

IMPACT OF COVID-19 ON CONSUMER BUYING BEHAVIOUR OF HOSPITALITY & TOURISM INDUSTRY WITH SPECIAL REFERENCE CITIES OF AHMEDNAGAR DISTRICT

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Abstract:

As the new coronavirus (COVID-19) spreads globally, the hospitality industry is at the heart of implementing social distancing, a measure demonstrated to be effective in flattening the epidemic curve. Informed by the perceived risk theory, this research examines how the customer's perception of the shock of the coronavirus pandemic impacts on their beliefs, and how their beliefs could influence their anticipated emotions (negative and positive) which could affect their future desire towards visiting restaurants.

The aim of this research is to find out about "Impact of Covid 19 on consumer buying behavior with special reference to Hospitality & Tourism industry" The COVID-19 pandemic and the lockdown and social distancing mandates have disrupted the consumer habits of buying as well as shopping. Consumers are learning to improvise and learn new habits this study finds that how the perceived risk from COVID-19 change the Consumer psychology & behavior also does negative impacts on revisit intention for hotels, Historical places & various Tourist places etc.

The purpose of this research is to examine the impact of the COVID19 pandemic on consumer behavior and the changes in their shopping habits. Understanding consumers' buying behavior in the face of this pandemic and beyond is vitally important for hotels & restaurant and public policy makers to implement strategies and tactics to maintain existing consumers and attract new one

Introduction

The recent major pandemic coronavirus outbreak (COVID-19) and the ensuing global recession has caused extraordinary uncertainty and risk in the hospitality and tourism sector. The pandemic outbreak spread on a global scale through international tourists who were returning to their homelands after being in the infected areas. The quick spread of COVID-19 caused substantial damage to the Indian hospitality industry in the week prior to the government's caution regarding the increasing threat of COVID-19.

Following the global health pandemic and its devastating impact on every industry, in particular, the hospitality industry, there are calls to carry out a theoretically driven, and systematic research into customers' perceived health risk, so that hospitality managers can develop and apply health-related risks.

The COVID-19 pandemic is known as a substantially negative issue in an extraordinarily challenging year for global hospitality and tourism. However, there is a lack of studies on how previous customers and potential new customers behave when they are considering using hospitality services during and after the COVID-19 pandemic.

Also, it is essential to investigate how the flow of affective meanings from the pandemic narrative is reshaping the consumption landscape and the desire of consumers, with profound and long-lasting implications for both consumers and producers alike.

Understanding the customers' beliefs and behavior would benefit hospitality managers in coping with a crisis more efficiently. In accordance with the importance of the topic, our research aims to explore the influences of COVID-19 on the performance of the hospitality sector through consumers' perception behavior and resilience, to support policymakers to develop prompt and actionable policies applicable in this harshly affected industry.

We investigate how the individual customer's perception of the shock of the coronavirus pandemic impacts on their beliefs, and how their beliefs could influence their anticipated emotions (negative and positive) which could affect their future desire towards visiting restaurants.

Will this global transformation be the start of a dark cloud in the hospitality sector or is there an imminent recovery ahead? There are extensive studies that have investigated the impact of a crisis on tourism in different contexts such as hospitality

Research question

The aim of this research is to find out about "Impact of Covid 19 on consumer buying behavior with special reference to Hospitality & Tourism industry" The COVID-19 pandemic and the lockdown and social distancing mandates have disrupted the consumer habits of buying as well as shopping. Consumers are learning to improvise and learn new habits this study finds that how the perceived risk from COVID-19 change the Consumer psychology & behavior also does negative impacts on revisit intention for hotels, Historical places & various Tourist places etc.

- Examines how the individual customers' perception of the shock of disaster (coronavirus pandemic) impacts on their belief. How customers' belief could influence on their anticipated emotion and their future desire towards visiting restaurants.
- Provides a comprehensive and coherent model on how the perception of global COVID-19 outbreak impact on consumer's belief, emotion and desire towards hospitality sector and its long-term implication on this very fragile industry.
- Investigate the role of Technology, non-pharmaceutical intervention, perceived risk, and lockdown restriction on the strengths of the associated relationships

Detailed Literature Review

Peder Häggglunda , Riana Madison Smitha (2020)

In the last few decades, there have been numerous crises and disasters that negatively affected the hospitality industry. Different countries around the world experienced natural disasters, financial crises, violent attacks, and public health crises, all of which were studied in detail, except for public health crises.

