

Impact of Covid-19 on Restaurant Industry

Akhilesh Pandey

Associate Professor, Asia Pacific Institute of Management, Ahmedabad, Gujarat, India

ABSTRACT

The rise in corona virus cases is a rising government concern. Any industry has faced problems since the WHO proclaimed corona virus a pandemic. Restaurants had to cease their activities because only critical facilities were permitted during the lockout. The purpose of the analysis is to explore consumer demand for the restaurant industry. Data were obtained by an online survey using questionnaires. This research examined the shift in customers' tastes using the Henry Garret approach and the Percentage method. The tastes of restaurants before and after Covid-19 are significantly modified. This research addresses the issues concerning Covid-19's effect on the restaurants definitively.

KEYWORDS: *Caterer, System of Garrett Rating, COVID-19*

How to cite this paper: Akhilesh Pandey "Impact of Covid-19 on Restaurant Industry" Published in International Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-5 | Issue-3, April 2021, pp.209-213, URL: www.ijtsrd.com/papers/ijtsrd38671.pdf



IJTSRD38671

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COVID-19

Covid-19 is a severe acute respiratory syndrome viral disorder with Coronavirus-2 (SARS-CoV-2). The virus was first detected in Wuhan, China in December 2019 and remains a pandemic. The infection is characterized by headache, cough, breath lack, loss of taste and scent. It is a transmitted illness that is distributed by coughing, sneezing and communicating by tiny droplets. To prevent this infection, it is much needed to maintain a healthy physical distance, use mask and sanitizer and by keeping unwashed hands away from face. The statistics is shown as follows as on 31/08/2020:

Country	Total Cases	Total Deaths
USA	6,173,236	187,224
Brazil	3,862,311	120,896
India	3,621,245	64,617
Russia	990,326	17,093
Peru	647,166	28,788
South Africa	625,056	14,028
Colombia	607,938	19,364
Mexico	595,841	64,158
Spain	455,621	29,011
Chile	409,974	11,244

Source: <https://www.worldometers.info/coronavirus/>

OBJECTIVES

1. To examine the impact of COVID-19 on the preferences of the customers regarding food at restaurants.
2. To check the frequency of having food at restaurants (Pre & Post COVID-19)
3. To examine the change in preference of customers regarding the attributes before selecting a restaurant.

4. To examine the change in preference regarding payment at "restaurants (Pre & Post COVID-19)."
5. To study the change in preference while ordering food at "restaurants (Pre & Post COVID-19)."

RESEARCH METHODOLOGY

The research is focused on both primary and secondary data, but it was necessary to collect primary data, since it is a major factor in the study of the role. Primary knowledge was obtained from an online poll of 110 individuals. Secondary data is used only for reference purpose. Convenience Sampling method has been used. A variety of papers and blogs gathered the secondary results. Percentage method and Henry Garrett Ranking Method has been used for data analysis. Pie charts and Bar Graphs has been used to represent the data.

REVIEW OF LITERATURE

(Lampropoulos, Aggelopoulos, & Paraschi, 2020) conducted an empirical study on "The impact of the Covid-19 disease on distance Super-Market Sales". The researcher tried to compare the preferences of Greek customers using sample size of 230 customers. The researcher further found that the ongoing pandemic situation has affected the preferences of customers regarding shopping. Due to the lockdown, the preference of customers has been changed regarding the channel of shopping and service & convenience has also been added to the primary factors of customer choice of Super Market.

(Laguna, Fiszman, Puerta, Chaya, & Tárrega, 2020) conducted an empirical study using a sample of 362 Spanish population studied "the food shopping habits during the lockdown. The researcher found that there was a change in

the shopping frequency but no change was observed in shopping location.” The researcher further concluded that the demand of those food products that are healthy remained same and on the other side the demand of food products having short shelf life descended during the lockdown.

(Singh, Urvashi, & Singh, 2020) found that over the last six years, India’s GDP hit the lowest level in 3rd quarter 2019-20. Covid19 has affected almost every sector of the economy. The production level and the employment rates has decreased amid Covid19. To overcome this problem and to bring back the economy on its track, there is a need to move

from global to local, by using cash instead of depending on complete cashless system and by using digital platform for doing business.

(Bansal, Sharma, & Gautam, 2020) studied the” impact of Covid-19 on Indian economy with special reference to GST.” The researcher concluded that Covid-19 has affected every sector of Indian economy, be it rail system, automobile industry, restaurant industry etc. to run and manage economy, government needs fund which is collected from taxes. Due to the complete lockdown, there was no economic activity conducted in the country which will also affect the level of GST collection.

