have faith. They believe that everything can return to normal.
2. Some have suggested that the Government should prohibit the international travel until COVID- 19 is completely eradicated.
3. Some believe that the government should promote inter-state tourism.
4. Another very useful suggestion is for the state and centre government to work together to tackle this problem.
5. Most of them have suggested about the importance of financial package, how the banks should be more flexible in giving loans so that fixed expenses can be taken care of. The importance of safety Norms and regulations should not be undermined.
6. Some people believe that the government can't do much with respect to tourism as travelling after the pandemic is a personal choice and depends upon the risk aversion of the people and think that the only way the government can help is through tax concessions.

## 4 Recommendations

The measures put in place today will define the tourism of tomorrow. This pandemic is the opportunity to rethink tourism policies. The situation might be bad right now but we as individuals can play an important role in making it better or worse.

A few recommendations can be listed as follows:

- The government should support travel and tourism more directly through bailout packages. The details are difficult to work out at present as the narrow fiscal space doesn't guarantee that the government will be able to afford these.
- Priority has to be given to local and domestic tourism as international travel restrictions will continue to be in place in order to avoid the import of new corona virus cases. To support our tourism sector, we should purposefully restrict outward travel and encourage local tourism. The foreign tourist demand shall be substituted through domestic tourism for the time being.
- The government should provide states/ tourist spots/ hotels etc. covid-free certificates so that the travellers are assured and feel safe to travel. This will boost tourist confidence in places and encourage them to resume their travel expeditions. The countries that are worse hit presently may only be the most promising tourist destinations if it is proved that the survivors become immune to the disease. The government can provide citizens with an immunity certificate rendering it safe for them to travel.
- We need to ensure that we present an exemplary health care system so that even if tourists fall sick while travelling they are assured of a promising treatment. As hosts we need to ensure and show the tourists that it is safe to travel to the said destination. The booking process/ visa application can be made easier and online. Since these things take time to develop, planning can be done by the government right now through online sessions so that once normality returns, the new mechanism of tourism recovery, rebuilding destinations, more innovation and investment is in place.

- The government has to acknowledge the presence of a huge problem in the tourism sector. It has to be noticed, acknowledged and discussed more widely. The Union Ministry of Tourism shall pitch in and help the businesses reestablish themselves through schemes, loans and packages.
- This is the perfect time to collect the missing data of the unrecognized sector which suffers the most due to this lockdown due to lack of comprehensive data. The government can register these workers and help them even as the unlocking continues as many of them are living without jobs and source of income.
- With the government's objective of "Vocal for Local", domestic producers, sellers and service providers shall be preferred over any foreign one. Revenue shall be generated within the nation. Presently many travel companies we book through are foreign companies. We need to promote Indian companies such as, Ease My Trip. Small steps can lead to a big change.
- We can start with a slow and small change but the key point is to start and plan. We can also focus on alternate opportunities to generate revenue like make the food delivery much better, make the hotel stays for recreation absolutely covid- free. The key is to win public confidence.
- Long term loans can be provided so that fixed costs can be taken care of and loss of livelihood can be avoided. The sector needs money right now to survive and continue operations. Once conditions are normal, the industry will albeit slowly and bounce back. We can introduce the concept of UBI (universal basic income) for people working in this sector.

## 5 Conclusion

- The suddenness of the pandemic has sent shock waves throughout the economy and affected businesses especially the ones which had benefitted due to globalization. The world is likely to move towards “islandization.” Islandization refers to a world governed by the return of geopolitics, preference for local goods and services and heightened nationalism and protectionism<sup>21</sup>. A major impact might be felt by the manufacturing industries whereas units which were able to work amid the lockdown with the help of technology through online resources are better off as compared to industries like aviation and hotels which require the physical presence of their customers.  
There are no second thoughts regarding the losses suffered by the Indian tourism Industry. The Union Ministry of Tourism, in its presentation to the parliament, pegged the losses at around Rs. Five lakh crore<sup>1</sup> quoting industry estimates. The tourism industry includes not only the organized but a large proportion of the unorganized sector like small home stays, bread and breakfasts and small hotels along with low-skilled and low income workers doing different kinds of tasks. It is estimated that 38 million<sup>2</sup> people might have lost jobs in the industry due to the pandemic.  
Apart from monetary losses many people have lost their jobs and many more have left their place of work. The entire industry is presently in chaos.
- The pandemic has long term and short term impacts on the tourism industry. A possible long term impact is a decline in business travel and international conferencing. The rise of virtual and online alternatives has made business related travel less important. Along with optimism there is also an apprehension in the long-run and the stigma related to countries severely affected by the pandemic might remain for a longer period. Jacinda Ardern, the Prime Minister of New Zealand, appealed that the choice between health and economy is not a trade off. The long term costs of allowing the virus to roam will be much higher than the