Thus, this study focuses on the effects of the Covid-19 public health crisis on the hospitality industry from the viewpoint of a select group of hospitality leaders in the USA, Israel, and Sweden.

Souji Gopalakrishna Pillai, Kavitha Haldorai (2021)

This study investigates the effects of past disasters on the global hospitality industry, and how the industry responded to them. Since past pandemics and epidemics identified hygiene and cleanliness as an important factor, this study further explores the role of technology in ensuring hygiene and cleanliness. Hence, this study further examines the scalability of Industry 5.0 design principles into the hospitality context, leading to Hospitality 5.0 to improve operational efficiency.

Pantea Foroud,,S. Asieh H. Tabaghdehi, Reza Marvi (2020)

This study's framework indicates that the hospitality sector's future in this unprecedented time depends on the perception of the shock of the disaster, consumers' beliefs, anticipated emotions and future desires. Consumers' behavior has been reformed to adapt to the new lifestyle very quickly. The high level of social uncertainty caused by the COVID-19 outbreak leads customers to a higher risk judgment and to develop a high level of negative emotion.

Charis M. Galanakis, Myrto Rizou (2020)

COVID-19 pandemic has caused a global lockdown that has abruptly shut down core businesses and caused a worldwide recession. The forecast for a smooth transition for the agri-food and drink industry is, at best, alarming. Given that COVID-19 shutdown multiple core services (such as aviation, food services, supply chains, and export and import markets), there is an enormous deficiency in critical information to inform priority decision making for companies where this uncertainty is likely to impact negatively upon recovery.

Michael G, Robert E. Frash (2021)

The purpose of this study was to assess the perceptions and attitudes of South Carolina independent full-service restaurant operators in relation to the operational and economic effects of the COVID-19 pandemic. The study utilized a mixed-methods approach that first partnered with local administrative and governmental bodies to disseminate a short survey

Mariana Piton Hakim , Luis D'Avoglio Zanetta (2020)

This study aimed to verify how consumers' intention to visit restaurants during the pandemic is affected by consumers' risk perception and different types of trust. The sample was composed of 546 consumers from 89 different cities in Brazil. An adapted 43 items questionnaire with 5-point scales was administered, and analyzed using structural equation modeling. The results indicate that consumers' trust in a restaurant and brand, fair price, solidarity with the restaurant sector, disease denial, and health surveillance trust predict intention to visit a restaurant during the COVID-19 pandemic.

Kwangji Kim a , Mark A. Bonn b , Meehee Cho (2020)

This study was designed to document the impact of clean safety food message framing as a survival strategy for small independent restaurants on customer repurchase intention and actual sales. Results indicated that customer intention to repurchase menu items to which message framing were applied significantly improved sales performance of specific restaurant menu items identified in this study. Such positive effects remained stable, which in turn confirmed that clean safety message framing can be a highly efficient sales promotion strategy for small, independent restaurants, specifically during pandemic such as COVID-19.

Turki M.S. Aldawoud b , Ilknur Ucak d , Neil J. (2020)

Rowan Background COVID-19 pandemic has caused a global lockdown that has abruptly shut down core businesses and caused a worldwide recession. The forecast for a smooth transition for the agri-food and drink industry is, at best, alarming. Given that COVID-19 shutdown multiple core services (such as aviation, food services, supply chains, and export and import markets), there is an enormous deficiency in critical information to inform priority decision making for companies where this uncertainty is likely to impact negatively upon recovery. Scope and approach. The current article investigates potential innovations within the era of the COVID-19 crisis after framing them within the four issues of the food sector (food safety, bioactive food compounds, food security, and sustainability) that are directly affected by the pandemic.

Research Methodology-

- **Research:-**

Research is In common parlance refers to a search for knowledge. Research is a Endeavour to discover answers to problem (intellectual and practical) through the Application of scientific method to the knowable universe.

Research is a science of thinking. Research helps to study and find out the techniques with the proper process. It is a systematic way of presenting information.

- **Research Process:-**

The process of gathering information for the purpose of initiating modifying or terminating a particular investment or group of investments.