DATA ANALYSIS

Table 1 depicts the Demographic Profile of the respondents:

Table 1: Demographic Profile

		Frequency	Percent	Cumulative Percent
Age	Up to 20 years	12	10.9	10.9
	20 to 40 years	90	81.8	92.7
	40 to 60 years	8	7.3	100
	Total	110	100	
Gender	Male	58	52.7	52.7
	Female	52	47.3	100
	Total	110	100	
Educational Qualification	Up to Higher secondary	10	9.1	9.1
	Graduate	24	21.8	30.9
	Post Graduate	68	61.8	92.7
	Other	8	7.3	100
	Total	110	100	
Occupation	Salaried	44	40	40
	Self-employed	17	15.5	55.5
	Student	42	38.2	93.6
	Other	7	6.4	100
	Total	110	100	
Marital Status	Unmarried	77	70	70
	Married	33	30	100
	Total	110	100	
Family type	Nuclear family	53	48.2	48.2
	Joint family	57	51.8	100
	Total	110	100	
Annual Income	Below 1 lakh	18	16.4	16.4
	1 to 2 lakh	19	17.3	33.6
	2 to 3 lakh	21	19.1	52.7
	Above 3 lakh	52	47.3	100
	Total	110	100	



Figure 1 explains the frequency of having food at restaurants pre and post COVID-19. There is substantial change in preference of the customers regarding food at restaurant. In Pre-Covid-19 situation, maximum respondents preferred once in a month and in Post-Covid-19 situation, maximum respondents want to have food at restaurants rarely.

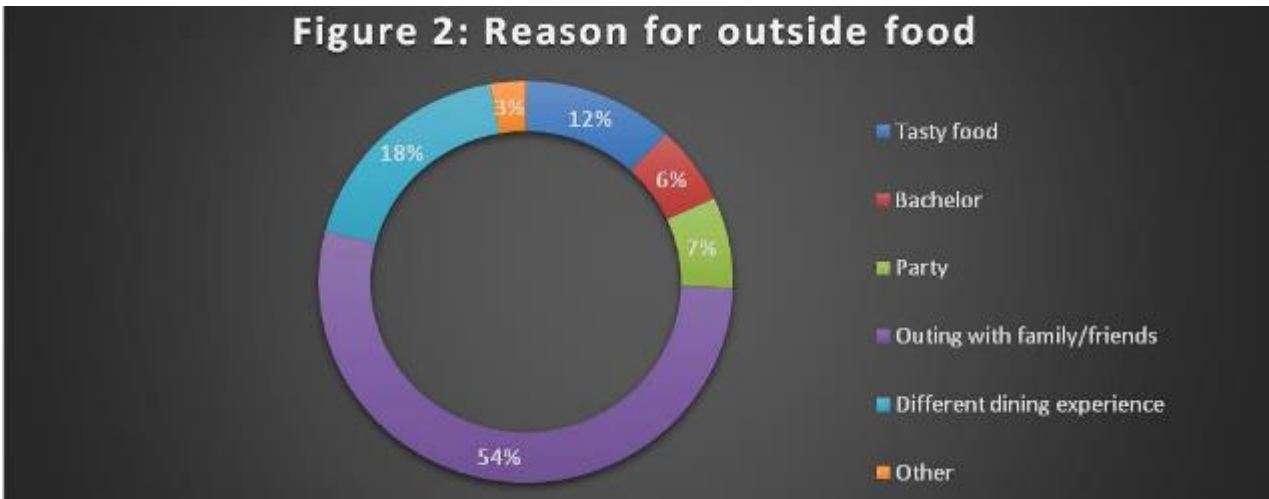


Figure 2 explains the reason for having food outside. 54% respondents preferred outing with family/friends, 18% preferred for different dining experience, 12% preferred Tasty food, 7% for Party, 6% preferred Bachelor and rest 3% specified other option as the reasons.



Figure 3 explains that 69 respondents said that their friends, 27 said family, 8 said spouse and 6 said that their colleagues have influenced them to visit a restaurant.

