"Hotel Industry with Special Reference to Food and Dining in Midst of Covid-19 - A Study of Ratnagiri and Chiplun Talukas"

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Abstract

The hotel industry is one of the main pillars supporting the effective functioning of the Indian economy. But the stupefying appearance of COVID-19 paralysed the hotel industry altogether. With the lockdown imposed by the Indian government to contain the massive spread of the pandemic, it did little to mitigate the harsh repercussions of the pandemic, making it the worst nightmare for hotel industry owners. This research directs attention to the plight of the hotel industry with a special inclination to the food and dining sphere in the Ratnagiri and Chiplun talukas. Through a qualitative approach, utilising carefully designed questionnaires and interviews with key stakeholders, alongside supplemental insights drawn from secondary sources, this study aims to illustrate the specific challenges faced by businesses in this region. The research analyses the circumstances of restaurants, sweet marts, and local food vendors from pre- and post-lockdown perspectives, revealing the shifts and adjustments the pandemic necessitates.

Keywords: Covid 19, Pandemic, Lockdown, Food and Dining, Janata Curfew

Introduction

Covid-19, officially named by the WHO on 11 February 2020, first emerged in Wuhan in December 2019 and reached India on 27 January 2020 in Thrissur, Kerala. By March, ICMR reported rising infections, prompting nationwide restrictions that escalated into a total lockdown on 24 March 2020. Flights, public gatherings, dine-in services, and non-essential businesses were suspended, and while vaccination efforts initially contained the spread, India was soon hit by a severe second wave and crossed one million active cases by April 2021. Maharashtra mirrored this crisis, and within it the talukas of Ratnagiri and Chiplun, which had recently undergone major transformation with the Konkan Railway and significant investment in the food and dining segment of the hotel industry, experienced sharp disruptions. The growth of platforms like Swiggy and Unbox had strengthened this sector, but the abrupt 9–10 month closure during the lockdown resulted in heavy financial losses and substantial psychological strain on the workforce. This research therefore examines the impact and cascading effects of the pandemic on the food and dine segment of the hotel industry, focusing on restaurants, bakeries or sweet marts, and local vendors in Ratnagiri and Chiplun talukas.

Review of Literature

The available literature on the pandemic's impact, especially on the food and dining segment of the hospitality sector, is limited because Covid-19 was a relatively new research area. Due to this scarcity of focused studies, the review drew from a mix of articles, research papers, theses, and credible online sources to build a comprehensive foundation. These varied resources helped capture both the effects of the pandemic on the industry as mentioned below:

Gursoy and Chi (2020) examine how COVID-19 severely disrupted the global hospitality industry, noting that recovery remained slow even after restrictions eased due to customer hesitation, reduced travel activity, and heightened expectations for visible sanitization measures. They emphasize the growing need for AI-driven, contactless technologies such as keyless entry, digital menus, and service robots, and underline that restaurants must adapt new dining and take-out models to regain pre-pandemic customer levels.

Wahab (2021) analyzes the hospitality industry across pre-COVID, during-COVID, and post-COVID phases, concluding that recovery is challenging as consumers adopted alternatives during the pandemic and trust issues persist. The study stresses the long-lasting economic and cultural impacts, the need for careful integration of health protocols, and highlights debates around contactless delivery while identifying gaps in understanding long-term industry implications.

Milovanovic (2021) assesses the pandemic's impact on Serbia's hotel industry, showing a major decline due to the sector's contact-intensive nature and shifting customer preferences toward less crowded accommodations. Government support helped ease financial strain, and the study concludes that heightened safety and hygiene practices, along with concern for employee well-being, will remain permanent features of the industry.

García-Gómez et al. (2021) in this study evaluates the pandemic's effect on U.S. hotels using Event Study Method and finds that COVID-19 caused a stronger decline in hotel stock values than earlier pandemics. The authors highlight that adopting an ALFO (asset-light, fee-oriented) strategy helped hotels remain flexible and cushion the financial impact, underscoring its importance during market disruptions.

Abu Bakar, Rosbi, and Kiyotaka (2021) investigate COVID-19's economic impact on the global hotel sector and show significant drops in demand, share prices, and profits, resulting in reduced operations and market equilibrium. Their analysis stresses the need for government support and financial strategies to sustain hotels during crises, illustrating how reduced demand directly lowers rates and supply.