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<sup>21</sup> <https://www.kearney.com/web/global-business-policy-council/article/?a/the-islandization-of-business-and-the-consumer-in-a-post-covid-19-world>

SOURCES: <https://www.livemint.com/companies/news/companies-find-logistics-a-hurdle-to-deliveries-11585934406551.html>

<https://scroll.in/article/959045/indias-covid-19-lockdown-may-cause-38-million-job-losses-in-the-travel-and-tourism-industry>

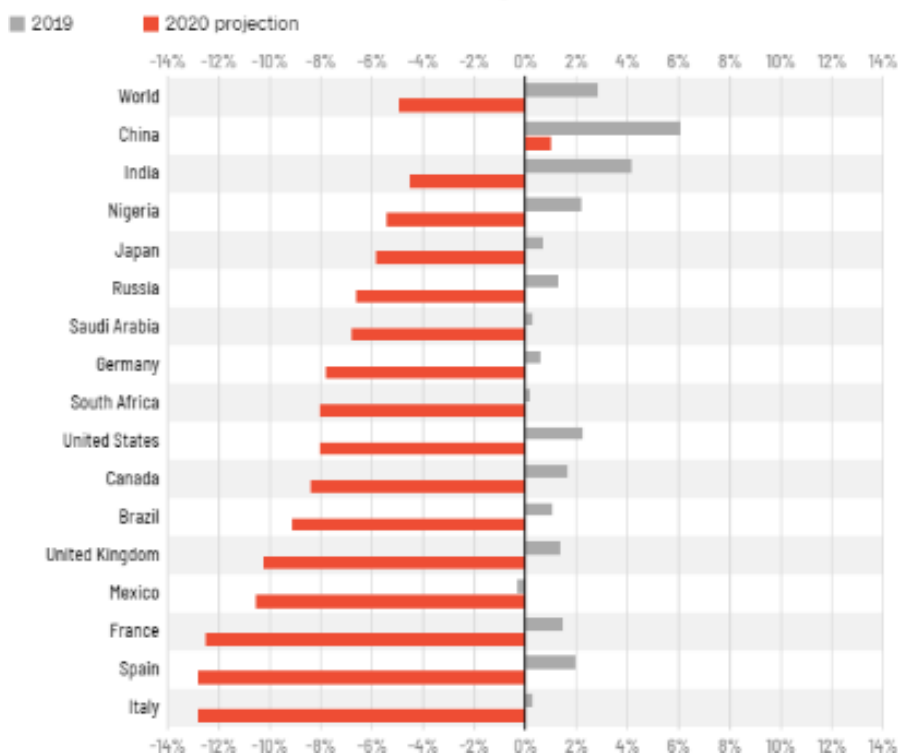
<https://edition.cnn.com/2020/06/24/economy/imf-economic-outlook/index.html>

short term impact of spread due to local transmission. Even when tourism supply chains start demand side recovery will take time. The short term impact of the pandemic has been the shutdown of hotels and travel related spots and the stranding of some already present tourists. Gradually through the native governments' of many nations repatriation of students and travellers has taken place. Gradually as the industry started incurring losses job loss and monetary losses continued.

- The focus now has to shift to domestic tourism as it accounts for a large proportion of the total tourism in the country. Domestic tourism has also been affected due to restrictions on movement but these restrictions are expected to be lifted sooner than international ones. Though domestic tourism cannot compensate for the international travel revenue it is the perfect start and the new truth and reality. Local tourism and wellness tourism are going to take over as health becomes of primary importance after the pandemic.
- The impact of the pandemic has been on both the small and big industries. It has affected a big business like that of the Tatas and Ambanis as much as a local street vendor selling tea/chips or other items. The entire economy had come to a standstill because of Covid-19 and even with the gradual reopening it will take time for businesses to go back to pre-corona time level of operation. Hence containing the disease is presently the priority.

### The global economy is shrinking dramatically

The June IMF World Economic Outlook forecasts a significant contraction for GDP in 2020.



