

A Case Study on the Economic Impact of Covid-19 Pandemic on the Travel and Tourism Industry With Special to Travel Agencies in Kerala

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Abstract: Covid-19 is the most discussed subject in our current society. It affects the lifestyles of every human individual around the world. In this pandemic era, the most affected sector is the travel and tourism sector and travel agencies play a very vital role in the field of tourism.. But in this current scenario, the Covid-19 outbreak has hit travel agencies hard – which could stall development in emerging markets. The change in the behavior of passengers following the COVID-19 crisis, travel restrictions and the ensuing economic crisis have resulted in a dramatic drop in demand for travel agencies. . This project will help to ensure how Covid-19 affects the travel agencies and also check what type of Travelers mostly traveled during this situation through travel agencies . It also ensure how Covid-19 affect the economic stability of the travel agencies. This work aims to get a clear picture of how this pandemic era affects the travel agencies in Kerala.

Keywords: Covid19, Pandemic, Tourism, Travel Agency

I. INTRODUCTION

Tourism is one of the most important and fastest-growing industries in today's world that creates a lot of job opportunities. It generates a lot of revenue and adds to the economy of the country. Apart from generating jobs and revenue, it gives an opportunity for people of different countries and cultures to move and mingle with other cultures and social environments for the purpose of entertainment as well as professional purposes. It is only through Tourism that the world can get closer and know each other both socially, culturally and religiously¹. It creates good bonding among people of different languages and cultures. It also paves the way to understand and explore the rich heritage and ancient history of an unknown place. It is an unnoticed export that generates significant foreign exchange without materially or actually depleting internal resources. One special category of very labor-intensive sector is tourism. It offers a variety of amenities that incoming tourists demand and anticipate. When it comes to the amount of money travelers spend when travelling, the tourism sector ranks among the top sectors². The revenue generated by the tourism sector occasionally exceeds the gross national product of many nations.

National Product of numerous nation India is one of the most popular tourist destinations in Asia because of its stunning scenery, diverse attractions, and rich cultural heritage. It also has a rich ancient history. India has long drawn both domestic and foreign tourists as the center of its many diverse cultures and languages³. It brought in 10.93 million foreign visitors in 2019 and thus increased India's GDP by about 4.7%. Due to the freedom it grants to all religions, India has also drawn foreign tourists. The coexistence of people who speak 22 different languages and practice 9 different religions is what draws tourists from around the world. India is a mix of beautiful beaches, enthralling backwaters, gorgeous architecture, and hill stations. India has long been renowned.

The covid-19 pandemic and the consequent lockdowns had brought the social and economic Life of the whole world to a standstill. WHO and World Bank in a joint report in 2019 forecasted a drastic decline in global GDP by 2.2 percent to 4.8 percent, to our greatest dismay which seemed to be materialized in the current period. (Chaudhary et al., 2020)

Travel and Tourism is one of the worst-hit industry by the outbreak of the Covid-19 Pandemic. Before this unprecedented virus attack, Travel and Tourism were thriving in India.⁴ According to World Travel and Tourism Council, Tourism in India fetched the whopping US \$ 240 billion, constituting 9.2 percent of India’s GDP in 2018. (Buragohain, 2020)

Kerala blessed with her picturesque beauty and pristine nature is inherently strong in travel and tourism and the industry constituted 10 percent of Kerala’s SGDP and contributed a significant 23.5 percent of total employment in Kerala. Thus the Travel and Tourism industry is one of the major revenue-generating sectors of Kerala⁵. Foreigners and domestic tourists used to frequent Kerala throughout the year. Kerala’s nature-rich tourist spots, along with various art forms and rituals make it attractive to tourists. The Covid-19 pandemic has turned everything upside down as people refrain from travel and indulge in a new culture of self-isolation.

