



CORONA VIRUS: A STUDY ON THE INDIAN TOURISM INDUSTRY

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ABSTRACT

Tourism is defined as the relationships and subsequent interactions among tourists, commercial enterprise suppliers, local governments, and other parties host neighbourhoods and places that care about luring and hosting tourists. This essay's goal is to examine how widespread a 2020-style pandemic might be the effects of COVID-19 will be seen globally in terms of trade and performance estimates of the harm done to international business. To comprehend the impact of the Corona Virus on the global industrial firm trade, math data from renowned and reliable data sources is gathered. Prior to May 14, 2020, neither China, where the pandemic began, nor Asian countries, where new instances are often rumoured, would be popular tourist destinations. Due to pandemics, potential travellers often arrange or cancel their plans for a destination that is plague-affected; they also postpone their journeys to avoid suspicious locations and persons. Such pandemic types disrupt traditional businesses like business and the retail services sector. A total of 29,000,303 tourists arrived in 2019 using an e-Tourist Visa. The economic ramifications of this eruption are severe and could impact not just the tourist spots with a significant concentration of cases, but also other areas. The respiratory illness outbreak in 2002 was an analogous situation. The World Business Organization has assessed its forecast for foreign arrivals and receipts for 2020 because business is currently one of the prettiest industries, but it emphasises that such projections are likely to be further updated. The UN agency for business predicts that international tour arrivals will decrease in 2020 by a tenth to a half-hour compared to numbers in 2019.

KEYWORDS : Novel Corona Virus, Covid-19, Indian Tourism Industry, Tourism

INTRODUCTION

The natural coronavirus event has wreaked havoc on economies that are mostly driven by commerce and taken advantage of tourists who are frantically trying to get home. Before making its way to Asian countries, the Novel Corona Virus (Covid-19), formerly known just as the city virus, travelled to countries close by such South Korea, Japan, Italy, and Persia. In the middle of the outbreak, 185 different countries had been infected with the virus. The World Travel & Business Council placed Asia third out of 185 countries in terms of the total GDP impact of travel and tourism in 2018. India came in at number 34 in terms of the level of business and travel competitiveness (Report 2019 printed by the globe Economic Forum).

Tourism in India

The tourism and warm welcome trades from Asian nations have been one of the key drivers behind the development of India's services sector. Asian countries have a lot of promise for tourism because of their diverse ecosystems, landscapes, and sites of natural beauty, as well as their rich cultural and historical past.

Tourism is unquestionably a fantastic way to create jobs in addition to being a substantial source of money for the country. The World Travel and Tourism Council (WTTC) claims that India's economy greatly benefits from tourism. In 2018, tourism generated Rs. 16.91 lakh crore (US\$240 billion), or 9.2% of India's GDP, and supported 42.673 million jobs, or 8.1% of the total employment in the nation.

Market Size

India is the most technologically sophisticated country when it comes to using digital tools to plan, schedule, and experience travel. India's burgeoning middle class and rising disposable incomes have continued to promote the growth of both domestic and international corporate operations. 10.89 million international travellers arrived in an Asian country in 2019, a 3.2% increase over the previous year.

There were 21,33,782 foreign traveller arrivals (FTAs) between January and February 2020. A total of 29,000,303 passengers entered the country in 2019 using an e-Tourist Visa, representing an increase of 1%. As of 2019, the business sector in the Republic of India added 4.2 big integer jobs, accounting for 8.1% of all jobs in the nation. By 2028, it is anticipated that there will be an increase of 2.3 million jobs. International hotel chains are expanding their footprint in the nation because by 2020 and 2022, they will own about a 47 percent share of the country's hospitality and business sector, respectively.

Scenario of COVID-19

The first incidence of Covid-19 in India was reported on the 30th day of the Gregorian calendar year 2020. The world's healthcare and economic institutions, as well as every facet of contemporary life as we know it, were negatively impacted by the natural disaster of Covid-19, which took place during Planetary War 2. In other words, one of the biggest worldwide catastrophes since the Second World War has been exacerbated by the Covid-19 global pandemic.

The World Health Organization declared the Covid-19 natural disaster a worldwide emergency (WHO). The coronavirus caused 298 740 deaths worldwide between May 14, 2020, and 4 452,820 reported cases, according to data from the global meter (Figure 1). Governments of all nations have instituted border closures, travel restrictions, and quarantines in their countries that represent the largest economies in the world in an effort to flatten the curve, raising concerns about an imminent financial crisis and recession.

