

# Impact and Opportunities of Covid 19 Pandemic in the Hospitality and Tourism Industry

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**Abstract - The world is experiencing with a threatening situation in the form of health, financial, social, business, economical, and monetary issues due to the pandemic COVID-19 pandemic. In the hospitality industry has been one of the sectors most badly impacted and global increase in nationwide lockdowns and inbound travel restrictions. The study aims of this research to systematize the problems and opportunities in the hospitality industry in a COVID 19 pandemic and develops new stratagems and applies new tactics to survive the upcoming financial debacle in the hospitality industry. This study utilized descriptive method of research to find out how respondents assess the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting, orderliness, virtualization, Integration and domestication. Research was conducted data were gathered using an online questionnaire accomplished by the respondents, with the aid of SPSS (Statistical Package for Social Sciences), the regression analysis was used to analyze the significant relationship between the respondent's the perception and the level of effectiveness in assessing the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry.**

**Index Terms - Cost Cutting, Orderliness, Virtualization, Integration, Domestication.**

## INTRODUCTION

The world is experiencing with a threatening situation in the form of health, financial, social, business, economical, and monetary issues due to the pandemic COVID-19 which is called Corona Virus a new root in the SARS virus family. All the countries around the globe connected with each other to run their economy in their full swiftness have stopped their transactions and business dealings. It is because the world has become a global village where all the countries are working intact to expanding their growth through their business, import and exports which is a certain

variable to run the economy in full employment ratio. However, COVID-19 has significantly impacted all the countries and are ultimately forced and/or bound to stop all their international and local business, travel, trading, imports and exports transactions in order to restrict the spread of this pandemic, which is a threat to each country's economy likewise the human life upfront (Abubakar, Ahmed (2020). In early January 2020, a new strain of coronavirus (SARS-CoV-2) producing a respiratory disease (COVID-19) began spreading across the globe. The World Health Organization declared a global health emergency and on 11th March a pandemic was confirmed. However, according to KPMG in Bahrain (2020) The COVID-19 pandemic is having an extra ordinary impact on business in Bahrain and worldwide. Businesses, employees and customers are affected.

## Tables and Figures

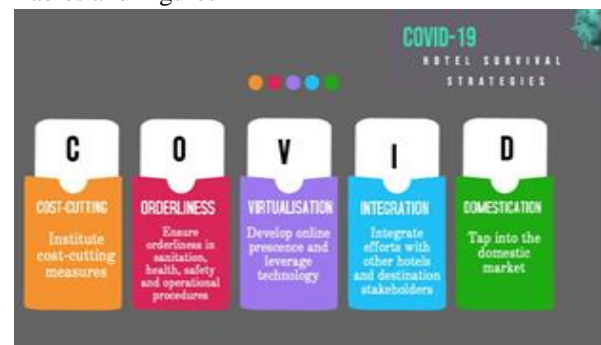


Figure 1.1 Theoretical Frameworks

Sources: Covid -19 on Tourism and Repackaging the hotel Service. Hospitality Net.

## LITERATURE REVIEW

The world is in uncharted territory with different national governments implementing differing strategies and measures to combat the impact and

spread of COVID-19, all of which continue to have an impact on the world's economy, business and individuals. The Government of Bahrain, spearheaded by the National Taskforce for Combating the Coronavirus, and its associated ministries and authorities have been quick to implement their own strategies to limit both the spread of COVID-19 and its impact upon Bahrain's economy, with such strategies receiving high praise from the World Health Organization (Charles Russel Speechly,2020). Yixiao Zhou (2020) cited about the covid 19 pandemic broke out at a time were finely tuned uncertainties in the global economy. Analyzing the impact of the pandemic and assessing the effectiveness of policy measures in combating the pandemic and reviving the global economy.

