



The Impact of Covid-19 on the Tourism Industry in India

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ABSTRACT

The purpose of this study is to investigate the impact of COVID-19 on the tourism industry in India. Compared to other major industries, the tourism industry is particularly vulnerable to both internal and external shocks. Over the past few months, the sudden outbreak of the novel coronavirus has caused significant losses to the tourism industry in India. In 2018, the Indian tourism industry contributed 9.2% to India's GDP and provided employment to 42.673 million people, accounting for 8.1% of total employment. It is now estimated that the Indian tourism and hospitality industry could lose around 38 million jobs. Governments worldwide are attempting to attract domestic and international visitors back to their countries. Travel and tourism companies will need to regain people's trust and confidence during the recovery period, encouraging people to travel again after the pandemic. This study suggests that the travel and hospitality sector should modify their approach by implementing measures such as encouraging people to change their social behavior, wear masks when going out, practice social distancing, and avoid traveling long distances.

Introduction:-

Tourism, which encompasses various activities related to travel and leisure, is considered to be one of the largest and fastest-growing industries in the world. It has become a significant source of revenue for many countries, contributing to their economic growth and development. However, the sphere of pandemics and infectious diseases has made the tourism industry increasingly unstable.

Compared to other important industries in a country, the tourism industry is highly vulnerable to internal and external shocks. It is particularly susceptible to sudden changes in the global economy, geopolitical instability and natural disasters. The outbreak of COVID-19, which has affected millions of people worldwide, has had a drastic impact on the tourism industry. Many countries have imposed travel restrictions, and tourists have cancelled their plans, leading to significant losses for the industry.

The tourism industry plays a crucial role in creating job opportunities, preserving cultural heritage, and promoting global understanding and cooperation. However, the current situation highlights the need for the industry to adapt to changing circumstances and adopt sustainable practices to ensure its long-term viability.

Background

In December 2019, a novel coronavirus emerged in Wuhan, China, which quickly spread its roots to almost every corner of the world. The COVID-19 pandemic caused an international health emergency due to its high risk and infection rate. The virus has affected over 52.7 million people worldwide and almost 195 countries.

In India, citizens returning from other countries were screened and isolated for proper observations and clinical trials. The government of India took necessary measures to prevent the spread of the virus and imposed a nationwide lockdown in March 2020. As a result, international flights and visas were banned, and people were restricted to their homes to regulate the spread of the pandemic.

The lockdown had a significant impact on the country's economy, particularly on daily wage workers and migrants. The tourism industry was severely affected by the restrictions on travel and movement. Travel across states was prohibited, and there was a curfew due to which movements were restricted. The tourism activities came to a halt, leading to job losses, and the industry faced an uncertain future. Although other essential industries were unlocked in June 2020, travel restrictions still existed.

According to the World Travel and Tourism Council, the pandemic has caused the loss of around 174 million travel and tourism jobs in 2020. The pandemic's impact on India's economy and tourism industry remains a growing concern, and the government is taking steps to revive the industry while ensuring safety measures are in place.

Literature:-

In recent times, Marianna Sigala has explored the potential transformational impacts of the COVID-19 pandemic on the tourism industry. The pandemic has brought about significant changes in the behaviors and experiences of various stakeholders, such as in tourism demand, supply, destination management, and policymaking. The pandemic has also necessitated revising knowledge and experience to navigate the distinct stages of response, recovery, and reset.

Regarding the challenges faced by the tourism and hospitality industry during the pandemic, Kushal and Srivastava have discussed the need for multiskilled and professionally developed personnel to handle crises, increased hygiene and sanitation-related standard procedures, a positive attitude toward the restoration of the industry, and responsible media roles during pandemics.

Suau-Sanchez et al. have brought to attention the severe impact of COVID-19 on air transport, which has been worse than the SARS epidemic in 2003. As of March 24th, 2020, 98% of global travel revenue was affected due to severe restrictions such as quarantine for arriving passengers, partial travel bans, and border closures. This has caused many airlines and aviation businesses to come to a halt.

Ruwan Ranasinghe et al. suggest progressive steps that need to be taken to recover from market losses and restore the positive image of the industry in visitors' attitudes. Ensuring the protection of guests and staff in the hospitality sector is of paramount importance. Strong marketing and promotional campaigns should be launched locally and internationally.

Moreover, Abhijit Mitra has highlighted the severe impact of COVID-19 on the employment sector globally, with particular reference to India. The worst-affected industries include food and lodging, wholesale and retail, services and management, and manufacturing and development, accounting for 37.5% of global employment. India has also been severely affected by this.