The study's initial objective is to comprehend and explain the effects of COVID-19 on the truthful statement market. There have been two different calls for each arriving and departing business enterprise from the beginning of February as opposed to the same dated prior year as a result of Covid-19's widespread cancellation of trip plans by both local and foreign tourists (Figure 2). According to predictions, arrivals in the Asia Pacific region will decline by 148 million travellers in

2020 compared to 2019. More than 1.8 billion domestic tourists are anticipated to travel abroad in 2020, a decline of 331 million travellers. Nearly 80% of all visitors to cities in the Asia Pacific region are domestic travellers, which can aid in the recovery of local economies since limitations on domestic travel are likely to be relaxed sooner than those on international tourism.

The European Union (EU), which moved quickly to assist the entire world, not just Asia, has given resources to businesses, including a large number of small and medium-sized ones. Given the ongoing nature of the case, it is still too early to determine the full impact of Covid19 on international business.

Hospitality, Aviation and Tourism

The hospitality and travel sectors have definitely been the most seriously affected, with hourly workers experiencing situations that could have proved lethal. Marriott International, which has 174,000 employees, is getting ready to lay off tens of thousands of workers. Hilton Worldwide has also disclosed to lenders that it took out a precautionary \$1.75 billion revolving loan on March 5, 2020, in order to save money. For the week ending March 7, 2020, the hotel industry's financial gain per available square foot in the United States decreased by 11.6%, while occupancy rates in China decreased by 89 by the end of January 2020.

Other US building enterprises are calling for \$150 billion in direct help for employees due to an extraordinary reduction in demand and an anticipated \$1.5 billion loss over the past ten years. A temporary halt to operations at MGM Resorts International's urban locations has also been announced, with casino operations halting on March 16 and then building operations.

Germany's hotel occupancy has dropped by more than a year since March 2020. With a current proportion of 6 June 1944, Rome and other Italian cities are unknowingly affected, while London continues to be the most steady, with a percentage of about 47%. The Covid-19 issue has also resulted in significant decreases in the European hotel industry as well as global distortions for the hospitality industry.

The European Tourism Industry

The EU tourism industry, which employs almost thirteen million people, is projected to suffer a monthly economic loss of up to €1 billion as a result of the COVID-19 eruption. In numerous areas that would ordinarily be popular with tourists, many hotels have been evacuated, and restaurants, bars, tourist attractions, theme parks, and museums have shut down. Congresses, trade exhibitions, and cultural events are rescheduled or cancelled. Both the Olympic Games and the Euro 2020 soccer championship have been moved up to 2021. Ski resorts have already experienced the end of winter.

Major cruise lines have ceased operations, leaving cruise ships stranded and perplexed as an increasing number of ports momentarily refuse to admit them. Many countries have reinstated border controls or prohibited entry to some foreigners, making it challenging for them to travel back home. Conditions are very severe in many EU countries, including the well-known tourist destinations Spain and France. The Italian Tourism Federation predicted that this year, Europe would lose enough tourists to fill one hour. Significant drops for European hotels.

United Nation

According to the United Nations World Tourism Organization (UNWTO), the Covid-19 pandemic, which has reduced travel like no other event in history and forced 96% of all international destinations to impose restrictions in response to the eruption, could result in the loss of millions of jobs in the

global tourism industry. The Covid-19 pandemic, which has decreased travel like no other event in history and forced 96% of all international destinations to impose restrictions in response to the eruption, could lead to the loss of millions of jobs in the global tourism industry, according to the United Nations World Tourism Organization (UNWTO).

The UNWTO has been closely observing travel facilitation in recent years and has observed a constant trend towards increasing openness because it is the global organization's tourist agency. According to multiple investigations for the latest study, as of April 6, 96% of all foreign places had imposed travel restrictions in response to the outbreak. Around ninety destinations have completely or partly closed their borders to tourists, while an additional forty-four are closed to sure tourists relying on country of origin," it said.

Asian Tourism Industry

Vietnam hosted about 1.45 million Chinese tourists during the 2019 half-moon, a number that decreased by 644,000 in January 2020. It is calculable that the travel sector in Vietnam might lose \$5 billion if the Covid-19 outbreak continues until the second quarter of 2020. A 0.3-0.7% decline in the Philippines' GDP over the course of the entire year is also forecast.

HVS India and South Asia, a global business firm for hospitality, offers a free report titled Covid-19: Impact on the Indian Hotels Sector that looks into how the virus has impacted the travel and tourism industry and what would be done to repair it. For 2020, IBEF expected a novel form of tourism with a few inventive add-on concepts, however everything has failed because to Covid-19. Figure 3 is showing some Advancement in tourism.