The revenue loss for tourism enterprises and workers due to restrictions on movement. In response, governments have made available temporary financial support, but not to those tourist enterprises and workers in the undeclared economy because of the covid 19 pandemic (Colins Charles Williams ,2020) Measures will continue or even expand present growth orientations in tourism while others may contribute to sustainability (Simon Teoh et al. 2020). Strategies to flatten the COVID-19 curve such as community lockdowns, social distancing, stay-at-home orders, travel and mobility restrictions have resulted in temporary closure of many hospitality businesses and significantly decreased the demand for businesses that were allowed to continue to operate (Dogan Gursoy and Christina G. Chi 2020)

Hospitality businesses are expected to make substantial changes to their operations in the COVID-19 business environment in order to ensure employees' and customers' health and safety and enhance customers' willingness to patronize their business (Gössling et al., 2020). Reflection on the COVID-19 crisis responses to crises and their impact on employment in hospitality, highlighting how ongoing change, fluidity and uncertainty serve to magnify and improve the unstable nature of work in the hospitality industry( David Solnet et al. 2020).The challenging unpredicted global travel restrictions and stays at home are causing the most severe disruption of the global economy. Aside from that, international travel bans affecting over 90% of the population and widespread restrictions on the public gathering and community in tourism largely ceased last March 2020.

Air travel, cruises and accommodations have been devastating( Michael Hall et al. 2020).

### RESEARCH METHODOLOGY

This study utilized descriptive method of research to find out solution for an immediate problem facing covid 19 pandemic in a society especially in the hospitality and tourism industries to identify the important that we share our insights and experience as much as possible, helping each other to contain and mitigate the impact of COVID-19 on organizations and the broader economy. The requirements were specifically focusing on assess the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting, orderliness, virtualization, Integration and domestication. Statistical test used to measure the relationship between one dependent variable and one or more independent variables.

### RESULT AND FINDINGS

The results of the analysis and interpretation of all the data collected, by means of a questionnaire that was designed to match the study of the impact and opportunities of covid 19 pandemic in the hospitality and tourism industry in the Kingdom of Bahrain.

Table 1: The respondent's perceptions in assessing the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting.

Cost Cutting	Weighted Mean	Verbal Interpretation
1. Facilities and equipment are controlled to reduce utility bills.	4.23	Extremely Aware
2. Labor cost, other measures laying off some of temporary employees	4.75	Extremely Aware
3. Negotiating salary reduction and requesting "employees to clear outstanding leave and take no-pay leave and advance leave	4.85	Extremely Aware
Average Weighted Mean	4.61	Extremely Aware

Table 1 presents the assessment of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting. As shown on the table, the highest indicators

are number three. While lowest indicator is one Based on the overall weighted mean of 4.61, respondents are extremely aware of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting.

Table 2: The respondent’s perceptions in assessing the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with orderliness.

Orderliness	Weighted Mean	Verbal Interpretation
1. Sanitation, health, and safety as well as operational procedures.	4.95	Extremely Aware
2.Provision of personal protective equipment (gloves, masks, face shield) to minimize risk of contamination.	4.95	Extremely Aware
3. Raise safety awareness through effective training, display of awareness posters, social distancing and floor marking and temperature device.	4.75	Extremely Aware
Average Weighted Mean	4.88	Extremely Aware

Table 2 presents the assessment of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with orderliness. As shown on the table, the highest indicators number one and two. While lowest indicator is number three. Based on the overall weighted mean of 4.88, respondents are extremely aware of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with orderliness.

Table 3: The respondent’s perceptions in assessing the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with virtualization.

Virtualization	Weighted Mean	Verbal Interpretation
1. Advanced of technology innovation using application like zoom, skype and zoho have facilitated video conferencing.	4.18	Moderately Aware
2.People not willing to travel and those are just booking through online travel agency.	4.60	Extremely Aware

3. Automated systems and digital systems will have to be deployed by hotels.	4.15	Moderately Aware
Average Weighted Mean	4.31	Moderately Aware

Table 3 presents the assessment of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with virtualization. As shown on the table, the highest indicators number two. While lowest indicator is no three automated systems and digital systems will have to be deployed by hotels with a composite mean of 4.15 means moderately aware. Based on the overall weighted mean of 4.31, respondents are extremely aware of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with virtualization

Table 4: The respondent’s perceptions in assessing the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with integration.