Research Design

- Research design is blue print of data collection, measurement & analysis of data. It indicates both structure of problem & plan of investigation used to obtain empirical evidence on those relationships.
- Gathered information required as per the questionnaire through people residing at various city places/Tehsil Places in Ahmednagar District
- There is use Descriptive Research method

Method of Submission-

- 1) **Primary Data:** - Primary data are those which are gathered specially for the project at hand, directly – e.g. through questionnaires & interviews. Primary data sources include company salesman, middleman, consumers, buyers, trade association's executives & other businessman & even competitors.
 1. Questionnaire method.
 2. Interview method.
- 2) **Secondary Data:**-These are generally published sources, which have been collected originally for some other purpose. Source are internal company records, government publication, reports & publication, reports & journals, trade, professional and business associations publications & reports.
 - Newspaper.
 - Magazines.
 - Internet.
 - Organizational records.
 - Company Website

Sampling:

- Sample design**-Sampling is a process that uses a small number of items or a small portion of a population to draw conclusions regarding the whole population.
- Population** –Urban Population of Ahmednagar District
- Sample Size** —164 respondents
- Sampling Technique** – Simple Random Sampling technique
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Data Analysis Tools & Techniques

Excel – pie chart

Google Forms

Scope of the study

This study is focused on Tourism & Hospitality Industry of Ahmednagar District.

- Ahmednagar district, which is known as ‘Rural Development in Co-operation’ and ‘Land of saints’, is situated in the middle of western Maharashtra. District has the distinction of being the first in Maharashtra in terms of geographical area. Shirdi of Shree Saibaba and Avtar Meherbaba’s Mehraabad are religious places in Ahmednagar district.
- In addition, the pilgrims of Shree Dnyaneshwar Temple (Nevasa), Shri Shani Shinganapur, Shree Dutt Mandir (Devgad) and Choundi (birth place of Punyashlok Ahilya Devi), Bhagwangad(Pathardi) and Siddhi Vinayaka Sidhtek, have built a unique place of Ahmednagar district in the heart of the devotees.
- Study will help Tourism Industry experts to understand preference practices in mobile phone market. It will give information about level of student involvement in brand searching, analyzing attributes and brand choice for the high involvement product mobile phones. It will also help to develop the profile of specific customer of brands.
- It will be useful in creating most preferred Tourist Locations & Places specifically in ahmednagar district.
- Deeper understanding of Factors affecting Consumer Buying Behaviour in Tourism & Hospitality Industry
- It will be a valuable reference for Travel Companies, Hotel, restaurant owner, Business analyst to conduct further similar research.