II. SAMPLING

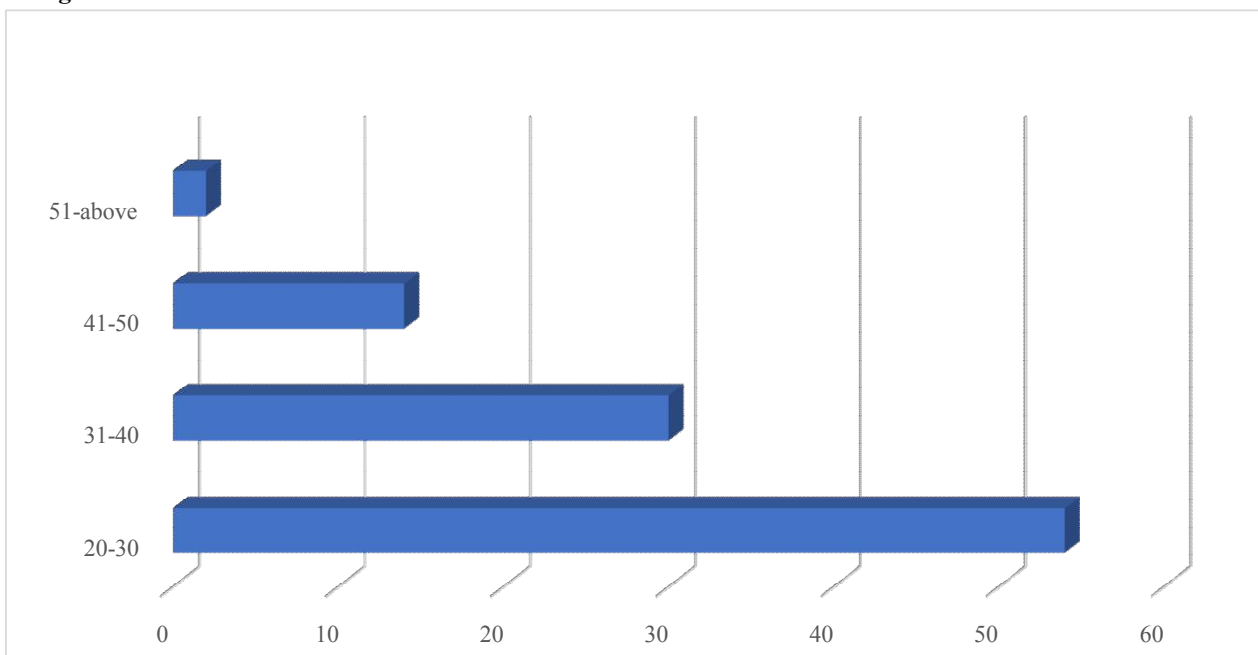
The primary data is mostly gathered from the thoughts and points of view of 100 respondents after a set of 25 questions is produced and distributed to tourists.

III. DATA ANALYSIS

CLASSIFICATION OF RESPONDENTS ACCORDING TO THE AGE GROUP

Options	Frequency	Percentage
20-30	54	54%
31-40	30	30%
41-50	14	14%
51-above	2	2%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE AGE GROUP



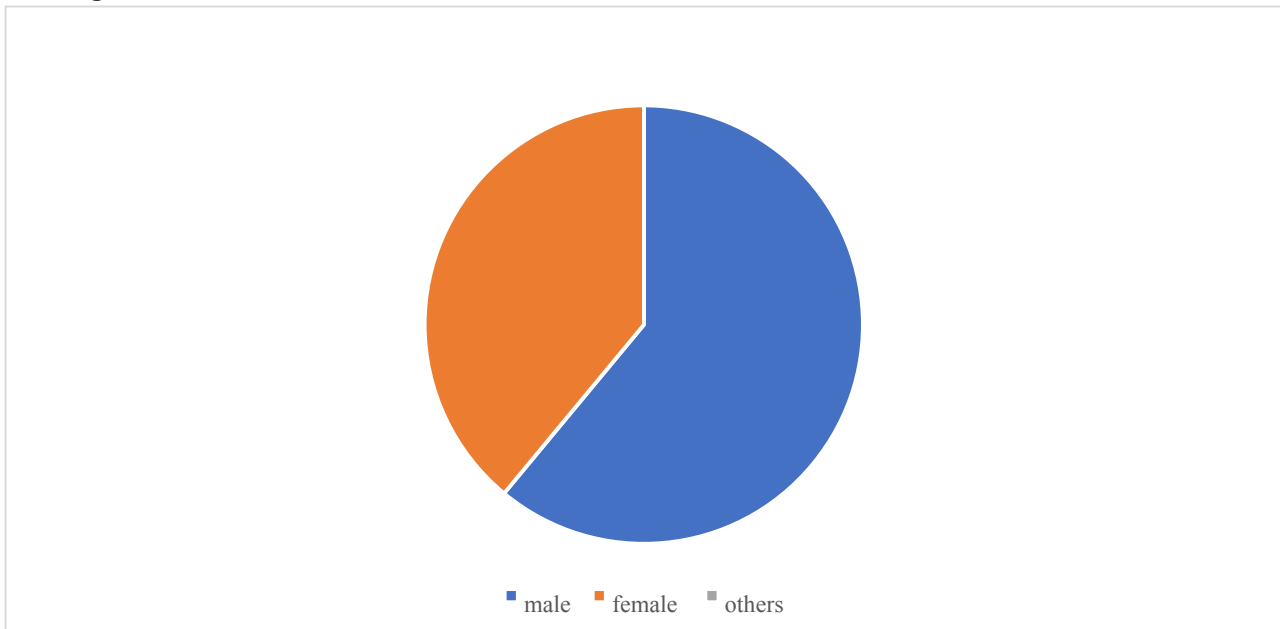
INTERPRETATION:

