

MEASURES OF POST COVID-19 PANDEMICS IN HOSPITALITY AND TOURISM INDUSTRIES

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Abstract

The study entitled, Measures of post Corona virus pandemics in hospitality and tourism industries, aims to find the impact of the occurrence of corona virus on the tourism industry in Nepal and its preventive measures. The objective of the study is to collect the programmatic ideas to reduce the negative impacts of COVID-19 in Nepalese Tourism and Hospitality Industries. The secondary research methodology- predominantly secondary data has been used- has been implemented for the research. Several pieces of literature, journal articles, research or thesis paper, government documents, etc., are considered to collect the necessary information for the study. For data collection, the secondary data has been collected through extensive literature reviews. In conclusion the need of the hours is to function all stakeholders of this sector in collaborative and coordinated manner not only to mitigate the repercussions of this volatile pandemic but also to formulate short term, mid-term and long term plans to ease the recovery.

Keywords: Corona Virus, Hospitality, Measures, Tourism

Introduction

The word *hospitality* predates the use of the word *tourism*, and first appeared in the 14th century. It is derived from the Latin *hospes*, which encompasses the words *guest*, *host*, and *foreigner*. The word *tourist* appeared in print much later, in 1772. William Theobald suggests that the word *tour* comes from Greek and Latin words for *circle* and *turn*, and that *tourism* and *tourist* represent the activities of circling away from home, and then returning. Tourism is one of the most remarkable success stories of modern times. The industry, which began on a massive scale only in the 1960s, has grown rapidly and steadily for the past 30 years in terms of the income it generates and the number of people who travel abroad. It has proved to be resilient in times of economic crisis and shows no signs of slowing down, despite the uncertainty, caused by the events such as September 11, other terrorist threats, and even unexpected new illnesses like SARS in the beginning of the new century (Theobald, 2005). Many time dangerous than SARS COVID 19 is jeopardizing the world tourism. Many tourism related products and services are based only on the aforementioned existing natural or cultural/historic promise, most of which do not have acceptable marketing support in forms of

infrastructure, amenities, and digital communication to optimize the tourist experience, and to alert potential and actual tourists of the existence and nuances of those experiences (Shultz, Pestek, & Geroulis, 2015).

Objectives and Methodology

The objective of the study is to collect the programmatic ideas to reduce the negative impacts of COVID-19 in Nepalese Tourism and Hospitality Industries. The secondary research methodology- predominantly secondary data has been used- has been implemented for the research. Several pieces of literature, journal articles, research or thesis paper, government documents, etc., are considered to collect the necessary information for the study.

Discussion and Analysis

History of Travel and Tourism

Throughout the course of history, people have travelled for purposes of trade, religious conviction, economic gain, war, migration, and other equally compelling motivations. In the Roman era, wealthy aristocrats and high government officials also travelled for pleasure. Seaside resorts located at Pompeii and Herculaneum afforded citizens the opportunity to escape to their vacation villas in order to avoid the summer heat of Rome. Travel, except during the Dark Ages, has continued to grow, and throughout recorded history has played a vital role in the development of civilizations. Tourism as we know it today is distinctly twentieth-century phenomena. Historians suggest that the advent of mass tourism began in England during the industrial revolution with the rise of the middle class and relatively inexpensive transportation. The creation of the commercial airline industry following World War II and the subsequent development of the jet aircraft in the 1950s signalled the rapid growth and expansion of international travel. This growth led to the development of a major new industry: tourism. In turn, international tourism became the concern of a number of world governments because it not only provided new employment opportunities, but it also produced a means of earning foreign exchange (Theobald, 2005). Travel for leisure purposes has evolved from an experience reserved for very few people into something enjoyed by many. Historically, the ability to travel was reserved for royalty and the upper classes. From ancient Roman times through to the 17th century, young men of high standing were encouraged to travel through Europe on a “grand tour. Through the Middle Ages, many societies encouraged the practice of religious pilgrimage, as reflected in Chaucer’s *Canterbury Tales* and other literature.

Tourism in Nepal initiated since the time of composition of Veda before 3500 BC. The scholars and sages used to write holy books with great meditations and penances and used to travel to popularize the findings. Veda was composed in Vyas Municipality of Nepal and popularized by many sages all

over the south Asia throughout the world (Badal, 2019). The first Definition of Tourism by Gayer Feuler in 1905 that tourism is defined as a phenomenon unique to modern time which is dependent on the people's increasing need for a change and relaxation, the wish of recognizing the beauties of nature and art and the belief that nature gives happiness to human beings and which helps nations and communities approach each other thanks to the developments in commerce and industry and the communication and transportation tools' becoming excellent. As Per United Nation World Tourism Organization (UNWTO), Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.