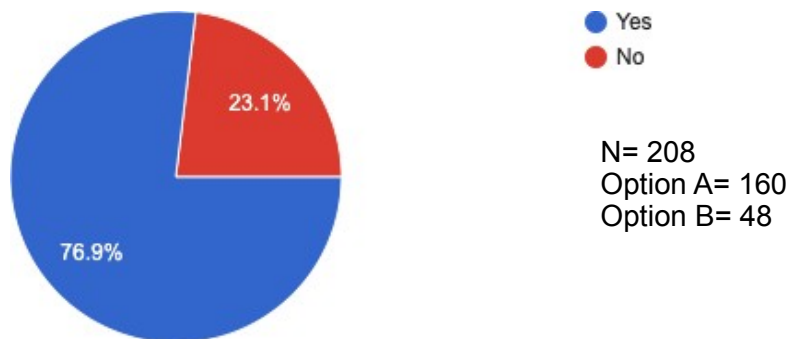
# Appendix

## Survey & Analysis

### 1. Are there people affected by Covid-19 in your vicinity?

A) Yes

B) No



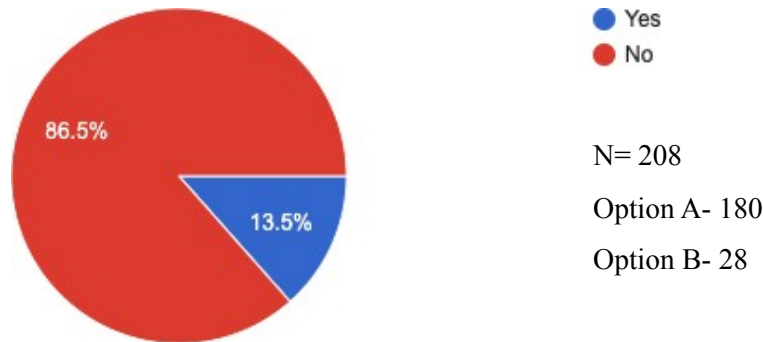
According to the latest reports ( as of 7th July 2020) India has now surpassed Russia as the country with 3rd most corona virus cases in the world. India currently has 719665 cases with 259557 active cases with 439948 recoveries and 20160 deaths. (as of 8 th July,2020) Reports also suggest that Mumbai has surpassed China in the total number of reported cases of Corona virus infections. All these figures indicate that the total number of cases in India is rising rapidly in a geometric progression.

According to our survey, the results are similar. 76.9% of the total sample, comprises of people with Covid-19 cases in their vicinity, while only 23.1% of the population, comprises of people who do not have any corona virus cases in their vicinity. These figures are grave, indicating a serious health crisis for the country.

### Q2. Are you or your family members (residing with you) affected by Covid-19?

**A) Yes**

**B) No**



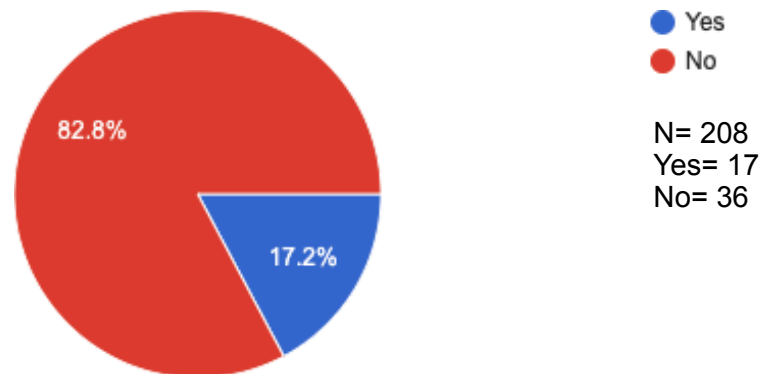
The Ministry of Health and Family Welfare, Government of India, reports that India has skipped the phase of “community transmission” even as deaths and cases continue to rise in the country rapidly. Community transmission is that stage of a pandemic where the source of infection of a positive case cannot be tracked through contact tracing. It is therefore presumed that the virus is spreading through “community transmission”.

This is further proved by our survey. According to the survey, 86.5% of the total sample population have chosen the option no, thereby stating that they or their family members are not infected. Whereas, 13.5% of the total sample population have chosen the option yes, stating that they or their family members have been infected by the virus. If India was in the community transmission phase, the figures would have been reversed.