Limitation

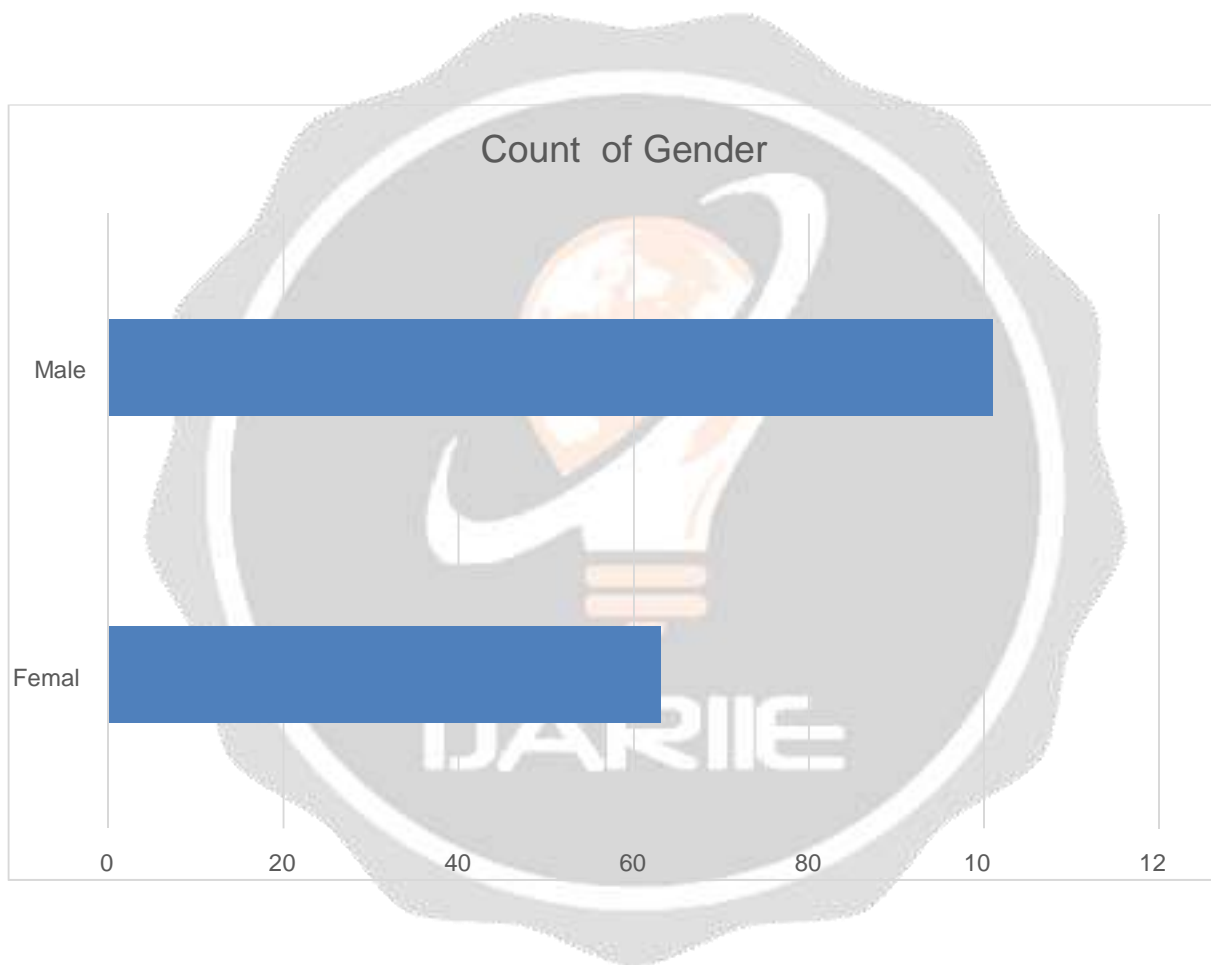
Total Population of Ahmednagar District is around 50 Lac. We have consider the Urban Population Only. According to Latest Census 25% of Population residing in City Areas so Total Population is 12.5 Lac

We have Calculated Sample size through Only Sample size Calculator Confidence Level 95 % & Confidence Interval 7.7 recommended by website itself for this kind of Research. Hence our Sample Size 164 only. Responses collected from all cities of District.

Data Analysis:

1) Gender of Respondents-

Gender	Count of Gender
Female	63
Male	101

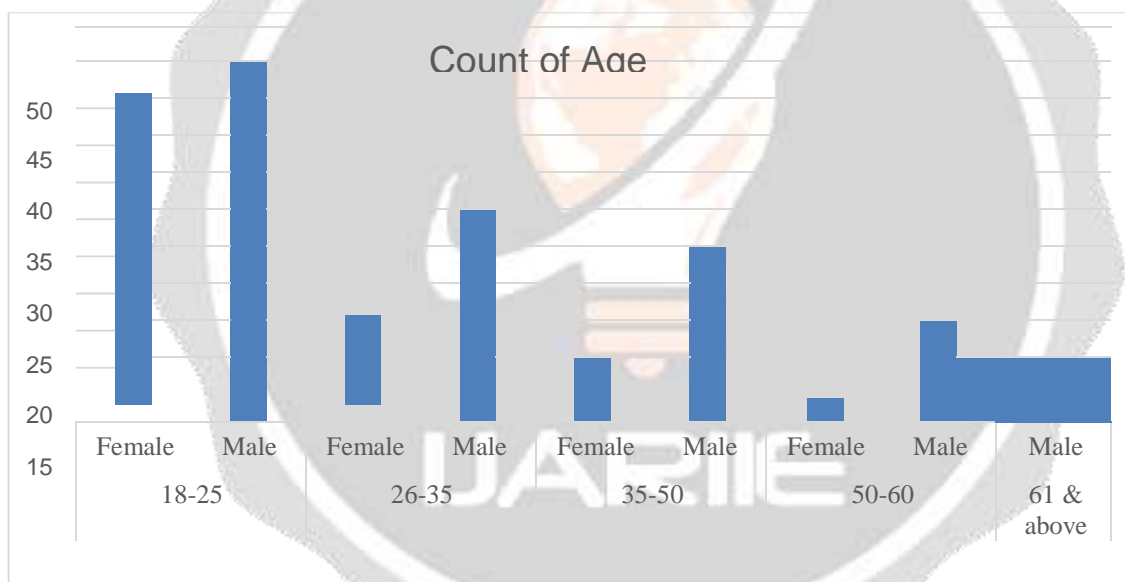


Interpretation:

Above table and pie chart interprets that out of total 164 respnses,101 Male respondent are there which carries around 61% out of the total percentage whereas 63 Females responded which carries rest 38.4 % Share of Total Responses.