Travel and Tourism

Travel has existed since the beginning of time when primitive man set out, often traversing great distances, in search of game that provided the food and clothing necessary for his survival (Theobald, 2005). Travel is defined as Journeys undertaken from one place to another for any purpose including journeys to work and as a part of employment, as a part of leisure and to take up residence Whereas, Tourism includes the journey to a destination plus stay at a destination outside one's usual place of residence activities undertaken for leisure and recreation. So, All tourism includes some travel, but not all travel is tourism. A person may often travel for a wide variety of purposes of which tourism is only one.

Tourism Becomes Business

Modern Tourism in Nepal was started with the camping accommodation since the very beginning of the 1950s when Maurice Herzog and his team scaled Mt Annapurna on June 3, 1950 and Tenzing N Sherpa and Edmund Hillary first ascended Mt Everest in 1953. The formal growth of accommodation facilities in Nepal started with the establishment of 'Royal Hotel' by a Russian national, Mr. Boris Lissanevitch, in February 1955 (Shrestha & Jeong, 2016). However, the planned development of tourism in Nepal started after 1956 with the starting of the first five-year plan (1956-1961 AD) and subsequent establishment of Tourist Development Board in 1957 under the Department of Industry. Cox & Kings, the first known travel agency, was founded in 1758 when Richard Cox became official travel agent of the British Royal Armed Forces. Almost 100 years later, in June 1841, Thomas Cook opened the first leisure travel agency, designed to help Britons improve their lives by seeing the world and participating in the temperance movement. In 1845, he ran his first commercial packaged tour, complete with cost-effective railway tickets and a printed guide.

The continued popularity of rail travel and the emergence of the automobile presented additional milestones in the development of tourism. In fact, a long journey taken by Karl Benz's wife in

1886 served to kick off interest in auto travel and helped to publicize his budding car company, which would one day become Mercedes Benz. Fast forward to 1952 with the first commercial air flights from London, England, to Johannesburg, South Africa, and Colombo, Sri Lanka and the dawn of the jet age, which many herald as the start of the modern tourism industry. The 1950s also saw the creation of Club Mediterranean and similar club holiday destinations, the precursor of today's all-inclusive resorts. The decade that followed is considered to have been a significant period in tourism development, as more travel companies came onto the scene, increasing competition for customers and moving toward "mass tourism, introducing new destinations and modes of holidaying.

Industry growth has been interrupted at several key points in history, including World War I, the Great Depression, and World War II. At the start of this century, global events thrust international travel into decline including the September 11, 2001, attack on the World Trade Center in New York City (known as 9/11), the war in Iraq, perceived threat of future terrorist attacks, and health scares including SARS, BSE (bovine spongiform encephalopathy), and West Nile virus (Government of Canada, 2006), Ebola virus, Global Economic Crisis and other pandemics.

At the same time, the industry began a massive technological shift as increased internet use revolutionized travel services. Through the 2000s, online travel bookings grew exponentially, and global leader Expedia had expanded to include brands such as Hotels.com, the Hotwire Group, trivago and Expedia Cruise Ship Centers, earning revenues of \$12.07 billion (Expedia Inc., 2019). Airbnb earning revenues of \$2 billion (Airbnb Inc. 2019), OYO Hotels earning revenues of \$951 million (OYO Hotel Inc. 2019) and others have been evolving as major players in IT revolutionized companies for easy, comfortable and convenient accommodation management. The contribution of hotel and restaurant sector to GDP is estimated to remain at 2.0 percent in the current FY 2017/18 (MOF, 2018). Tourism is the largest industry and one of the key sources of foreign exchange in Nepal. Nepal is a unique destination for mountaineering, trekking, rafting and jungle safari. It possesses eight out of 10 highest mountains in the world. There are 10 world heritages and unbeatable combination of natural beauty and cultural riches. In 2018, it welcomed around 790 thousand tourists and earned about 472 million US dollar as an income from tourism (NPC, 2019). But as one can already see, the impacts of the global tourism industry today are impressive and far reaching. Let's have a closer look at some of these outcomes.