**Q3) Does your job entail travelling?**

**A) Yes**

**B) No**



The corona virus pandemic which originated in China in early November and then spread to the rest of the world has hit the travel and tourism sector the hardest. Many economists predict that globally, around 50 million jobs of the tourism and hospitality sector will be lost. People have been advised to not travel anymore due to risk of infection and are told to take extra precautions while travelling. The tourism industry is paralyzed. Devastating economies that are largely dependent on tourism are leaving travellers scrambling to return home.

According to the survey, 17.2% of the total sample population has jobs which entail travelling. While 82.8% of the total sample population have jobs which do not entail travelling. As the travel and tourism sector is amongst the hardest hit sector in the world, many people have lost their jobs.

**Q4. What kind of traveler do you think you are?**

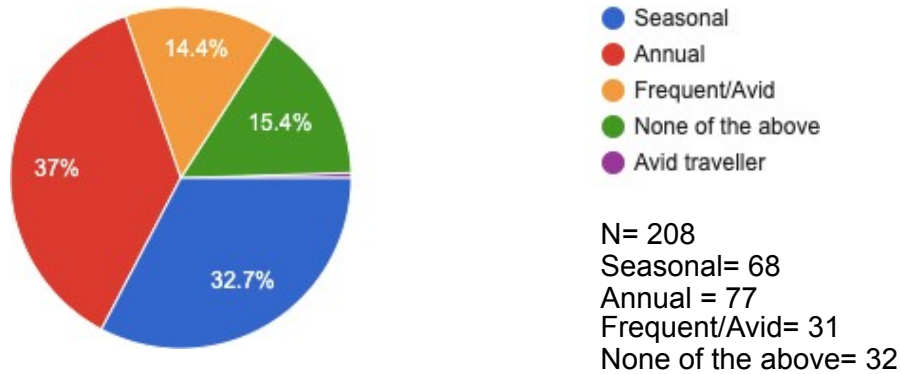
**A) Seasonal**

**B) Annual**

**C) Frequent/ Avid**



## D) None of the above



The travel trends in India before the pandemic hit show that Indians are considered to be annual travellers. Holidays such as the summer and the winter break are the main travel period. They like to invest annually and travel to the destination of their choice. This led to a steady increase in the International traffic. Most of the Indians invested in travelling internationally. There has also been a steady increase in seasonal tourism. Seasonal travellers did not take big vacations or invested a lot of money but instead travelled locally around the country, seasonally.

According to our survey, 37% of the total sample population thinks of themselves as annual travellers and around 32.7% of the total population, consider themselves seasonal travellers which further indicates that the trends are shifting. The 14.4% of the sample population describe themselves as frequent travellers; they are most likely to be people whose jobs require them to travel.

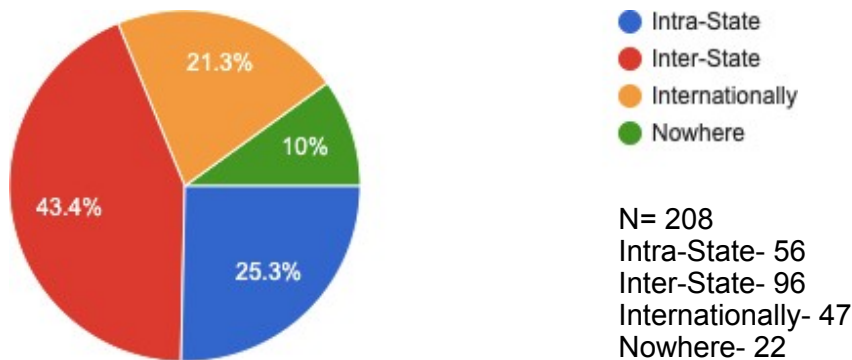
## Q5. After the end of this pandemic, would you rather travel:

A) Intra-State

B) Inter-State

### C) Internationally

### D) Nowhere



Tourism plays a major role in the economic development of the country. It also generates opportunities of employment for the local residents of the country. According to many researchers, post the trauma of covid-19 people are more likely to engage in health tourism which includes wellness tourism. Some may encourage local travelling to help their countries revive the travel and tourism economy. Many experts suggest that people maybe more apprehensive to travel internationally due to the increased precautions which need to be undertaken.

According to our survey, 43.4% of the sample population wishes to travel interstate and 25.3% of the sample population wishes to travel intra state. This result concludes that people will be more willing to travel locally. With the new initiative of VocalForLocal, people will be more willing to try and encourage the local businesses of their respective countries. Further, 21.3% of the sample wishes to travel and internationally after the end of the pandemic, thus helping to stimulate the global tourism industry.