2) Age group of Respondents-

Age	Gender	Count of Age
18-25	Female	42
18-25	Male	45
26-35	Female	12
26-35	Male	25
35-50	Female	6
35-50	Male	19
50-60	Female	3
50-60	Male	10
61 & above	Male	2

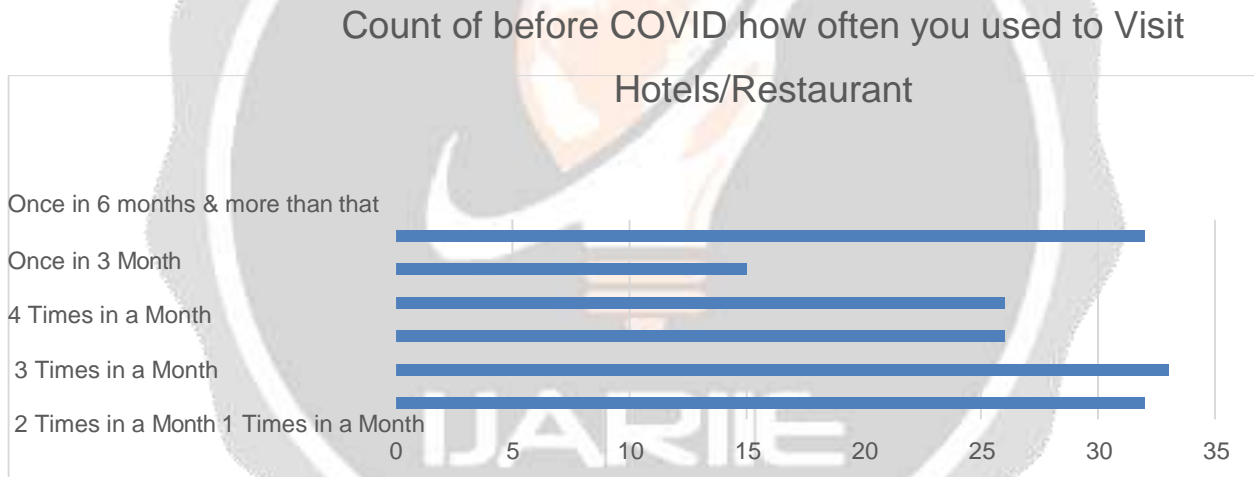


Interpretation:

Above table and pie chart interprets that out of total 164 respnses,total 87 respondent are from age group 18-25,Out of Which 42 are female & 45 are Male. 37 respondent are from age group 25-35, Out of Which 12 are female & 25 are Male. 25 respondent are from age group 35-50,Out of Which 06 are female & 19 are Male .Rest 16 are from age more than 50

3)Customer’s Hotel/restaurant Visit scenario Pre Covid

Before COVID how often you used to Visit Hotels/Restaurant	Count of before COVID how often you used To Visit Hotels/Restaurant
1 Times in a Month	32
2 Times in a Month	33
3 Times in a Month	26
4 Times in a Month	26
Once in 3 Month	15
Once in 6 months & more than that	32