From the above Table we can understand that the majority of respondents (54%) are from age group of 20 – 30 years and 30% of respondents are from the age group of 31– 40 years and 14% of respondents are from age group 41-50 years. Only 2% of respondents are from the age group of 60 and above. This shows that most of the respondents are between the age group of 20-30 years.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE GENDER

Options	Frequency	Percentage
Male	61	61%
Female	39	39%
Total	100	100%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE GENDER

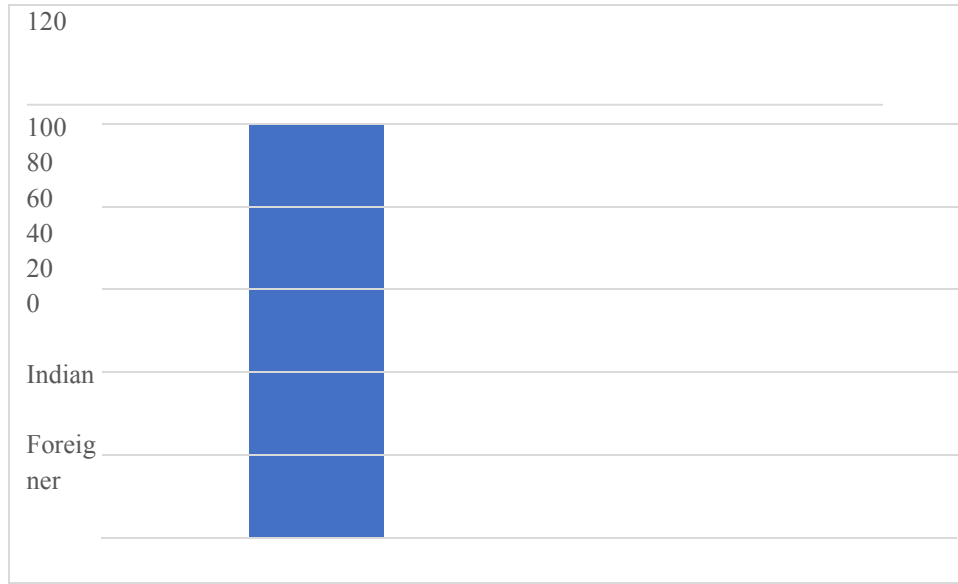


INTERPRETATION: From the above Table we can understand that 61% of Respondents are male and 39% of respondents are female. This shows that most of the Respondents are male.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE NATIONALITY

Options	Frequency	Percentage
Indian	100	100%
Foreigner	0	0
Total	100	100%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE NATIONALITY