Due to India's imprisonment, the application of Section 144, the suspension of visas, and global travel advisories, incoming business activity has currently ceased. As of right now, very few longer-term bookings are being made, and those that are all standoffish. According to the analysis, there is less chance for a sudden change in this circumstance; rather, there is a chance for a gradual rise. The likelihood of a surge of international tourists is essentially non-existent, and the majority of reservations made throughout the summer for the months of October through March have decreased. The analysis anticipates that the latter part of 2020 would be the hardest affected due to declining numbers since February. Once the virus is contained, an increase in domestic travel would be the key to reviving this sector. With assistance from the government, airlines and hotels will need to rethink quick and affordable ways to provide quality to its loyal clientele. Figure 5 shows the number of tourists who visited Indian airports in 2018 and Figure 4 shows India's contribution of the global and Asian travel industries over the past five years.

Impact of Corona Virus On Tourism & Hospitality Sector In India

1. The report claims that the travel and business sector contributes 9.2% of India's GDP (in 2018). In 2018, 26.7 million new employment were created by the business and enterprise sector. It has been found that the coronavirus's cascading consequences are seriously harming India's tourist and hospitality industries. The Ministry of Civil Aviation reports that due to recent concerns about the coronavirus, India is currently seeing a 25–30 minutes surge of foreign tourists.

2. According to newly released numbers from the Ministry of Tourism, Government of Asian country, foreign tourist arrivals (FTA) were found to be down by roughly 67 yearly during the January-March quarter, while local tourists notched a considerably lower total by approximately four hundredths. Government records show that in February 2020, FTA climbed

by 9.3% over the previous month and 7.3% over the prior year. In contrast to the 10.87 million FTAs in the Gregorian calendar months of 2019 and the 11.18 million FTAs in January 2020, 10.15 million FTAs were reported in the Gregorian calendar month of 2020. As one Asian country declared the suspension of all traveller visas until April 15 in an effort to stem the sickness' spread, the issue is getting worse.

3. The impacts of the Covid-19 natural disaster are also starting to be felt in the domestic business sector and summer travel reservations to destinations like Rajasthan and the hills. Summertime is Asia's busiest travel season. The travel sector reported a little rise in domestic travel demand this summer compared to previous given that most domestic travellers buy their tickets two to three weeks before to their desired departure date.

The most affected summer travel locations include Leh-Ladakh, Guwahati, Coimbatore, Srinagar, and Amritsar, where more than a 400th dip has been recorded. This is typically when domestic airline routes receive their 200th fare call.

4. Domestic travellers decreased as more people travelled abroad for business or to meet urgent needs. The number of visitors to Gujarat's Statue of Unity climbed by more than 38% from January to the Gregorian calendar month, which resulted in a drop in revenue of so or so large an integer.

The Asian Archaeological Survey (ASI) has 3691 sites listed, 38 of which are World Heritage Sites. According to data released by the ASI, the total revenue from monument tickets was \$247.89 large integer in FY18, \$302.34 in FY19, and 277.78 large integer in FY20 (April-January). Employment may then start to be an issue if the situation doesn't change as may be expected, i.e. if domestic travel is at its high due to the summer holidays.

5. The Corona virus has caused a spike in domestic and international cancellations for the business. Due to the fact that only people migrating for business or emergency, there are now fewer domestic travellers. The summer tourism season in Goa has been abruptly cut short by the corona virus treatment, with visas for foreign visitors being cancelled as of March 13 time of day.

The guests can now be transported back to their destinations in the coming days by empty charters. During the previous travel season, 250 chartered aircraft arrived from a variety of countries, including Russia and the United Kingdom of Great Britain and Northern Ireland. Chartered flights to states were badly impacted by the demise of the travel company Thomas Cook in the United Kingdom of Great Britain and Northern Ireland last year.

6. The industry of cordial greetings as a whole suffers from less travel. Using friendly receiving firms, the Republic of India scheduled its 500th call between Texas Independence Day and September 9. Many folks are delaying their travel arrangements. The quarters of April and June 2020 would have poor occupancy rates and pricing, according to Edelweiss Securities. Given the limitations on international travel, internal tourism may improve; however, the recent events in the Republic of India would also make this unlikely. Unexpected airfares had dropped by 20–25% on a number of well-travelled domestic routes. Airlines are also delaying price increases in order to prevent a drop in domestic demand over the summer.

CONCLUSION

Due to worries of a new recession and financial collapse, times like these require strong and resilient leadership in the

healthcare sector, business community, government, and greater society. The greater impact that the virus is having on tourism has been examined in this study report. Immediate assistance must be provided and tailored for those who might become lost in the system. Planning for the intermediate and long term is necessary for the rebalancing and reviving of the economy following this calamity. a comprehensive socioeconomic development strategy with sector-specific tactics and an entrepreneurial ecosystem that fosters the success of those with solid and resilient business models. Governments and financial institutions would be wise to periodically review the situation and make sure that the pledge to do whatever it takes is actually kept. This study also showed the simultaneous harm it did to the economies of the country and the world as a whole.