Integration	Weighted Mean	Verbal Interpretation
1. Hotels association at the destination should unify the efforts of its members towards finding a common solution to the problem.	4.55	Extremely Aware
2.Hotels association is in a better position to negotiate with government and the national tourism authority for austerity packages like tax cuts that will help reduce the burden on members	4.18	Moderately Aware
3. Hotel associations can also provide technical and financial support for members.	4.15	Moderately Aware
Average Weighted Mean	4.30	Extremely Aware

Table 4 presents the assessment of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with integration. As shown on the table, the highest indicators number one “hotels association at the destination should unify the efforts of its members towards finding a common solution to the problem” with composite mean of 4.55 extremely aware; the second is the number two indicator “hotels association is in a better position to negotiate with government and the national tourism authority for austerity packages

like tax cuts that will help reduce the burden on members” with a composite mean 4.18 mean moderately aware. While lowest indicator three, “hotel associations can also provide technical and financial support for members “with a composite mean of 4.15 means moderately aware.

Based on the overall weighted mean of 4.30, respondents are extremely aware of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with integration.

Table 5: The respondent’s perceptions in assessing the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with domestication.

Domestication	Weighted Mean	Verbal Interpretation
1 Flight restrictions have been imposed and travel advisories have been issued.	4.90	Extremely Aware
2. Collaborating with government to serve as isolation centers.	4.75	Extremely Aware
3.Hotels could enter into arrangements with local health authorities and come up with 'quarantine packages' for local residents who have to be isolated.	4.65	Extremely Aware
Average Weighted Mean	4.77	Extremely Aware

Table 5 presents the assessment of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with domestication. As shown on the table, the highest indicators number. While lowest indicator is number three. Based on the overall weighted mean of 4.77 respondents is extremely aware of the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with domestication.

Table 6: The respondents’ perception in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting.

Cost Cutting	Weighted Mean	Verbal Interpretation
1. “Facilities and equipment are control to reduce utility bills”.	4.75	Very Effective
2. “Labor cost, other measures laying off some of temporary employees”	4.90	Very Effective
3. “Negotiating salary reduction and requesting “employees to clear outstanding leave and take no-pay leave and advance leave”	4.75	Very Effective
Average Weighted Mean	4.80	Very Effective

Orderliness	Weighted Mean	Verbal Interpretation
1. Sanitation, health and safety as well as operational procedures.	5.00	Very Effective
2.Provision of personal protective equipment (gloves, masks, face shield) to minimize risk of contamination.	5.00	Very Effective
3. Raise safety awareness through effective training, display of awareness posters, social distancing and floor marking and temperature device.	4.90	Very Effective
Average Weighted Mean	4.97	Very Effective

Table 6 presents the assessment the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting. As shown on the table, the highest indicators number two While lowest indicator one and three. Based on the overall weighted mean of 4.80 respondents is very effective of the assessment the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with cost-cutting.

Table 7: The respondents’ perception in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with orderliness.

Orderliness	Weighted Mean	Verbal Interpretation
1. Sanitation, health and safety as well as operational procedures.	5.00	Very Effective
2.Provision of personal protective equipment (gloves, masks, face shield) to minimize risk of contamination.	5.00	Very Effective
3. Raise safety awareness through effective training, display of awareness posters, social distancing and floor marking and temperature device.	4.90	Very Effective
Average Weighted Mean	4.97	Very Effective

Table 7 presents the assessment of the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with orderliness. As shown on the table, the highest indicators number one and two. While lowest indicator is number three. Based on the overall weighted mean of 4.97, respondents are very effective

in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with orderliness.

Table 8: The respondents’ perception in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with virtualization.

Virtualization	Weighted Mean	Verbal Interpretation
1. Advanced of technology innovation using application like zoom, skype and zoho have facilitated video conferencing.	4.50	Very Effective
2. People not willing to travel and those are just booking through online travel agency.	4.00	Effective
3.“Automated systems and digital systems will have to be deployed by hotels.	4.15	Effective
Average Weighted Mean	4.22	Very Effective

Table 8 presents the assessment of level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with virtualization. As shown on the table, the highest indicators number one While lowest indicator is no two. Based on the overall weighted mean of 4.22, respondents are very effective in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with virtualization.