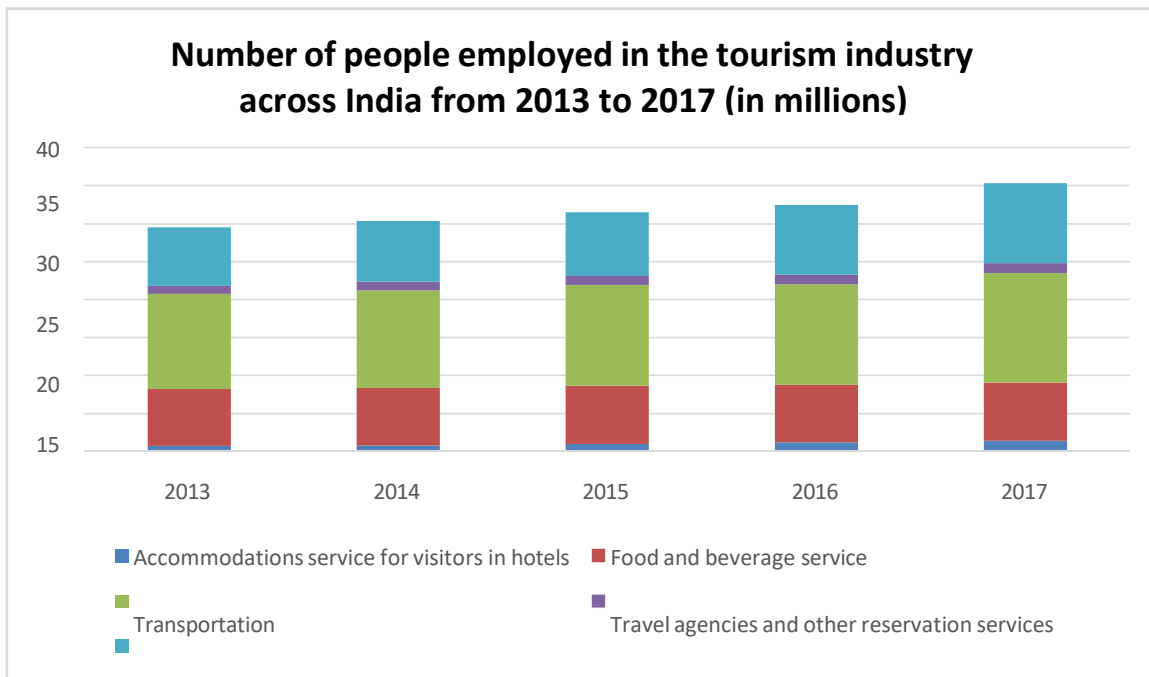
In conclusion, the COVID-19 pandemic has had significant impacts on various sectors, including tourism, hospitality, air transport, and employment. It has brought about changes in the way we think, behave and experience tourism. To navigate through these challenging times, stakeholders in the industry must remain vigilant and adapt to the changes by implementing necessary measures to ensure the safety and well-being of all stakeholders

Indian Tourism industry:

India is one of the world's oldest civilizations, with a vast potential for travel and tourism. This includes a diverse range of options such as cruises, adventure sports, medical and wellness tourism, eco-tourism, film tourism, rural tourism, and religious tourism. Due to its wide array of tourism products, India is a popular destination for both domestic and international travelers.

Prior to the pandemic, the travel and tourism industry in India was experiencing rapid growth. In 2018, the Indian tourism industry contributed ₹16.91 lakh crore, which accounted for 9.2% of India's GDP, and supported 42.673 million jobs, which made up 8.1% of the country's total employment.

Table 1: -Number of people employed in the tourism industry across India from 2013 to 2017.



Source: Statista 2020.

Impact of Covid-19 on Tourism

The COVID-19 pandemic has had a devastating impact on the travel and tourism industry globally, with India being one of the hardest-hit countries. The rapid spread of the virus resulted in the imposition of travel restrictions by countries worldwide to contain its spread, which led to a complete freeze of domestic and international activities.

Travel and tourism companies in India have been struggling to cope with the huge number of canceled bookings from travelers, which has brought the industry to a standstill. The situation worsened from February 2020 to late March 2020, with the imposition of travel bans and the closure of airlines and railways worldwide.

The Indian Association of Tour Operators estimates that the hotel, aviation, and travel sectors collectively may suffer a loss of about ₹85 billion due to the restrictions imposed on travel and tourism. While domestic transport was started early with some regulations, the aviation sector had to wait for a long time to resume operations.

During the lockdown period, India canceled travel to over 80 countries, which led to the suspension of international flights. Domestic flights were operational with regulations. In 2020, Indian domestic

travelers and foreign tourist arrivals witnessed a significant decline. India's foreign tourist arrival stood at 10.9 million, and the foreign exchange earnings stood at Rs 210,971 crore during 2019. The states that accounted for most of it were Maharashtra, Tamil Nadu, Uttar Pradesh, and Delhi, which collectively accounted for about 60% of foreign tourist arrivals.

In addition to the decline in foreign tourist arrivals, the cancellation of various events, functions, and festivities caused a great job loss to many organizers and companies. The Indian tourism and hospitality industry may experience a likely job loss of around 38 million, which is 70% of the total workforce, due to the pandemic. This will have a significant impact on national employment if the trend continues.

Overall, the COVID-19 pandemic has brought the travel and tourism industry in India to a complete standstill, with the sector facing unprecedented challenges and losses. The industry is hoping for a swift recovery, but this will largely depend on how effectively the virus is contained globally and how quickly travel restrictions are lifted. The COVID-19 pandemic has had a devastating impact on the travel and tourism industry globally, with India being one of the hardest-hit countries. The rapid spread of the virus resulted in the imposition of travel restrictions by countries worldwide to contain its spread, which led to a complete freeze of domestic and international activities.