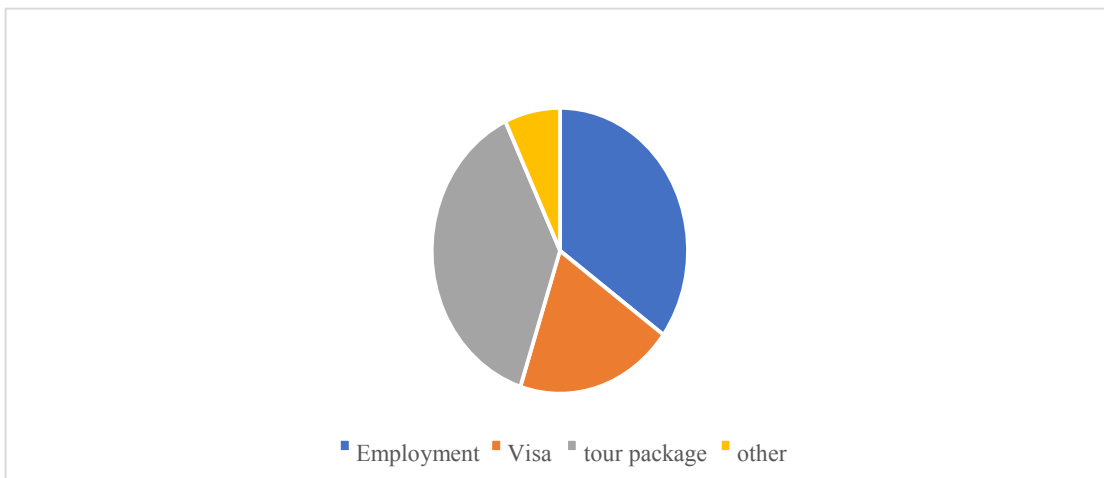


INTERPRETATION: From the above Table we can understand that majority 100% of Respondents are Indian

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE CUSTOMERS PURPOSE OF VISIT TO TRAVEL AGENCY

Options	Frequency	Percentage
Employment	35	35%
Visa	20	20%
Tour package	38	38%
Other	7	7%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE CUSTOMERS PURPOSE OF VISIT TO TRAVEL AGENCY

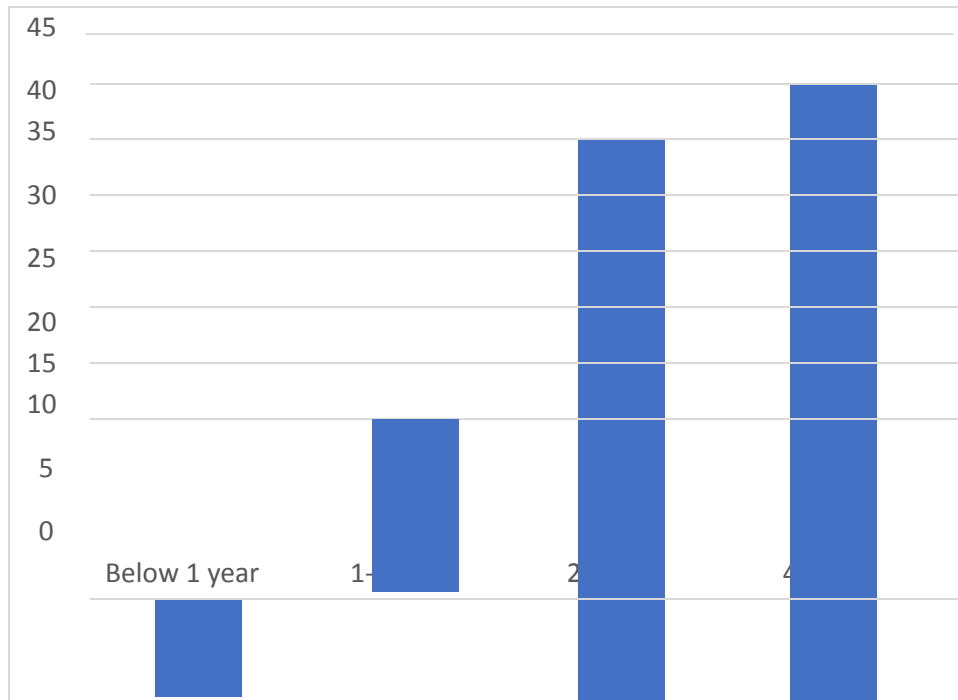


INTERPRETATION: From the above Table we can understand that 38% of respondents are Workers and 35% of respondents are students and 20% of respondents are Retired people and 5% are from Others. This shows that majority of the respondents are Workers.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE LONG HAVE YOU BEEN WORKING IN TRAVEL AGENCY

Options	Frequency	Percentage
1 year below	9	9%
1-2 year below	17	17%
2-3 year below	35	35%
4-and above	40	40%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE LONG HAVE YOU BEEN WORKING IN TRAVEL AGENCY