Tourism Impacts

Tourism impacts can be grouped into three main categories: economic, social, and environmental. These impacts are analyzed using data gathered by businesses, governments, and industry organizations. The tourism industry is seen to be entering into a great crisis which is also establishing a stock market crash in all the sectors (Hoque, Shikha, Hasanat, & Arif, 2020). Cancellations of

flights have severely impacted the industry, as the sales and revenue of the Airlines Company have been reduced significantly. The tourism industry is seen to be facing the unprecedented threats as is seen in this context. The COVID-19 is raising a global health alarm which is establishing the healthcare instability as well as impacting the economic breakdown of the activities

Economic Impacts

The severity of the corona virus has grown significant panic among the people across the globe. The people even fear to exit from their houses. However, in last year, according to a UNWTO report in 2019 “international tourism receipts reached US\$1.7 trillion for the first time at the end of 2018”. UNWTO Secretary-General Zurab Pololikshvili stated this \$1.7 trillion receipts outpaced the Global economy with lots of opportunities and challenges ahead. From global perspectives, the World Travel & Tourism Council’s (WTTC) research reveals that the sector accounted for 10.4% of global GDP and 319 million jobs, or 10% of total employment in 2018. The division of overall spend is firmly weighted towards the leisure market, which represented 78.5% of the total compared with 21.5% for business spend, and the sector accounted for 6.5% of total global exports and 27.2% of total global service exports. Domestic tourism, which represented 71.2% of all tourism spending in 2018 and had the strongest growth in developing nations, continues to support opportunities by spreading development and regional economic benefits and building national pride (WTTC, 2019). Tourism around the world is now worth over \$1.7 trillion annually which represents 10% of Total GDP of the world(UNEP) and it’s a growing industry almost everywhere. Regions with the highest growth in terms of tourism dollars earned are the Europe, Asia and the Pacific, Americas, Africa and Middle East.

Social Impacts

In addition to the economic benefits of tourism development, positive social impacts include an increase in amenities (e.g., parks, recreation facilities), investment in arts and culture, celebration of First Nations people, and community pride. When developed conscientiously, tourism can, and does, contribute to a positive quality of life for residents. However, as identified by the United Nations Environment Program (UNEP, 2003a), negative social impacts of tourism can include: Change or loss of indigenous identity and values, Culture clashes, Physical causes of social stress (increased demand for resources), Ethical issues (such as an increase in sex tourism or the exploitation of child workers). High-end hotels, and airlines are severely going down because spreading of the coronavirus.

Environmental Impacts

Tourism relies on, and greatly impacts, the natural environment in which it operates. Even

though many areas of the world are conserved in the form of parks and protected areas, tourism development can have severe negative impacts. According to UNEP (2003b), these can include: Depletion of natural resources (water, forests, etc.), Pollution (air pollution, noise, sewage, waste and littering), Physical impacts (construction activities, marina development, trampling, loss of biodiversity). The environmental impacts of tourism can reach outside local areas and have an effect on the global ecosystem. One example is increased air travel, which is a major contributor to climate change. Whether positive or negative, tourism is a force for change around the world, and the industry is transforming at a staggering rate. But before we delve deeper into our understanding of tourism, let's take a look at the development of the sector in our own backyard. environmentally, tourism has provided protection to the natural environment through financial contribution from entrance fees and the maintenance and enhancement from government funding. The financial contribution from tourism has provided for the management and expansion of protected areas (Bhola-Paul, 2015).

Overview of Nepalese Tourism

Till 1950, Nepal got officially closed for tourists as Ranas, to consolidate their regime against potential educational, social, economic and cultural penetration in the Nepalese societies by foreigners, closed this country for foreign visitors Whereas Domestic Tourism was zero due to lack of highway infrastructures, low financial conditions, poor literacy rate, cultural, Traditional and social barriers and the deficiency of others tourism infrastructures. After 1950, Nepal got independence from Ranas and opened for tourists legitimately. But the same year was considered as a significant landmark year because of having the first mountaineering infiltration ever by Mr. Maurice Herzog and his friend Louis Lachenal over the Annapurna 1st (8091 Meter) and Nepal became an embryonic destination. Another benchmark year came subsequently in 1953 with the conquest of the top of the world, Mr. Everest (8848 Meter) by Mr. Tenzing Norgay Sherpa and Sir Edmund Percival Hillary, duet mountaineers. Nepal again became a mystical destination across the world (Badal, 2019). Then, 1964 was another milestone year in the Nepalese tourism legacy with the incorporation of the first travel and trekking company legally by one highly influential British Embassy officer, Mr. Jimmy Robert. But the conspicuous momentum emerged in the Nepalese tourism during 1970's due to Hippy's movement, which was quite prevalent across the world, as well as construction of highways. Again, the tourism industry got an another limelight in 1990 with the political transition from absolute monarchy to constitutional monarchy which opened the economic doors to private sectors to invest in many domestic travel and trade businesses having open market economy and economic liberalization policy. During this period, Domestic Tourism had not been quite significant but it begun thriving in snail pace through educational tours by