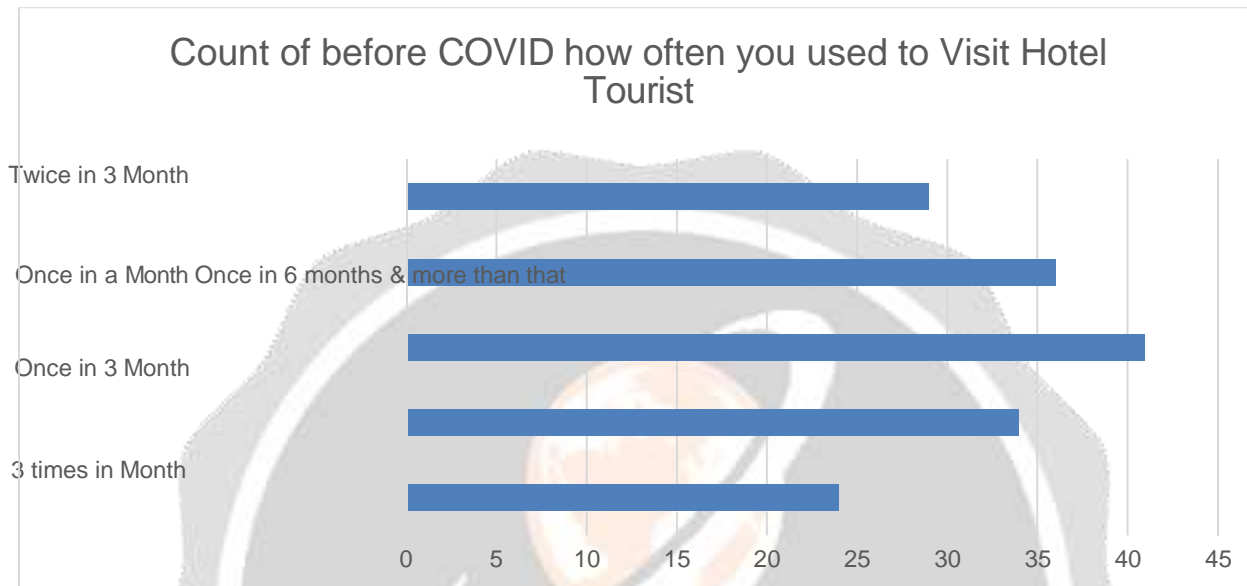
Interpretation:

Above table and pie chart interprets that out of total 164 respnses.26 Respondent was used to visit Hotel/restaurant 4 times in the month i.e. Most Frequent, Habituated customer in addition to it 117 out of 164 used to visit at least one time per month .so we can see the real business of Hotel/restaurant is coming from this kind of Population which impacted due to covid.47 respondent were very rare customers for Hotel/restaurants

4)Customer’s Hotel/restaurant Visit scenario Pre Covid

Before COVID how often you used to Visit Hotel Tourist Places	Count of before COVID how often you used To Visit Hotel Tourist Places
3 times in Month	24

Once in 3 Month	34
Once in 6 months & more than that	41
Once in a Month	36
Twice in Month	29

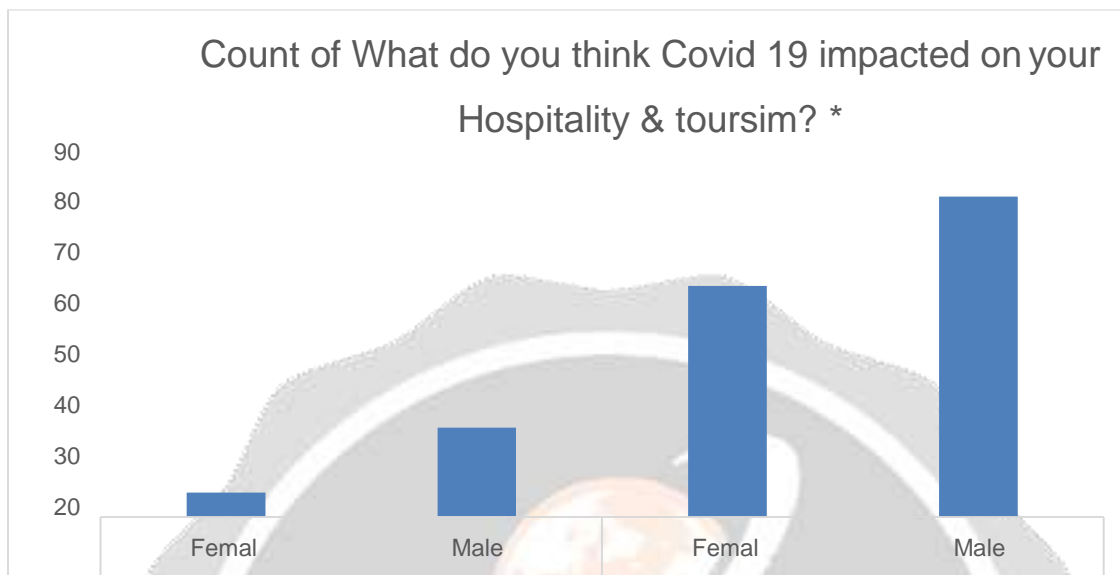


Interpretation:

Above table and pie chart interprets that out of total 164 respnses.24 Respondent was used to visit Tourist Places may be Adventure park,Hihistorical places 3 times in the month i.e. Most Frequent, Habituated customer for this Industry.