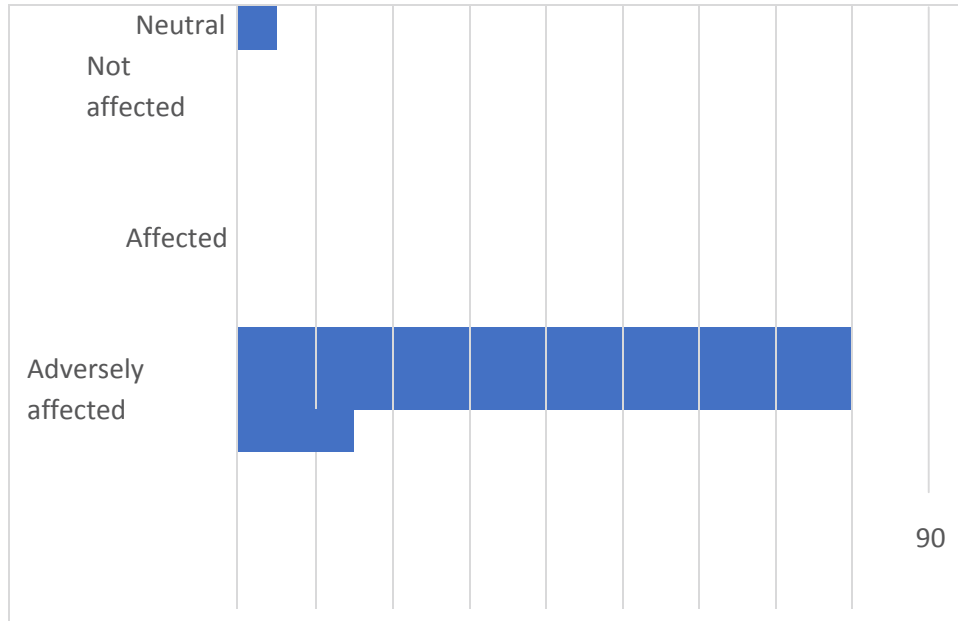


INTERPRETATION: From the table it is found that most of the Respondents are working in travel agency for 4 years and above.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE COVID-19 PANDEMIC AFFECTED YOUR WORK AS A TRAVEL AGENCY

Options	Frequency	Percentage
Adversely affected	15	15%
Affected	80	80%
Not affected	5	5%
Netural	0	0%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE COVID 19 PANDEMIC AFFECTED YOUR WORK AS A TRAVEL AGENCY

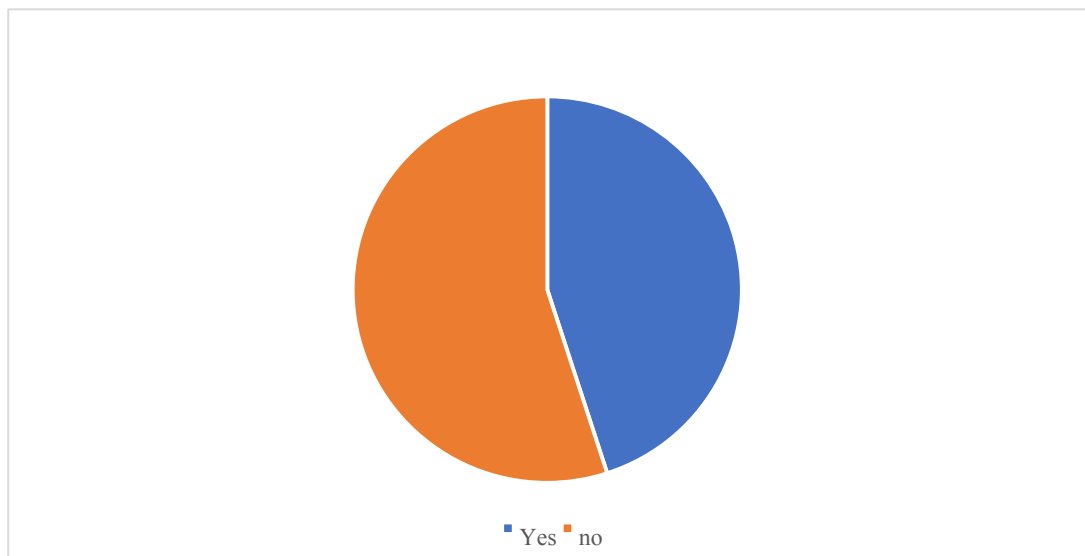


INTERPRETATION: Table indicates impact of COVID-19 pandemic on respondents work as a travel agency. It is found that COVID-19 pandemic affected 80% respondents