schools, colleges and campuses, pilgrimage tours by informal members of the societies, Business tours by banks, insurance companies and family tours by some elites from Kathmandu and other major cities of Nepal (Badal, 2019). Prospect of domestic tourism for last few years has been increased tremendously as Domestic tourists have been having enhanced propensity of travelling. As per the report, Domestic Travel spending contributed 65.6% of direct travel and tourism GDP in 2016 compared with 34.4% for foreign visitors spending.

Latest Statistics depicts that total arrival of international tourists in Nepal is around 1.3 million per annum contributing in total GDP by approximately 4% with average days of staying as 12.6 days and average spending as 45\$ per day. In total arrivals, Indian tourists dominate with 14% whereas Chinese, Srilankan, American and British travelers account 12%,8%,8% and 6% respectively. The distribution of total arrivals with different classifications of tourists demonstrates quite interesting details as leisure tourists outnumber others with 50.1% whereas Trekking and Mountaineering, Pilgrimage, Business, MICE (Meeting, Incentive, Conference and Exhibitions) and others are 13.3%, 12.6%, 4.1%, 1.7% and 16.2% respectively. Apart from stereotype tourism, Adventure Tourism, Nature Tourism, Cultural Tourism and Rural Tourism are the potential jewels which will captivate prospective tourists to increase the role of tourism sector enormously in total GDP earnings. But, some global phenomena like 9/11, SARS outbreak, Global Economic Crisis as well as domestic phenomena like Royal massacre in 2001, The Maoist Insurgency, 2015 earthquake, Political instability, unscientific tourism strategies, policies and others have been inevitable for the poor growth of not only international tourism but also domestic tourism (Badal, 2019).

As promotional campaigns to boost tourism sector, Visit Nepal Year 1998 and 2011 have been deemed as successful campaigns not only to introduce Nepal as a prolific destination but also to bring substantial numbers of tourists to increase the role of tourism sector in GDP. Having motivated from the past campaigns, Visit Nepal Year 2020 has been introduced with a tempting slogan “Experience with a lifetime” to bring 2 million tourists. Significant amount of resources has been designated with campaign strategy and policy to make it happen but right at the beginning, when the dawn of the campaign was being celebrated here, the outbreak of Corona epidemic which was diagnosed first in Wuhan province of China became rampant. As this epidemic metamorphosed to pandemic across the World with unprecedented consequences not only in tourism as well as in hospitality sectors but also in macro-economic as well as social sectors, The Visit Nepal Year 2020 finally declared as dysfunctional with innumerable travel, flight and destination restrictions to follow the protocol of WHO to avoid transmitting the disease.

The unpredictable post Covid-19 scenario in tourism arena

The entire world gets stagnated as this very pandemic COVID-19 has not only brought setback in

the livelihood of people but also impediment in the Global Economy. The dire condition of Global economy somehow reminds the 1930's great economic depression as well as the post second world war global economy as many economists reiterate.

One of the most vulnerable economic sectors which has been hit worst is definitely tourism sector which holds 10% of Global GDP, 7% of Global exports and one out of 10 jobs worldwide (UNEP). 2019 was witnessed with 4% increase in total international tourist arrivals by 1.5 billion arrivals as Middle East and Asia Pacific were two leading destinations with 8% and 5% increase respectively more than the average which literally outpaced global economy growth rate which was seen 3.1% (UNWTO). Due to COVID 19 pandemic, according to UNWTO, 100% touristic destinations have been shut down as the pandemic requires social distancing. Airlines industry, one of the integral components of tourism sector, has also been suffered significantly due to flying restriction imposed by the countries to avoid potential transmission of corona virus. Boeing and Air bus companies have begun retrenching to survive as tens of thousands of fleets across the world have been grounded because of drastic drop in passengers. Substantial numbers of job loss have been seen in tourism sector as till now 75.2 million jobs is at risk worldwide whereas Asia Pacific region is predicted to suffer by 48.7 million jobs (by S. Lock, Mar 27 2020/Statista). The outbreak of Corona Pandemic has already induced unparalleled statistics in global tourism arena as there is a projection of 20 to 30% international tourist arrival decline with 300 to 450 billion US\$ lost in tourism receipts-almost one third of 1.5 Trillion US\$ generated globally in the worst-case scenario(UNWTO) (WTTC, 2019).