**Q6. Did you cancel any pre-booked outings because of Covid-19?**

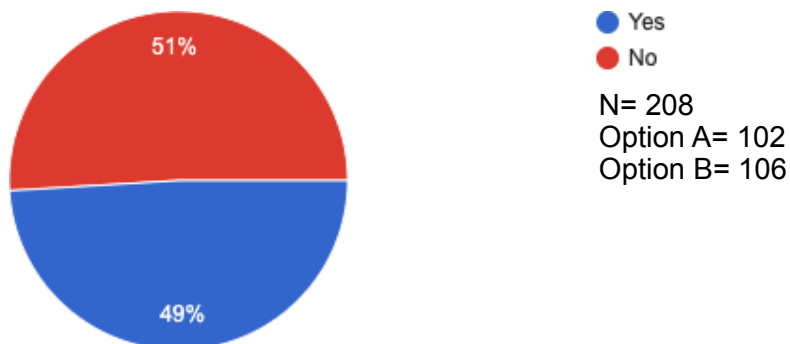
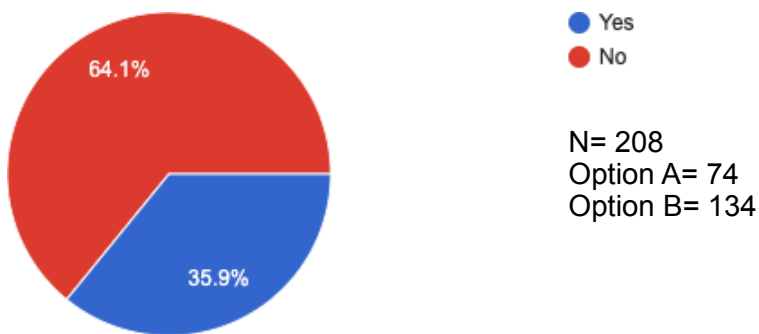
A) Yes

B) No

**Q7. ( continued) Do you know anyone who was planning to visit India but had to cancel their trip (post march )due to corona virus?**

A) Yes

B) No



FAITH,(The national federation of 10 tourism, travel and hospitality organizations of India) claimed, “It was safe to say that the overall value of the losses could be in the range at Rs 5 lakh crore, covering all aspects of the business. It has already requested help from the government for the survival of the tourism and hospitality sector. For the revival of demand in tourism, the tourism supply in India has to first remain intact, the statement said suggesting that the tourism industry has taken a serious blow and needs resurrection. With the global pandemic hitting India in the months of February and the nationwide lockdown being imposed in the month of March, a lot of people did not have to cancel their bookings. This is because most of the travellers are annual travellers. The month from January to March are not the vacation period in India. But with the trends shifting, the seasonal travellers did have to cancel their bookings. Long term restrictions are likely to remain, and the ratio of cancelling and not cancelling is half proving that international travel will be affected greatly.

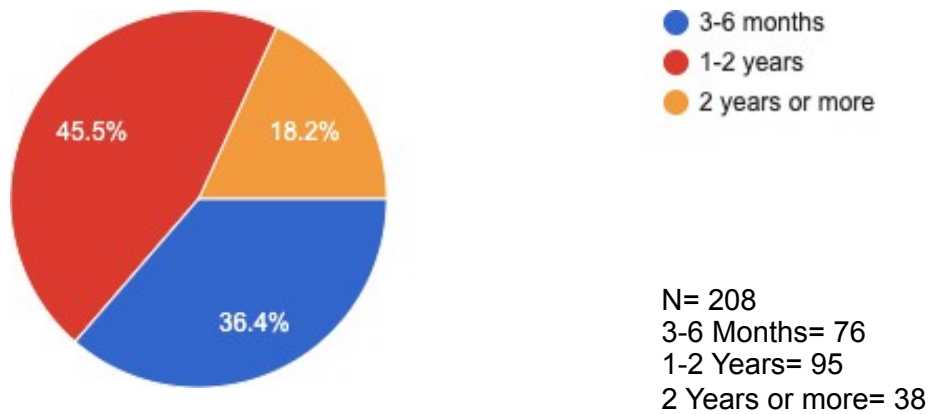
Through our survey we can see that 64.1% of the total sample population did not have to cancel their bookings and 35.9% of the total population had to cancel their bookings. Through these figures it gives us a clear picture of how badly the tourism sector is hit. And in the continued question we can see that 51% of the total sample did not know anyone who was planning to come to India but had to cancel their trip. Whereas, 49% of the total sample population did know someone who was planning to come but had to cancel their bookings.

