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Covid-19 Pandemic Outbreak and Its Effect on Tourism and Hospitality Industry

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Abstract - This paper concentrates on COVID-19 pandemic outbreak and its effect on tourism and hospitality businesses and activities. Tourism and hospitality industry as a key value driver in boosting the World and even country's economy and maximizing opportunities for all has been infected by COVID-19 also known as coronavirus as being declared "pandemic" globally by the World Health Organization. Avoiding the spread of this virus leads to observation of social distancing, movement restriction, total lockdown and some other measures. This paper then talked about implications of COVID-19 on tourism and hospitality industry, UNWTO effort to revive the tourism industry from COVID-19 outbreak and appropriate precautions to prevent the spread of COVID-19. Keywords: COVID-19, Continuity, Disruption, Precautions, UNWTO, WHO.

1.0 Introduction

Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered coronavirus. The virus, which emerged in Wuhan, China last December, has spread to at least 166 countries and regions around the globe. Ugur Aslanhan, (2020). According to World Health Organization (WHO), most people infected with the COVID-19 virus will experience mild to moderate respiratory illness and recover without requiring special treatment. Older people and those with underlying medical problems like cardiovascular disease, diabetes, chronic respiratory disease, and cancer are more likely to develop serious illness (WHO 2019).

Research shows that the COVID-19 virus spreads primarily through droplets of saliva or discharge from the nose when an infected person coughs or sneezes, so it is important that we also practice respiratory etiquette for example; by coughing into a flexed elbow (WHO 2020). At this time, there are no specific vaccines or treatments for COVID-19.

However, there are many ongoing clinical trials evaluating potential treatments. World Health Organization will continue to provide updated information as soon as clinical findings become available? The best way to prevent and slow down transmission is be well informed about the COVID-19 virus, the disease it causes and how it spreads. Protect yourself and others from infection by washing your hands or using an alcohol based sanitizer frequently and not touching your face.

1.1 Statement of Problem

The extent, to which the concern for COVID-19 also known as coronavirus as being declared "pandemic" globally by the World Health Organization becomes a problem as one industry that is suffering the most immediate repercussions is the tourism and hospitality industry. The pandemic declaration then call for postponement and cancelation of events, conferences, travel, and sports leagues, and other activities which is immediately driving down the industry business and activities.

- 1.2 Objectives of Study
 - 1. To enlighten business owners on business disruption and business continuity.
 - 2. To know the importance of tourism and hospitality business.
 - 3. To contain the spread of the coronavirus.
 - 4. To be aware of UNWTO effort in reviving the tourism and hospitality industry out of the pandemic infection.

1.3 Significance of the Study

For research purposes it is of great importance to note that COVID-19 is a human infectious disease newly discovered Coronavirus with different strain. However, to minimize unnecessary negative impact of this disease names on trade, travel, hospitality, tourism, or living things welfare, appropriate precautions to prevent the spread of the virus must be practiced by individuals, groups, firms, and the public sector globally.

1.4 Scope of Study

The scope of this study is basically centered on tourism and hospitality industry.

2.0 Literature Review

2.1 COVID-19 and its Implications on Tourism and Hospitality Industry

The Director-General of the World Health Organization (WHO), on the advice of the International Health Regulations (IHR) Emergency Committee on COVID-19, which met on 30 January 2020, declared outbreak of COVID-19 constitutes a Public Health Emergency of International Concern (PHEIC). Important note on naming the coronavirus disease 2019, WHO has named the disease COVID-19, short for "coronavirus disease 2019", following WHO best practices for naming of new human infectious diseases, with the aim to minimize unnecessary negative impact of disease names on trade, travel, tourism, or animal welfare.

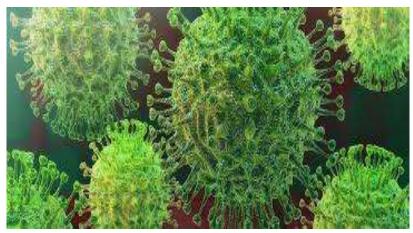
COVID-19, also known as Coronavirus, is a new strain of infection that emerged at the end of 2019 and has since spread to over 140 countries, with more than 2,400,600 confirmed cases, 166,053 death cases and 636,187 recovered around the globe as at 20th April 2020 (WHO 2020). Since the first identified case in Wuhai China, the virus has rapidly spread across the global and on 11th March 2020 the World Health Organization (WHO) declared the coronavirus outbreak a pandemic. Recent news of Italy taking drastic measures to control the spread of the virus dominated media outlets as a nationwide quarantine and eventual shutdown closed shops, bars, restaurants and non-essential services.