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE ANY NEW SERVICE TO CATER THE NEEDS OF TRAVELLERS DURING THE PANDEMIC

Options	Frequency	Percentage
Yes	45	45%
No	55	55%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE ANY NEW SERVICE TO CATER THE NEEDS OF TRAVELLERS DURING THE PANDEMIC

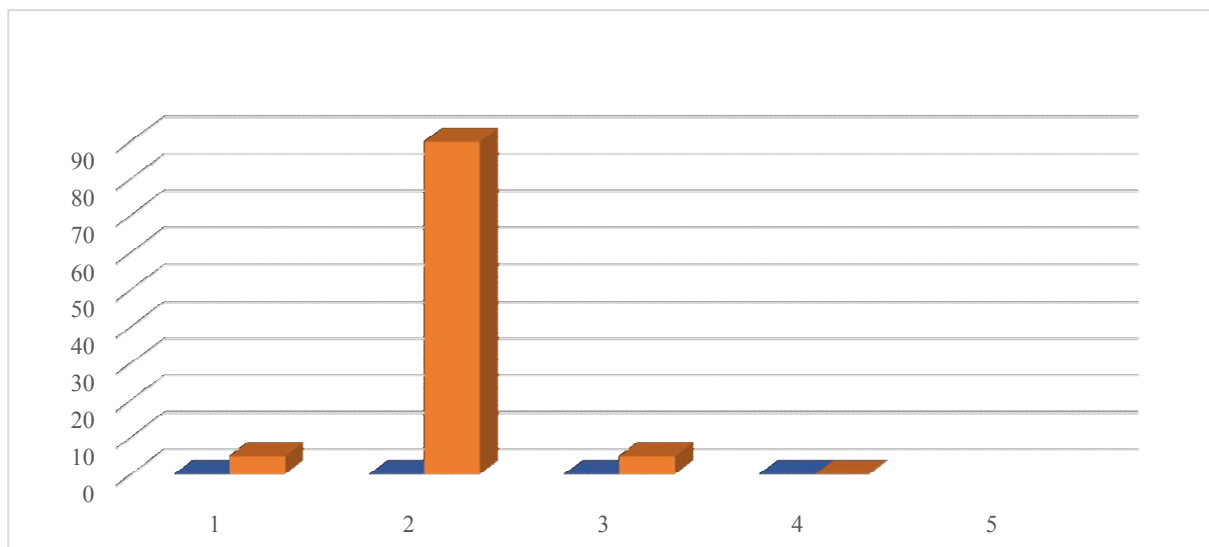


INTERPRETATION: Table hours, if the Respondents added any new service to cater the needs of travelers during the pandemic. It is found that 55% respondents never added new service and 45% respondents added new service

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE BEHAVIOUR OF CUSTOMERS

Options	Frequency	Percentage
Excellent	5	5%
Good	90	90%
Satisfied	5	5%
Poor	0	0%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE BEHAVIOUR OF CUSTOMERS