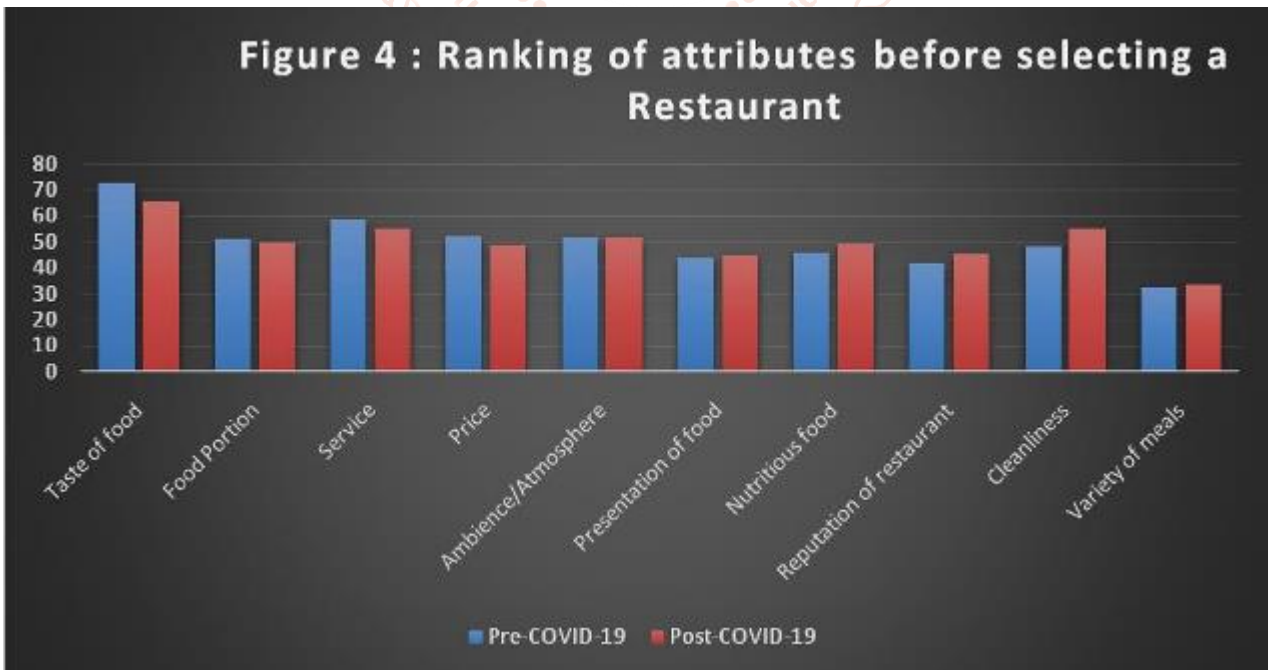


Figure 4 depicts the ranking of attributes before selecting a restaurant. By applying the Henry Garret Method, it is found that in both pre and post Covid-19 situations, the most preferred attribute was Taste of food then Services of the restaurant. The ranking for price and presentation of food has dropped down and on the other hand respondents prefer cleanliness, nutrition and reputation of restaurant more as compared to pre Covid-19 situation.

Figure 5: Have you / your family member tried any of your favorite dishes at home during COVID-19, that you did try at restaurants?



Figure 5 explains that 96 out of 110 respondents have tried their favorite dishes at home.

Figure 6: Mode of Payment



Figure 6 depicts the preferable mode of payment at the restaurants. The impact of Covid-19 can also be seen on the payment mode as the preferable mode in pre-Covid-19 was Cash that has changed to online transfer in post Covid-19 situation.

Figure 7 : Preference of Customers while Ordering food



Figure 7 depicts the preference while ordering food at restaurants. In Pre Covid-19 situation, most of the respondents preferred to Eat in and on the other side in Post Covid-19 situation, least respondents prefer to Eat in

DISCUSSION:

This paper gave the insight into the impact of COVID-19 on the preferences of consumers regarding restaurants. Majority of the respondents are of 20-40 years of age (81.8%) and are Male (52.7%). Most of the respondents are Post-Graduate (61.8%) and are Unmarried (70%). Majority of the respondents have joint family (51.8%). The preferences of consumers have changed and the changed preferences has become challenges for the restaurateur. The consumers prefer to take out or home delivery for their food as they do not want to eat in. The preference has also changed regarding the mode of payment as most of the consumers prefer online transfer for contactless payment.

CONCLUSION

- “This paper analyzed the impact of Covid-19 on the preference of the consumers regarding the restaurants.” It is found that the Covid-19 has affected the restaurant industry badly first with the lockdown and secondly with the changes in the preferences. To revive the restaurant industry, the restaurateurs need to adopt strategies to attract consumers. Some of the strategies are:
- Not letting guests touch the doors and minimize the contact with any surface.
- Tables and chairs should be sanitized regularly.
- Time-to-time Corona Test of staff.

- Reducing the number of tables to maintain distance.
 - Restaurants should use disposal.
 - Highlighting the sanitization techniques to attract more customers.
 - Taking online payment instead of cash payment.
 - Deliver DIY (Do It Yourself) meal packets.
 - Prior booking options to maintain a healthy distance.
 - Adopting contactless and menu specific delivery system
- Restaurants should be well ventilated.

ACKNOWLEDGEMENT

The second author (Taranjeet Kaur Matharu) is getting fund from ICSSR. All the expenses from study design to final submission are borne by ICSSR.

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