**Q8. When do you think you will take your next trip?**

**A) 3-6 months-**

**B) 1-2 years -**

**C) 2 years or more-**



Fear is said to be an important psychological aspect that governs the thought process of most individuals. Most of the decisions taken by an individual are governed by fear. Going by the current scenario in the world, fear is completely installed in the minds of people. Fear of carrying the virus, fear of touching a surface when travelling, fear of coming in contact with someone who's under any kind of risk, fear of life and most importantly fear of death. People are scared and apprehensive. Earlier, corona virus was dismissed as a "common flu" by many people, but with the steady increase in the cases and deaths globally, people have started taking the virus very seriously. Experts predict the leisure travel is said to take a back seat even after the pandemic is over because people for a long period of time will be apprehensive about going to new places.

This hypothesis is further proved in our analysis. 45.5% of the total sample population thinks that even after the pandemic is over they will wait for 1-2 years before taking a leisure trip. 18.2% of the total population wants to wait for 2 or more years before taking a trip. Only 36.4% of the sample population thinks that after the pandemic is over they will go on a trip after 3-6 months. These results prove how scared people are and have fear instilled in their minds.

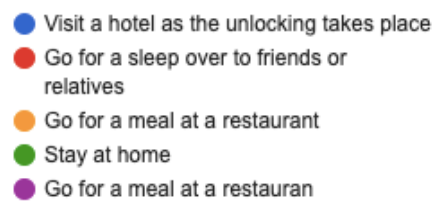
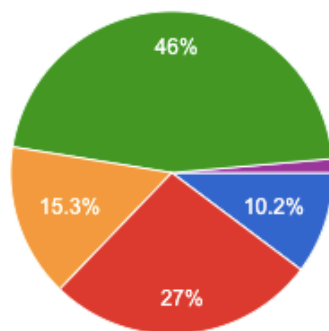
**Q9. Would you rather:**

**A) Visit a hotel as the unlocking takes place**

**B) Go for a sleep over to friends or relatives**

**C) Go for a meal at a restaurant**

**D) Stay at home**



N= 208

Visit a hotel as the unlocking takes places= 22

Go for a sleep over to friends or relatives= 56

Go for a meal at a restaurant = 31

Stay at home= 99

Ever since the lockdown was announced on 25 th March, hotels all across the country have been shut. With the cancellation of flights and trains across the country, hotel bookings have faced end number of cancellations. The impact is likely to remain at least till October 2020. Many restaurants have started food delivery and gradually as the unlocking continues, hotels and restaurants are likely to open up for service as well. However, people are very apprehensive about visiting hotels or going to restaurants. The hotels are likely to be worse hit during the second quarter and they may attract business at lower costs.

This is proved through the survey conducted. 46% of the total sample population opts for staying at home instead of going out. 27% opt for going for a night stay at a friend's or a relatives place, 15.3% choose to go for a meal at a restaurant. But minority sample population of about only 10.2% opts for staying at a hotel. This proves our hypothesis of how much loss the hotel industry would have to face.

**Q10. Do you know anyone who is currently working in the tourism and hospitality sector?**

**A) Yes**

**B) No**

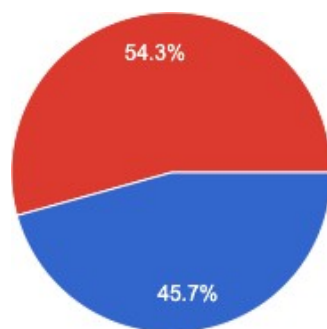
**Q11. (Continued) If yes then how would you classify the impact of corona virus on their jobs or personal business?**

**A) No impact -**

**B) Minor negative impact-**

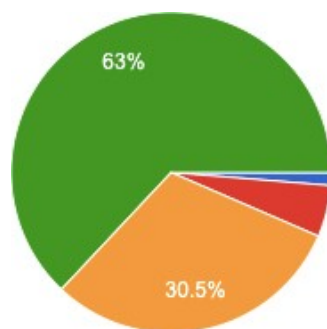
**C) Medium negative impact -**

**D) Major negative impact**



● Yes  
● No

N= 208  
Option A=95  
Option B= 113



● No impact  
● Minor negative impact  
● Medium negative impact  
● Major negative impact

N= 208  
No impact=2  
Minor Negative Impact=8  
Medium Negative Impact= 47  
Major Negative Impact= 97

The organized sector in the industry -- travel agencies, branded hotels, tour operators, which are the mainstay of the sector - will be hit the hardest with a huge estimated loss of around Rs 1.58 lakh crore, according to the Confederation of Indian Industry estimates. It is estimated by many experts that there will be a job cut of around 5 million in the travel and tourism sector indicating a major negative impact for the industry. Devastating economies that are largely dependent on tourism are leaving travellers scrambling to return home.