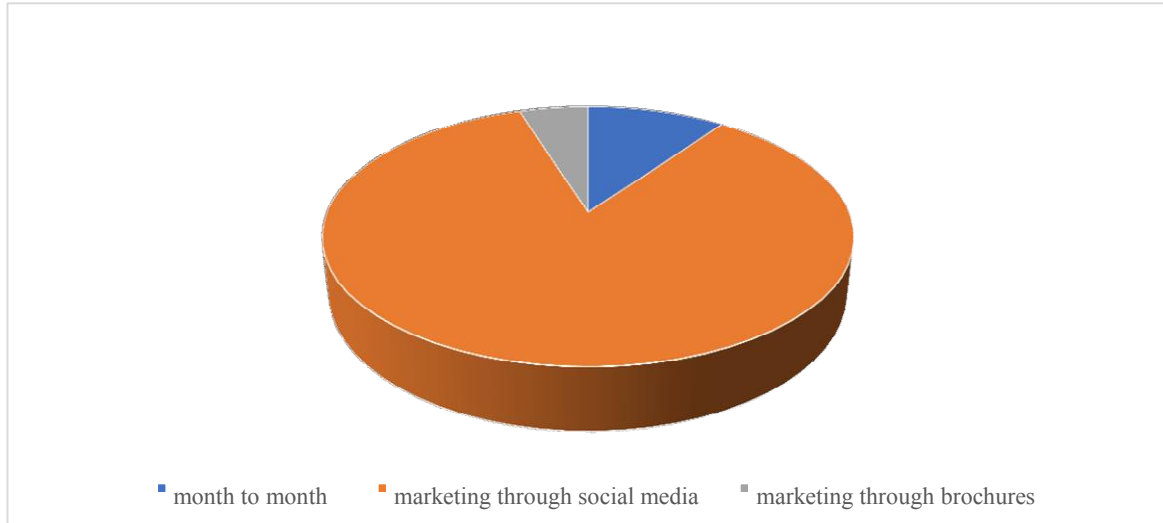


INTERPRETATION: Table indicates the behaviour of customers it is found that the behaviour of customers is rated good by many respondents. No Respondents rated poor on customers behaviour.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE PROMOTIONAL ACTIVITIES YOU WOULD LIKE TO SUGGEST TO PROMOTE YOUR TRAVEL

Options	Frequency	Percentage
Month to month	10	10%
Marketing through social media	85	85%
Marketing through brochures	5	5%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE PROMOTIONAL ACTIVITIES YOU WOULD LIKE TO SUGGEST TO PROMOTE YOUR TRAVEL

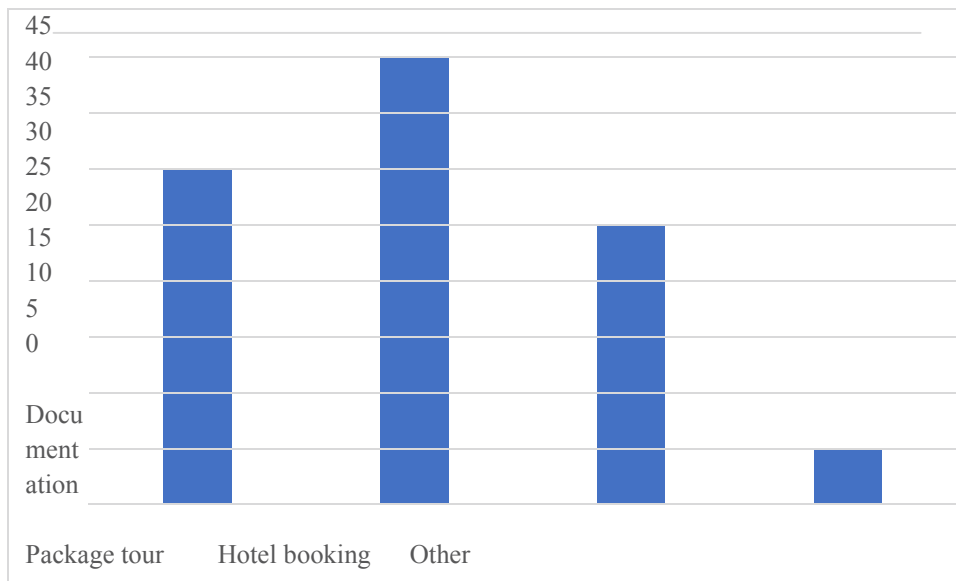


INTERPRETATION: Table display the promotional activities. Suggested by Respondents. It is found out that most of respondent suggested marketing through social media.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE TYPE OF TRAVEL SERVICE DO YOU OFFER

Options	Frequency	Percentage
Documentation	30	30%
Package tour	40	40%
Hotel booking	25	25%
Other	5	5%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE TYPE OF TRAVEL SERVICE DO YOU OFFER