Many countries, most recently the United States and Canada, have begun closing their borders in response to the outbreak. Impacts of the virus are far-reaching and continue to ripple throughout the world as businesses and people in their everyday lives get acclimated to their new reality.

One industry that is suffering the most immediate repercussions is the hospitality and tourism industry. Hospitality is among the hardest hit due to fears of community spread through travel and group environments. The news has been featuring the postponement and cancelation of events, conferences, conventions, and sports leagues, which is immediately driving down travel and tourism for business and pleasure.

As the phrase "social distancing" becomes a household term, many consumers are playing it safe and staying at home, while some are attempting to continue typical day-to-day operations through restrictions. Curfews, and in some cities full lockdowns, have created a precarious business climate for restaurants, bars, cafes and other businesses dependent on guests. These roadblocks are significantly impacting their bottom line.

Figure: 1



COVID-19 Source: World Health Organization (2019).

Lena Combs, (2020). Opines that there are two scenarios for which the hospitality industry should prepare a response:

- 1. The event that a guest, customer, or employee contracts COVID-19.
- 2. The probable drop in profits.
- 2.2 United Nation World Tourism Organization (UNWTO) Effort to Revive the Tourism Industry from COVID-19 Outbreak

The outbreak of COVID-19 presents the tourism sector with a major and evolving challenge. The World Tourism Organization (UNWTO) has strengthened its collaboration with the World Health Organization (WHO). The two UN agencies met in Geneva to further advance a coordinated response to COVID-19. UNWTO also calls upon the sector and travelers to address this challenge with sound judgment and proportionate measures. Tourism is currently one of the most affected sectors and UNWTO has revised its 2020 forecast for international arrivals and receipts, though emphasizes that such any predictions are likely to be further revised. Against a backdrop of travel restrictions being introduced, UNWTO underscores the importance of international dialogue and cooperation and emphasizes the COVID-19 challenge also represents an opportunity to show how solidarity can go beyond borders.

- The tourism sector, like no other economic activity with social impact, is based on interaction amongst people. UNWTO has been guiding the tourism sector's response on several levels:
- 1. By cooperating closely with the World Health Organization (WHO), the lead UN agency for the management of this outbreak;
- 2. Ensuring with WHO that health measures are implemented in ways that minimize unnecessary impact on international travel and trade;
- 3. Standing in solidarity with affected countries; and
- 4. Emphasizing tourism's proven resilience and by standing ready to support recovery.
- UNWTO continues to coordinate closely with WHO and other United Nations agencies, and UNWTO's Secretary-General Zurab Pololikashvili maintains regular contact with governments and tourism sector leaders.

2.3 Preparing for a Business Disruption

According to Lena Combs, (2020). In the event of a significant disruption, such as the one we are facing, there are several steps that businesses should take.

- 1. Owners and management should check with their insurance provider to inquire what their policy defines as "major disasters" and business interruption
- 2. **Many travel insurance companies may not consider this a coverable event.** As the pandemic continues to dominate the news, the assumption is that travelers should be aware of the global implications and potential for disturbances. Lodging companies should advise their patrons and owners to review their personal insurance travel policies closely.
- 3. Plan for varying lengths of reduced revenue flow by conserving cash and considering a line of credit for the short term. Begin to evaluate your contracts and prioritize expenditures; an immediate action can be to delay or remove non-essential expenses such as travel, entertainment and marketing in the meantime. In the long-term, expenditures such as major capital projects or property improvements can be put on hold until business revenue returns to normal.
- 4. **Consider hosting a strategic planning session with key stakeholders** to determine how the impacts might affect the business.
- 5. **Keep your team's morale up.** A strong and effective leader will be needed to assure your team. As stressful as times may be, it is crucial that your guests/customers have a positive experience, as it is a reflection of your business.
- 6. **Operational Recommendations.** Ensuring that your business is prepared to prevent the spread of flu viruses is vital to protect your employees and guests. Common-sense guidance includes washing hands

frequently, avoiding touching your face and using soap and water to clean and disinfect frequently used surfaces.