Through our survey we can prove the above hypothesis. 63% of the total sample population believe that there is a major negative impact due corona virus on the people who are currently working for the tourism industry. 30.5% of the sample population believes that there is medium negative impact and only 5.2% believe that the impact is minor. But everyone does acknowledge the fact that the people employed in the tourism and hospitality sector have been impacted due to this disease.

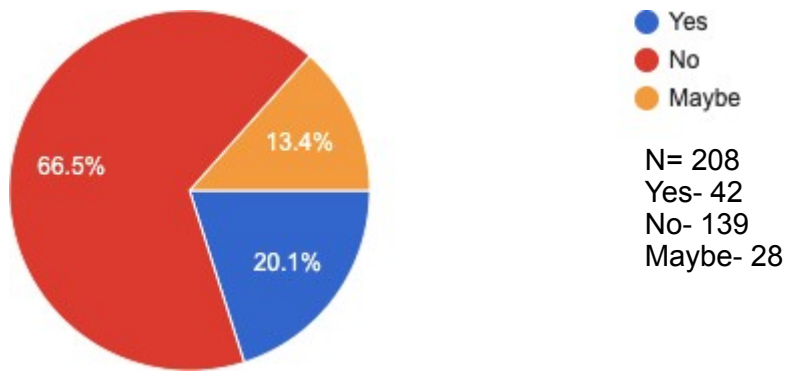
**Q12. Have you helped anyone working in the tourism and hospitality sector financially to support them during this time?**

**A) Yes-**

**B) No-**

**C) Maybe-**





Sources present in the Union Ministry of Tourism have indicated that the government is considering to help the sector with working capital, soft loans and deferment on loan repayments. Prime minister, Mr. Narendra Modi in his recent address to the nation has emphasized the importance of VocalForLocal, an initiative that each individual in the country should undertake. This initiative is to help stimulate the economy. He encouraged people to buy locally manufactured goods in order to help revive the local businesses. This is a great initiative and will help the local travel agencies, tour operators and many others to revive their businesses.

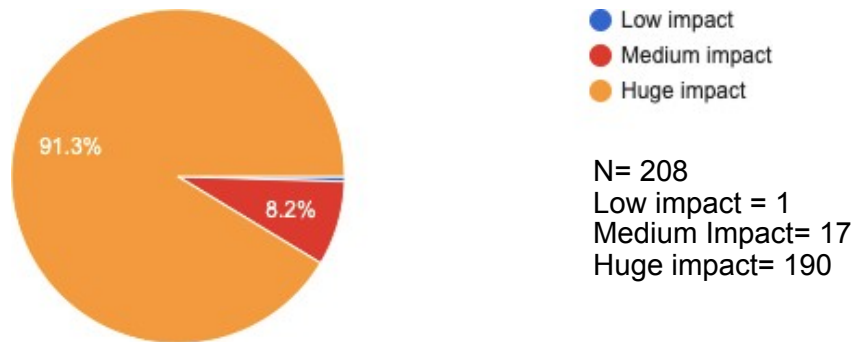
Through our survey, we can see that 66.5% of the total sample population has not helped anyone working in the tourism and hospitality sector. With around 20.1% of the sample who have offered help to the sector. We all as citizens need to understand the huge negative impact that corona virus has on the tourism and hospitality sector. It is important to help those who are affected by it till the time they can come back on their feet. It is very important for the government to help the people working in the travel and tourism sector.

**Q13. What do you think is the impact of covid-19 on tourism?**

**A) Low impact**

**B) Medium impact**

### C) Huge impact



The tourism and hospitality industry is a significant source of foreign exchange for the country. India ranked third among 185 countries in terms of travel & tourism's total contribution to GDP in 2018 and 34th within the Travel & Tourism Competitiveness Report which was published by the World Economic Forum in 2019. India's natural beauty, diversity and tourist attractions and the rising per capita income made tourism an important part of everyone's vacations. India also started attracting large number of tourists from other countries due to increasing advertising and improved services until a pandemic spoiled it all.