The intensity of COVID 19 consequences on Global tourism depends on how long the pandemic will last, severity of social distancing restriction and efficacy of government stimulus packages. As lockdown continues in several countries across the world to maintain social distancing, there has been a prominent debate going on almost all developed as well as developing nations as either to give priority to economy or health but tradeoff between health and economy is just a false dichotomy. Most of the countries in Asia Pacific have been hit extremely worst as this region has been evolving having abundant pristine destinations. Macau and Maldives were the ones which economies entirely bank on tourism as the nations which outshined with full dictation in GDP of Asia Pacific international travel services exports by 80% and 62% respectively (UN ESCAP). Being in this region, the impending tourism catastrophe is absolutely inevitable to Nepal also. It has also showcased the ultimate harm it created on the economy of the country and the globe too at the same time. It is being thought that the impact will continue for some more time and that is of much more concern in recent times (Hoque, Shikha, Hasanat, & Arif, 2020).

Measures of post Corona virus pandemics in hospitality and tourism industries

The impact is also seen on the sales as well as the current achievements. Different foreigners are still in the stuck down position as of COVID-19. Due to this reason, the group of hotels and the other tourism activities are not gaining the opportunity to fully stop the services. Due to this reason, there lies a chance of spreading of virus more and more across the world (Hoque, Shikha, Hasanat, & Arif, 2020). Post Covid Potential Modalities to mitigate looming catastrophe and to revive tourism applicable also in Nepal have been presented as below:

1. Collaboration of all tourism stakeholders to assess the damage and preparation of collaborative recovery plan to revive this sector.
2. Promotion of Domestic Tourism as Nepal has tremendous opportunity to compensate impending depletion of foreign tourism by remodeling internal tourism.
3. Special bail out packages incorporated in fiscal year budget to salvage tourism sector.
4. Establishment of internationally recognized test and accredited laboratories to ensure quality health services across the world as well as acquirement of COVID-19 free legal acknowledgement papers from WHO or UN Agencies to travel by prospective travelers.
5. Application of immune certificate (like Yellow Fever booklet) requirement for potential visitors.
6. Issuance of “Immunity Passports” so People can leave the lockdown as this has been being considered by United Kingdom.
7. Assurance of quality health services and utilities for tourists by Host countries.
8. Provision of private health cares to tourists in case of requirement of treatment in host countries rather than expediting individual insurance.
9. Facilitation of quick, easy, reliable and hassle-free online visa procedures or waiving visa straight away as part of bilateral arrangements.
10. Rejuvenation of Village Tourism with the introduction of myriad of quality home stays as future tourism will have a great paradigm shift; most of the prospective tourists might end up spending time more in mountains or isolated destinations rather than being in the middle of the hustle bustle of cities.
11. Advancement of road infrastructures as well as modes of surface transportation with all required sanitation utilities as upcoming tourism may have a huge transition from Air transportation to Land Transportation to brush off trepidation of being in the crowd of different airports.
12. Development of family oriented tour packages to avoid mixing up any stranger in a group to ward off any potential contamination from outsider.

13. Prioritization of sustainable and eco-friendly tourism plans and strategy as there may be a shift of prospective tourist's demand towards nature friendly tourism because of having growing concern of preserving nature.

Conclusion

Though there are plenty of challenges to rejuvenate tourism sector in the middle of the effervescent circumstances, this sector has huge amount of potentiality to show resilience as well as to bounce back. To prepare for Tomorrow is to Diversify markets, products and services, to invest in market intelligence systems and digital transformation to try and garner as many facts, details, and information as possible to acquaint with the changing behaviors, needs, requirements, wants and aspirations of prospective tourists, to reinforce tourism governance at all levels i.e. federal, state and local, to prepare for crisis, build resilience and ensure tourism is a part of national emergency mechanism and systems, to invest in human capital and talent development and to place sustainable tourism firmly on the national agenda. So the need of the hours is to function all stakeholders of this sector in collaborative and coordinated manner not only to mitigate the repercussions of this volatile pandemic but also to formulate short term, mid-term and long term plans to ease the recovery.

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