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Post-Lockdown Tourism

The COVID-19 pandemic has significantly impacted the way we live, and the tourism industry is no exception. With the lifting of state border restrictions, there is a renewed interest in travel, and many companies are offering their employees the option to work from home or homestays. This has led to several big hospitality brands such as Airbnb, OYO, and Vista offering homestays as an alternative during the pandemic, with strict sanitization and face covering guidelines in place to ensure guest safety.

- Hotels have also implemented measures to ensure the safety of their guests. Sanitization, the use of personal protective equipment by staff in the food and beverage and housekeeping departments, and social distancing have become the norm. Restaurants are also taking safety measures, such as keyless entry, online check-in and check-out, and contactless valet parking, to minimize contact with people.
- Air travel has also undergone significant changes to ensure the safety of travelers. India's airports are at the forefront of infrastructural development and automation, with smart security resolutions, computerized traveler screening systems, automated tray retrieval systems, and



RFID-tagged trays in place to reduce wait times and enhance the passenger experience. AI technology is increasingly being used to provide a connected and enhanced digital experience for air travelers. The Indian government has launched the DigiYatra Platform, which uses facial recognition systems to ease travel and identity checks at various checkpoints, security check-ins, and boarding.

- In addition, the Indian railways have made several improvements to minimize contamination, such as hands-free amenities, copper-coated handrails, and plasma air purification with titanium dioxide coating. These measures have significantly improved the safety and experience of travelers in India.
- The COVID-19 pandemic has accelerated innovation in the railways and aviation industries. Governments worldwide are trying to attract visitors.
- *Hong Kong and Singapore launched a "travel bubble" initiative allowing 200 residents from each city to travel quarantine-free daily.*
- *Berlin has a "differentiated system" for travel warnings and the EU launched "Re-open EU," a website with information on coronavirus rules.*
- *Japan launched the "Go-To" campaign, subsidizing domestic travel. Sicily, Cancun, and Cyprus are offering incentives for travelers.*
- *Greece reduced VAT on transport. India's Odisha launched a road campaign for tourism.*
- *Residents in certain Indian states are renting houses to tourists. Sikkim advises tourists to carry a negative COVID-19 test certificate.*

Future trends post COVID-19

1. Globally around 91 % of the population lives in countries where there are restrictions on people arriving from outside, and approximately 39%, live in countries with borders completely closed to noncitizens and nonresidents.



2. Business travels such as MICE, big global events, conferences, launches, festivals, seminars, symposiums, conventions will decrease significantly.
3. The reduced number of students possibly will travel abroad to study.
4. Religious tourism will drop as there are strict government directions on mass gatherings.
5. Domestic tourism will be more favorable than international.
6. Nature trips will be more favorable, nature and wildlife will be preferred over monuments and history in the months ahead.
7. The markets will become less crowded.
8. The hotel occupancy and Food & Beverage consumption will be impacted.
9. The client will have more choice, more flexibility.
10. The tourism and hospitality industry will become more accommodating on postponements, cancellation, early check-ins, late check-outs for their customers.

The 5 key aspects that will drive success in the years to come will be as follows:

1. Safety
2. Health
3. Hygiene
4. Quality
5. Value for money

The tourism and hospitality sector heavily relies on travelers and trade for its survival. However, the pandemic has severely affected major sectors of the tourism industry, such as hotels, tour guides, and lodging. As a result, unemployment rates have also increased in the past few months. To address these issues, the Ministry of Tourism and Ministry of Finance, Government of India need to work jointly to ensure that unemployment, wages, and payment of salaries and liquidity shortages are managed properly. One potential solution is for the union government to occupy empty rooms in hotels and pay a small fee to help small tourism and hospitality companies manage their finances. Additionally, the union government and state governments should promote tourism both domestically and internationally by providing incentives and subsidies to tour operators. To ensure safety and hygiene, travel and hospitality companies should introduce measures such as changing people's social behavior, wearing masks when stepping out, social distancing, and minimizing personal contact. Going cashless is also recommended to

reduce personal contact. By capitalizing on safety and hygiene, companies can reassure customers and encourage them to avail their services

Conclusion:-

The pandemic has had an impact on all sectors of the economy, with tourism being one of the most affected. This is due to the fact that the travel industry depends heavily on people's sensitivity to safety and security. Given the importance of safety during the pandemic, it will be challenging for travel and tourism companies to attract tourists. These companies will need to build trust and confidence with their customers during the recovery period, in order to encourage them to travel again after the pandemic. Unlike other sectors, the tourism industry relies heavily on trust and will therefore take a longer time to return to normalcy during the recovery period. This is because tourists need to be confident that the situation is safe and secure before they begin to travel again.

To regain the trust of travelers, companies will need to reassure them that major tourist destinations, including hotels and restaurants, have been thoroughly disinfected and are safe from Covid-19. The future of the tourism sector will depend on how rapidly the virus spreads and how effectively it is contained.

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