2.4 Disaster Preparedness and Business Continuity

If the Coronavirus outbreak has taught businesses anything, it is the practicality of having a disaster preparedness and business continuity plan. Any existing plans that combat data recovery, property loss and safety should also have action items added to protect your business from adverse effects of the pandemic. It is important to prepare accordingly to not only offset the damage caused by this outbreak, but to prevent future damage in the event of another, or different, emergency. Being proactive in managing insurance policies, conserving cash and having a comprehensive preparedness plan will protect you, your team and your customers in the long run.

Never forget to look ahead and be optimistic. In Wuhan, the first epicenter of the outbreak, medical staff has been taking off their masks as a monumental, inspirational gesture that signals the downswing of the virus in their province.

2.5 COVID-19 Damage to Tourism Industry

The coronavirus outbreak is putting many industries at risk. Among them, the tourism industry seems to be one of the worst affected in the short term. The World Travel and Tourism Council has warned that the pandemic could cut 50 million jobs worldwide for an industry that currently accounts for 10% of global GDP (Christopher Anderson 2020). According to research, the global tourism industry is set to incur losses of \$1 trillion from the coronavirus outbreak and economic losses in tourism sector due to COVID-19 outbreak so far total \$600M, Ugur Aslanhan, (2020). Also, Bulut Bagci the head of the World Tourism Forum Institute affirm that 50 million people working in the sector may lose their jobs because the global tourism market generate averages revenues of \$1.7 trillion annually, and due to the outbreak, economic losses have already reached \$600 million and might reach at least \$1 trillion by the end of the year. Considering the sectors related to tourism, the total economic losses might go as high as \$5 trillion because tourism affects at least 60 sectors and unfortunately, even if the outbreak is under control, tourism's recovery will not be easy. Ugur Aslanhan, (2020).

2.6 Appropriate Precautions to Prevent the Spread of COVID-19:

- 1. Clean your hands often. Use soap and water, or an alcohol-based hand rub.
- 2. Maintain a safe distance from anyone who is coughing or sneezing.
- 3. Don't touch your eyes, nose or mouth.
- 4. Cover your nose and mouth with your bent elbow or a tissue when you cough or sneeze.
- 5. Stay home if you feel unwell.
- 6. If you have a fever, coughs, and difficulty breathing, seek medical attention. Call in advance.
- 7. Follow the directions of your local health authority.
- 8. Avoiding unneeded visits to medical facilities allows healthcare systems to operate more effectively, therefore protecting you and others.

3.0 Conclusion

The coronavirus known as COVID-19 outbreak has taught hospitality business owners and tourism experts nothing than disaster preparedness, business disruption and business continuity. UNWTO efforts in reviving the tourism and hospitality industry cannot be underestimated as they strengthened collaboration with the World Health Organization (WHO) to further advance a coordinated response to COVID-19. Reports and developments of the outbreak are constant and dynamic. Communities and businesses across the world are feeling the effects of the virus. In this case, from the above view it is of paramount that stakeholders in the industry need to restrategize to avoid similar of same occurrence in the nearest future. Hence, it call for disaster preparedness and business continuity plan.

4.0 Recommendations

Based on the directions of local and international health authorities, observations, and findings of this research, the following are therefore recommended as the way forward to curtail the spread of COVID-19:

- 1. **Wash your hands frequently:** Regularly and thoroughly clean your hands with an alcohol-based hand rub or wash them with soap and water.
- 2. **Maintain social distancing:** Maintain at least 1metre (3 feet) distance between yourself and anyone who is coughing or sneezing.
- 3. **Avoid touching eyes, nose and mouth:** Hands touch many surfaces and can pick up viruses. Once contaminated, hands can transfer the virus to your eyes, nose or mouth. From there, the virus can enter your body and can make you sick.
- 4. **Practice respiratory hygiene:** Make sure you, and the people around you, follow good respiratory hygiene. This means covering your mouth and nose with your bent elbow or tissue when you cough or sneeze. Then dispose of the used tissue immediately.
- 5. **If you have fever, cough and difficulty breathing, seek medical care early:** Stay home if you feel unwell. If you have a fever, cough and difficulty breathing, seek medical attention and call in advance. Follow the directions of your local health authority.
- 6. **Stay informed and follows advice given by your healthcare provider**: Stay informed on the latest developments about COVID-19. Follow advice given by your healthcare provider, your national and local public health authority or your employer on how to protect yourself and others from COVID-19.
- 7. Protection measures for persons who are in or have recently visited (past 14 days) areas where COVID-19 is spreading.
- 8. Tourism and hospitality professionals should focus on the last quarter of 2020 and should consider shrinking staff as a last option.

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