In addition to it 89 out of 164 used to visit at least one time per month .so we can see the real Potential income source for Ahemednagar Tourism. So this kind of Population which impacted due to covid.47 respondent were very rare customers for Hotel/restaurants.

5) Customer’s Opinion about Impact of COVID On this Sectors



Interpretation:

Above table and pie chart interprets that out of total 164 responses, 136 Respondent said that YES COVID 19 does impacted this Industry. Out of which 57 are female & 79 are Male.

28 Respondent don’t feel that COVID-19 Impacted this Industry. Out of which 6 are female & 22 are Male.

6) Customer’s Opinion about Nature of Impact of COVID On this Sectors

What is your opinion about overall impact on this Industry during Covid

19?

Negative

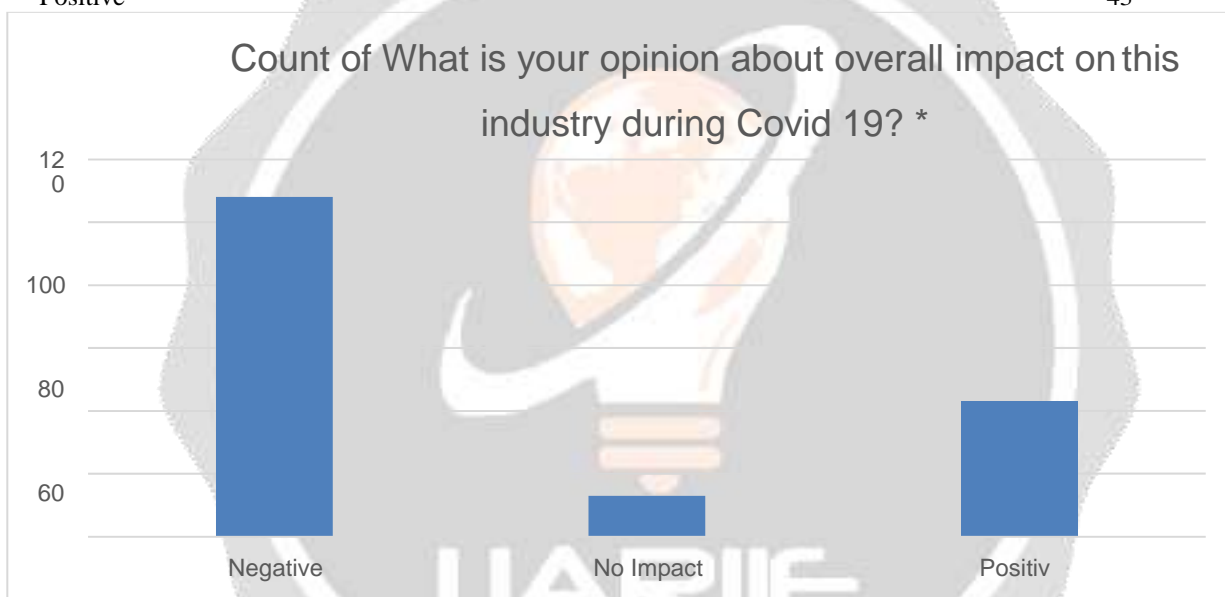
108

No Impact

13

Positive

43



Interpretation:

Above table and pie chart interprets that out of total 164 responses, 108 Respondent said that YES COVID 19 does negative impact on this Industry