Table. 9: The respondents’ perception in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with integration.

Integration	Weighted Mean	Verbal Interpretation
1. Hotels association at the destination should unify the efforts of its members towards finding a common solution to the problem.	4.10	Effective
2.Hotels association is in a better position to negotiate with government and the national tourism authority for austerity packages like	4.15	Effective

tax cuts that will help reduce the burden on members.		
3. Hotel associations can also provide technical and financial support for members.	4.00	Effective
Average Weighted Mean	4.08	Effective

Table 9 presents the assessment of the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with integration. As shown on the table, the highest indicators number two. While lowest indicator three. Based on the overall weighted mean of 4.08, respondents are effective in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with integration.

Table 10: The respondents’ perception in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with domestication.

Domestication	Weighted Mean	Verbal Interpretation
1 Flight restrictions have been imposed and travel advisories have been issued.	4.75	Very Effective
2. Collaborating with government to serve as isolation centers.	4.50	Very Effective
3. Hotels could enter into arrangements with local health authorities and come up with 'quarantine packages' for local residents who have to be isolated.	4.50	Very Effective
Average Weighted Mean	4.58	Very Effective

Table 10 presents the assessment of the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with domestication. As shown on the table, the highest indicators number one and followed by indicator number two, and three. Based on the overall weighted mean of 4.58 respondents is very effective in assessing the level of effectiveness on the impact and opportunities of the COVID 19 pandemic in hospitality and tourism industry along with domestication.

TABLE 11: SIGNIFICANT RELATIONSHIP THE PERCEPTION AND LEVEL OF EFFECTIVENESS USING REGRESSION ANALYSIS

Variables	DV: Level of Effectiveness				
	Std. Beta				
<i>Perception</i>	cost-cutting	orderliness	virtualization	integration	domestication
cost-cutting	.783				
orderliness		.664			
virtualization			.584		
integration				.836	
domestication					.260
Model Summary					
R	.364 <sup>a</sup>	.503 <sup>a</sup>	.608a	.225 <sup>a</sup>	.918 <sup>a</sup>
R <sup>2</sup>	.133	.253	.370	.065	.842
Adjusted R <sup>2</sup>	-.735	-.493	-.260	-.870	.684
St. Error of the Estimate	.43841	3.8016	.28238	.30468	.07071

CONCLUSION

Based on the significant findings of the study, the following conclusions are drawn: The hospitality industry has been one of the sectors most badly impacted by the Covid-19 pandemic. Any hospitality and retail businesses are about to be sacrificed in the name of public health. Managers in the sector are strongly advised to develop formal guidelines in the event of crises, which shall be clearly communicated to the employees. Our findings provide a guideline to the management of hospitality and tourism industry on how to deal with the employee with transparent communication by coping with the fear of crisis that is important for designing the strategies of effective employee management. Develop robust cleaning and sanitization procedures that encourage improve the effectiveness of actions and other industry to adopt technological infrastructure for maximizing their profitability in the present era of advancement

RECOMMENDATION

On the account of the salient findings and conclusions of this research, the following recommendations are presented: First, people should continue their commitment in strong responsibility in compliance and precautionary measures and protocols. Second, governments will need to take balanced, measured and coordinated policy action at the local, national, and international level, in order to protect people, Third, in Cost-cutting employees requesting to clear their

outstanding leave and take no-pay, Fourth, leave as well as initiating no-pay leave and advance leave. Fifth, in Orderliness ensuring that sanitation and health protocols as well as operating procedures are adhered to, is to involve employees in safety, security and health awareness training programs, Six, in Virtualization also adopt digital marketing strategies including social media marketing, e-reservations and search engine optimization, Seventh, in integration The hotels association is in a better position to negotiate with government and the national tourism authority for austerity packages like tax cuts that will help reduce the burden on members. Hotel associations can also provide technical and financial support for members and lastly, Domestication hotel s are collaborating with government to serve as isolation Centre's.

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