It is anticipated that the influence will last a little while longer, and this has recently increased concerns significantly. The travel agencies are thought to be impacted when the governments create a lockdown environment to halt the spread of Covid-19. The ability to deal with a significant threat and an economic downturn was also made possible by the corona virus for the travel and tourism industry. It is assumed that this has an impact on the tourism industry. The procedures were implemented, however it is thought that they were ineffectual in stopping the corona virus from spreading. The influence is also discernible in the sales, in addition to the existing triumphs. Some foreign nationals are still stashed away as of Covid-19. This keeps the hotel chain and other tourism-related businesses from shutting down entirely. This raises the possibility that viruses will spread globally in the future.

ANNEXURES

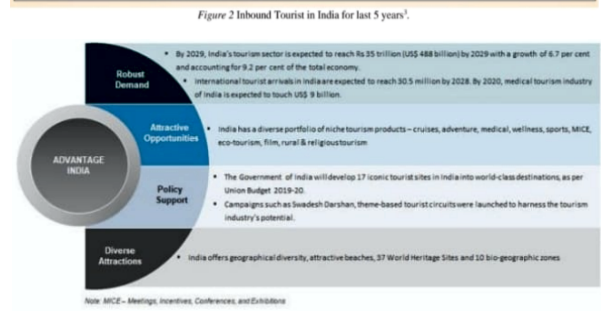
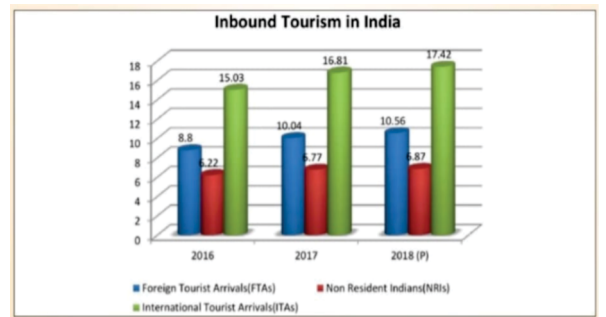
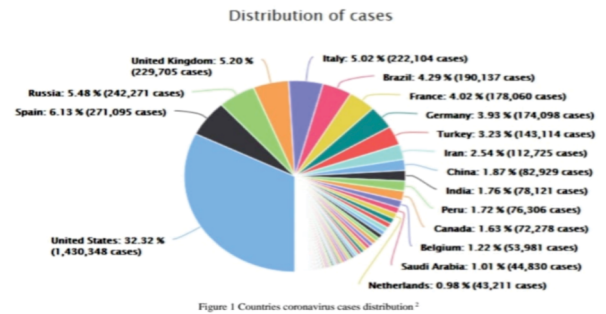


Figure-3 Showing panning of Indian tourism industry by India Brand Equity Foundation¹

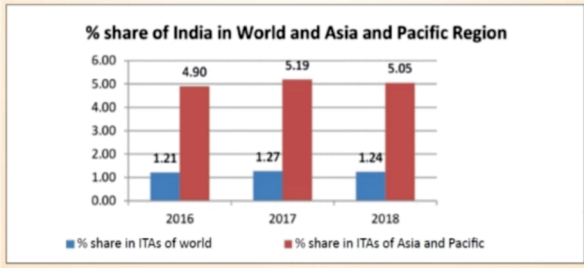


Figure 4 % Share of India in World and Asian Tourist industries for last 5 years³

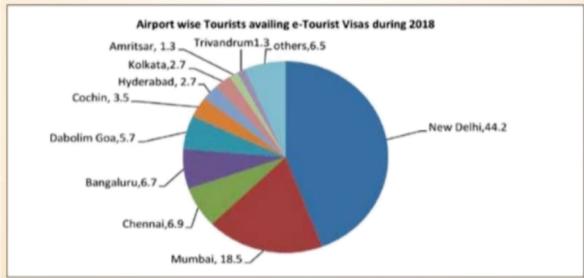


Figure 5 Tourist visited India's airports for last year's 2019⁴

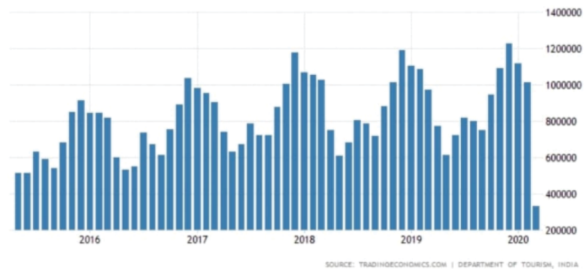


Figure 6 showing loss of Tourists in India in 2020 compare to last 5 years.

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