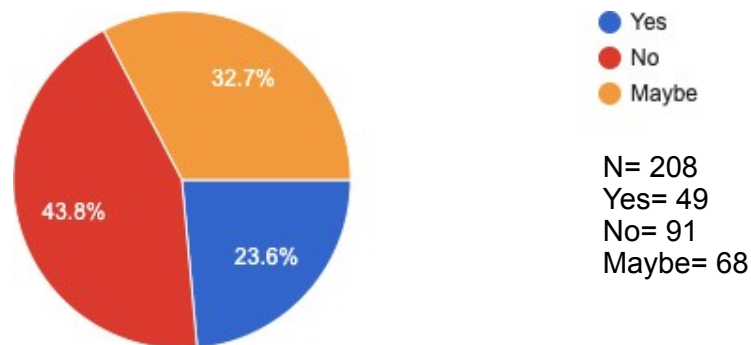
This hypothesis is proved by our survey. The figures from our survey report that around 91.3% of people agree that there is huge impact of covid-19 on tourism. 8.2% of the sample agrees that there is medium impact. So, our whole sample agrees that there is a huge impact due to the virus on the tourism sector.

**Q14. Do you think the government is doing enough to uplift the tourism sector?**

**A) Yes**

**B) No**

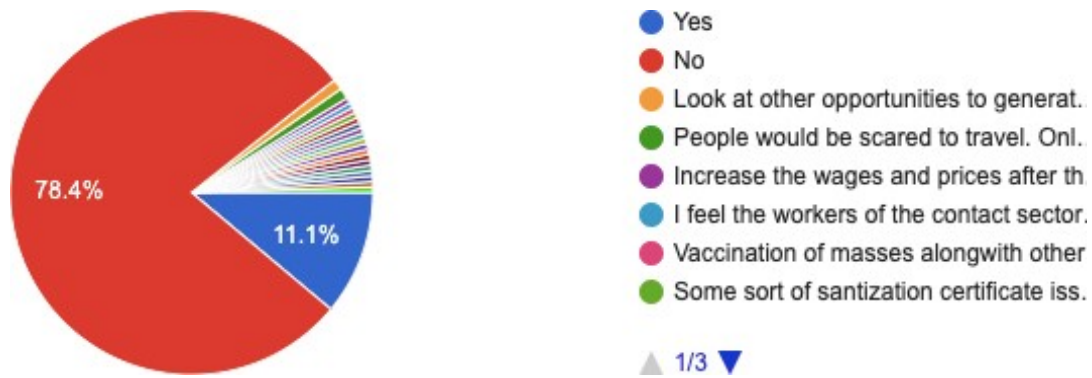
### C) Maybe



The government should actively support travel and tourism more directly through things like soft loans, deferment on loan repayments, to list a few. With the current, 20 lakh crore economic package that the government has introduced, it may be difficult for the government to afford these but the government should be actively involved in helping the industry. VocalForLocal must be made a priority. The people along with the government should do their bit to help the people working in this industry to help them overcome this crisis

Through our survey, we find out that 43.8% of the sample believe that the government is not doing enough to help and uplift the tourism sector. Whereas, 32.7% of the sample think that maybe the government is doing enough, they aren't sure of the government's efforts and definitely want more active participation and 23.6% of people are sure that the government is doing enough to uplift the sector.

**Q15. Would you like to offer any suggestions so as to help the tourism sector revive after the pandemic?**



Through our survey, we got to know a lot of interesting suggestions shared by people to help revive the sector after the pandemic. Some of them are :

- Some believe that the people working in the sector should stay put and have faith. They believe that everything can return to normal.
- Some have suggested that the Government should prohibit the international travel until COVID- 19 is completely eradicated
- Some believe that the government should promote inter-state tourism.
- Another very useful suggestion is for the state and centre government to work together to tackle this problem.
- Most of them have suggested about the importance of financial package, how the banks should be more flexible in giving loans so that fixed expenses can be taken care of. The importance of safety Norms and regulations should not be undermined.
- Some people believe that the government can't do much with respect to tourism as travelling after the pandemic is a personal choice and depends upon the risk aversion of the people and think that the only way the government can help is through tax concessions.