Aggarwal and Dandotiya (2021) put forth this case study on Delhi hotels which examines customer retention challenges during COVID-19 and shows that survival strategies evolved with each phase of the pandemic. Through qualitative interviews, the study highlights both positive and negative outcomes and explains how hotel owners adjusted operations to manage uncertainty and maintain business continuity.

Agustina and Yoshintha (2021) analyzed the severe decline in Asia's hotel industry, where occupancy dropped by 57 percent and millions lost jobs due to travel restrictions and closed tourist attractions. They recommend flexible pricing, hygiene assurance, discounted upgrades, and government tax reductions to help hotels cope with financial burdens and support recovery.

Ghazali and Ishak (2021), through interviews with Malaysian hotel managers, in this study, reveal how border closures devastated tourism and hospitality, forcing reliance on domestic tourism. Government stimulus packages supported cash flow and employee retention, and the authors advocate further policy support to stabilise income and reduce industry losses.

Focusing on Indonesia's hotel sector, Choirisa (2021) highlights major financial and operational disruptions due to COVID-19, with hotels adopting rigorous hygiene protocols and AI-based systems like contactless delivery and crowd management. The study emphasises customer-friendly pricing and cost reduction as essential strategies for navigating the crisis.

Biswas and Rao (2021) describe the intense impact of the pandemic on India's hotel industry, which faced mass cancellations and heavy revenue losses during the nationwide lockdown. They argue for strong crisis-management planning, government support through financial relief, and redesigned hotel environments that comply with social distancing to ensure long-term resilience.

This study was undertaken to examine the impact of the COVID-19 pandemic on the food and dining segment of the hotel industry in Ratnagiri and Chiplun talukas across the Janata Curfew, lockdown, and post-unlock phases.

As such, the study focuses on assessing the impact of the pandemic on the food and dining segment of the hotel industry in Ratnagiri and Chiplun Talukas. It examines the financial and policy-related challenges faced by establishments, evaluates the socio-economic consequences, and explores the psychological strain experienced by industry owners during the crisis.

Research Methodology

This study followed an Ex Post Facto research design, examining the pandemic's influence on the food and dining sector without manipulating variables. Data was collected through primary sources, including structured questionnaires and personal interviews, and supported by secondary literary sources for a broader context. The sample consisted of 30 participants, comprising of 10 restaurant owners, 10 sweetmart and café owners, and 10 local vendors who were selected using the Principle of Saturation. This principle guides, reaching a saturation point where no new information or themes can be identified from the gathered data, essentially indicating that any further collected data would not lead to the production of valuable insights

The present research undertaking emphasizes a qualitative approach to data analysis and interpretation. To achieve this goal, the researcher opted for thematic analysis which delves into the rich tapestry of narratives, experiences, and

perspectives inherent in the dataset. Furthermore, this analytical approach entailed identifying recurrent themes and patterns within the dataset, facilitating a nuanced understanding of the data, and enabling the derivation of insightful conclusions. Two fundamental analytical strategies were employed to analyse the 30 case studies based of the sample size. Within Case Analysis: This method involved scrutinizing individual case studies to identify specific themes, patterns, and trends. Each case study was meticulously examined to explore the nuances of participants' experiences, allowing for a detailed and thorough analysis.

Cross-Case Analysis and Combined Cross-Case Analysis: This approach entailed analysing the smaller groups and the entire dataset across all case studies to identify overarching themes and patterns. By comparing and contrasting data from multiple cases, common phenomena and broader trends were elucidated, offering comprehensive insights into the collective impact of the pandemic on the dine-in sector.

For the interpretation of data, a comparative matrix was used, which is a foundational tool for organising and interpreting the data in the qualitative research niche, particularly aligned with studies on the usage of thematic analysis. In addition, a scoring system was put in place to identify and assign scores to quantify the degree of agreement or difference existing in the data, with the scoring system ranging from 1 to 5, allowing for a more detailed and easier understanding of the dataset.

Following this, the given hypothesis was formulated,
H01: There was no impact of COVID-19 on the Hotel industry with respect to Food and Dining.
H11: The impact of COVID-19 on the Hotel Industry with respect to Food and Dining was disastrous.

Findings and Conclusions

The study engaged 30 stakeholders (10 from each sector) and, through thematic analysis, uncovered interlinked themes describing the effects of COVID-19 on their livelihoods.
Economic Devastation - Participants unanimously reported steep financial losses due to shutdowns, reduced customer footfall, and operational restrictions. Declining revenues, ongoing wage commitments, rising costs, and re-evaluation of financial strategies collectively intensified the strain.
Adaptive Strategies - Despite these challenges, businesses adopted flexible solutions: online ordering, takeaways, cost-cutting, collaborations, diversification into alternative income sources, and adjustments in operations. These moves helped sustain operations during prolonged uncertainty.