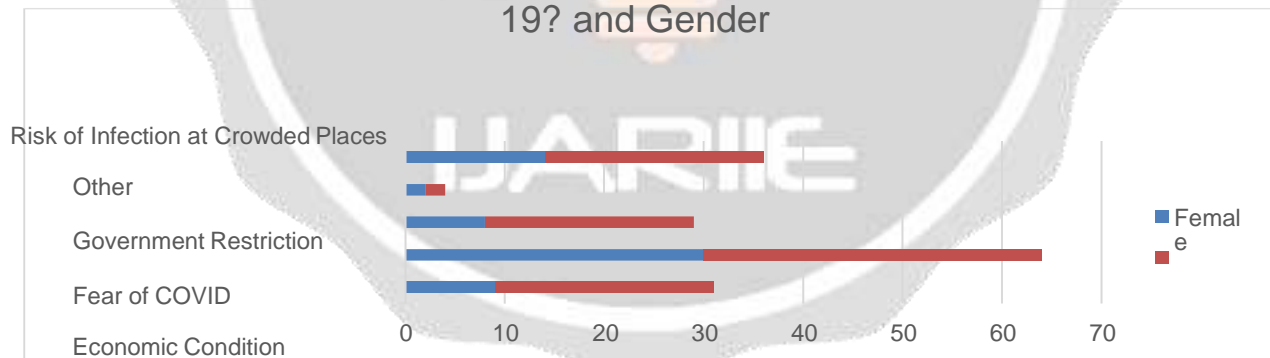
According to 43 Respondent it is positive & 13 saying that Industry does not hampered because of COVID

Customer’s Opinion about Factors that affect Outing of people Post covid

Factors that affect Outing of people Post covid 19?	Count of Factors that affect Outing of people Post covid 19?
Economic Condition	31
Fear of COVID	64
Government Restriction	29
Other	4
Risk of Infection at Crowded Places	36

Interpretation:

Count of Name by Factors that affect Outing of people Post covid 19? and Gender



Above table and pie chart interprets that out of total 164 responses. Here are summary of the Factors that does impact in Consumer’s Psychology to go for outing, visit new Places going for new Adventure Parks etc. Out of Which 64 respondent said that FEAR OF COVID is the major factors because of which Outing will be in Problem. RISK OF INFECTION is second big reason said by 36 people. Economic stability pre& post covid change hence will affect the outing also Government restricted social gathering that will also affect outing as per 29 respondent

Findings and Discussions-

People's beliefs inform their behavioral intentions. Therefore, consumer belief is an important factor to help the hospitality industry to recover from the shock of the COVID-19 disaster. Consumers' beliefs depend on three belief-based measures; behavioral, normative and control belief.

From our research we found out

- 1. Out of Total responses 61 % Male & 39 % Female take Part**
- 2. The YOUNG age group 18-35 was highest respondent for this research as this is target customer base.**
- 3. 70 % of total respondent were used to Visit Hotel/restaurants at least Once in Month in Pre-COVID scenario**
- 4. 50 % of total respondent were used to Visit Different tourist Places at least Once in Month Once in Month in Pre-COVID scenario.**
- 5. 62 % Agrees that COVID does the Negative Impact on Hospitality & Tourism Industry**
- 6. According to Responses Fear of Coved is the factor because of which outing of people will be hampered which will reduce the growth of the business of Hospitality & Tourism Industry**

Conclusion:

In only a few short months, the travel and hospitality industry has become nearly unrecognizable compared to the days of early 2020 due to COVID-19's impact. At the same time, new consumer and brand behaviors are emerging that will inform what the travel and hospitality industry will look like in the future. Travel companies that are paying attention to and adapting to these shifts are the ones that will be able to best evolve to this new normal. The COVID-19 pandemic has led to historical changes in our society's norms and the way people interact. It also showed direct and high impacts on the food sector, affecting mainly bioactive compounds, food safety, food security, and sustainability.

In our research we found that 70 percent of participants cited Fear of COVID, health and safety issues, Shrinkage in the total economic conditions as one of the top three factors when they will think to go for Outing which has direct impact on this Hospitality & tourism industry.

For this industry in the Coming years required to work on various levels such as

- 1) The travel industry has historically been built around business and leisure: in how they represent their brands, how they approach sales and distribution, and how they acquire their customers.
- 2) It's also time to reevaluate the relationship with online travel agencies (OTAs). OTAs are good at customer acquisition, targeted marketing, and personalized offers — and they primarily focus on the leisure audience. But it's important for brands now to re-engage with those travelers directly.
- 3) Not only will they have to better understand the audience they do have and foster those relationships, but they'll also have to find the opportunities to engage and learn about the broader audience that includes leisure travelers. It's also time to reevaluate the relationship with online travel agencies (OTAs). OTAs are good at customer acquisition, targeted marketing, and personalized offers

4) Finally, travel and hospitality brands should define adjacent business models to service customers more comprehensively. This goes beyond ancillary revenue from things like meals, baggage fees, and seat room. Many travel brands have the foundation and the scale to expand their business territories in areas such as retail, food and dining, entertainment, financial services, etc.

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