Dynamic Shifts - The pandemic reshaped consumer behaviour, heightened fear, altered spending patterns, and disrupted market stability. Stakeholders questioned the likelihood of a full return to pre-pandemic norms and observed widening socioeconomic gaps.
Resilient Spirit - Across narratives, a strong sense of determination emerged. Stakeholders stressed the need for sustained government support, accessible schemes, and institutional backing to withstand crises of similar magnitude.
Hypothesis testing in qualitative research functions differently from statistical hypothesis testing. Instead of numerical probabilities, data is examined for alignment or contradiction with theoretically informed expectations. As such, the thematic analysis clearly contradicted the null hypothesis. Respondents reported severe revenue losses, operational turmoil, labour challenges, behavioural shifts, and long-term market disruption.
Thus:
H01 is rejected, as the impact was far from mild.
H11 is accepted, supported by consistent evidence of severe, sector-wide disruption.

Further theoretical alignment affirmed that stakeholders' adaptive strategies, shifting dynamics, and meaning-making processes strongly supported the acceptance of alternative hypotheses across the broader framework of the study. Integrating theoretical frameworks strengthened the understanding of how businesses responded to the pandemic and highlighted the broader implications for the sector.
Resilience Theory: Illuminated how businesses preserved essential operations through takeaways, cost control, and safety measures.

Diffusion of Innovation Theory: Explained the adoption of digital platforms, online delivery, diversification, and changing business models.

Stakeholder Theory: Highlighted the interconnected roles of owners, staff, consumers, and regulators in decision-making.

Sensemaking Theory: Helped interpret how stakeholders processed uncertainty and adapted strategies to evolving realities.

Resource Dependency Theory: Mapped constraints such as labour shortages, inventory waste, and capital limitations, and how these shaped decisions.

Each of these theories helped decode patterns within the narratives of resilience through operational pivots, innovation through digital integration, stakeholder interdependence in crisis responses, sensemaking in navigating new norms and regulations, resource constraints shaping survival strategies. Together, they formed a cohesive lens to interpret the sector's vulnerabilities and adaptive capacity.

The findings also hold significant relevance for businesses, policymakers, and support institutions in the following ways

Adaptive Playbooks - Strategies like controlled working hours, digital marketing, takeaways, and supplementary income can guide small enterprises during systemic shocks.

Policy and Regulatory Frameworks - Evidence highlights gaps in government support. Findings advocate for financial relief mechanisms, simplified regulations, improved health and safety guidelines, and better crisis preparedness.

Understanding Consumer Shifts - Businesses must remain agile: strengthening delivery systems, emphasising hygiene, using local produce, promoting digital payments, and tailoring offerings to emerging consumer expectations.

Community-Based Support- Collaboration, neighbourhood networks, joint marketing, and crowdfunding can reinforce resilience.

Long-Term Sustainability - Emphasis on reducing waste, managing inventories, supporting local supply chains, and adopting eco-friendly practices can enhance longevity and crisis readiness.

The study also acknowledges the constraints faced as follows:

Sample Size - Thirty participants provided rich insights, but a larger sample could capture a wider range of experiences.

Geographic Scope - Focusing on Ratnagiri and Chiplun limits generalisation; impacts may differ across regions.

Data Collection Methods - Reliance on self-reported interviews and surveys may introduce bias due to social desirability or hesitancy.

Time Boundaries - The study captures experiences during a specific phase of the pandemic; long-term effects require longitudinal research.

Stakeholder Representation - Only owners and vendors were consulted; customers, employees, and policymakers were not included, which narrows the interpretive frame.

The study reveals the severe disruption the pandemic caused to the food and dining sector, reshaping consumer habits, market conditions, and regulatory environments. In response, businesses were compelled to adapt through online engagement, diversified revenue sources, and revised operations. The implications point toward the need for supportive policies that simplify regulations, strengthen business resilience, and empower local community health and support systems. The findings also encourage industry stakeholders to reflect, adopt sustainable strategies, and cultivate stronger community networks.

Overall, the research highlights the sector's resilience and capacity for innovation, emphasizing that collaboration, adaptability, and learning from crisis-driven experiences are vital for navigating future challenges.

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