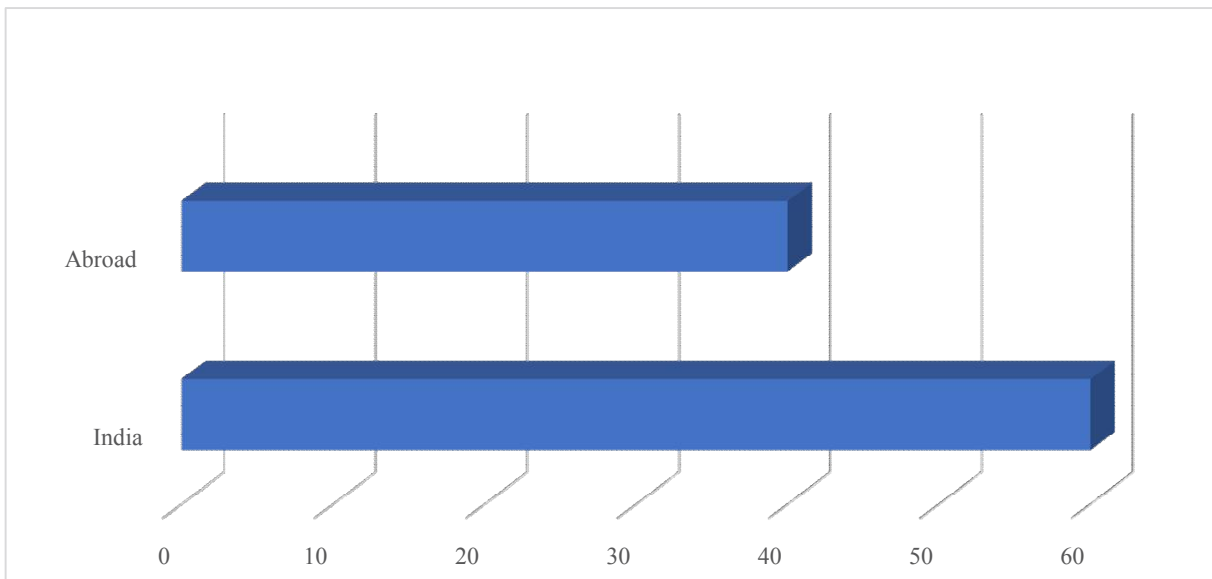


INTERPRETATION: Table indicates the service offered by the Respondents. It is found out package tour is most offered service by the Respondents.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE SPECIALIZED DESTINATION

Options	Frequency	Percentage
India	60	60%
Abroad	40	40%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE SPECIALIZED DESTINATION

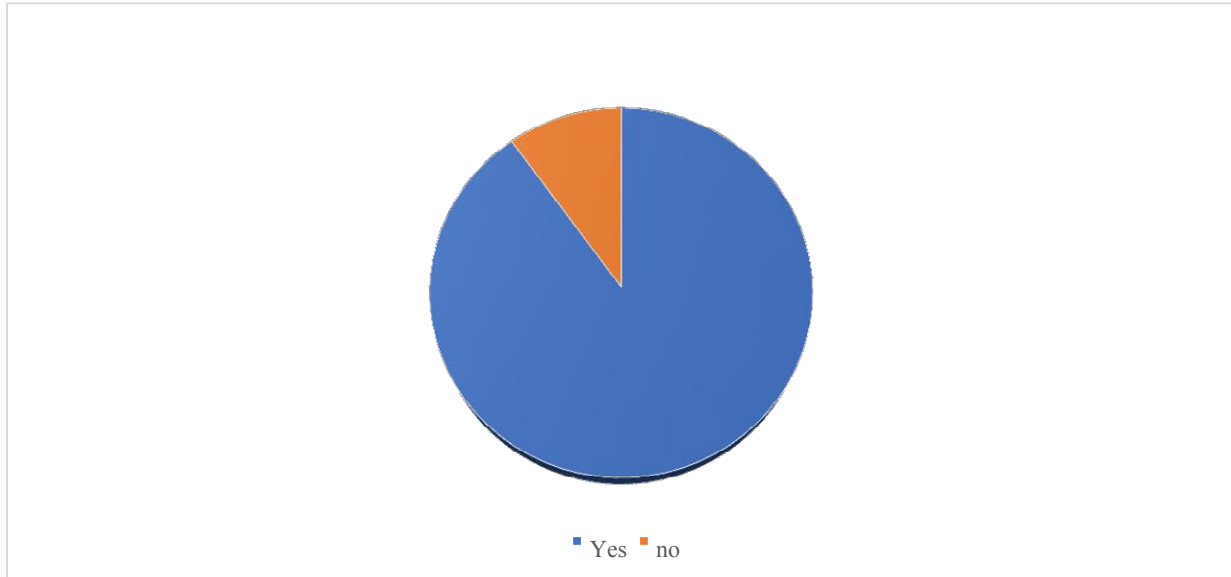


INTERPRETATION: Table displays the Respondents, specialized destination. It is found out that India is the most specialized destination.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE TRAVEL INSURANCE

Options	Frequency	Percentage
Yes	90	90%
No	10	10%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE TRAVEL INSURANCE

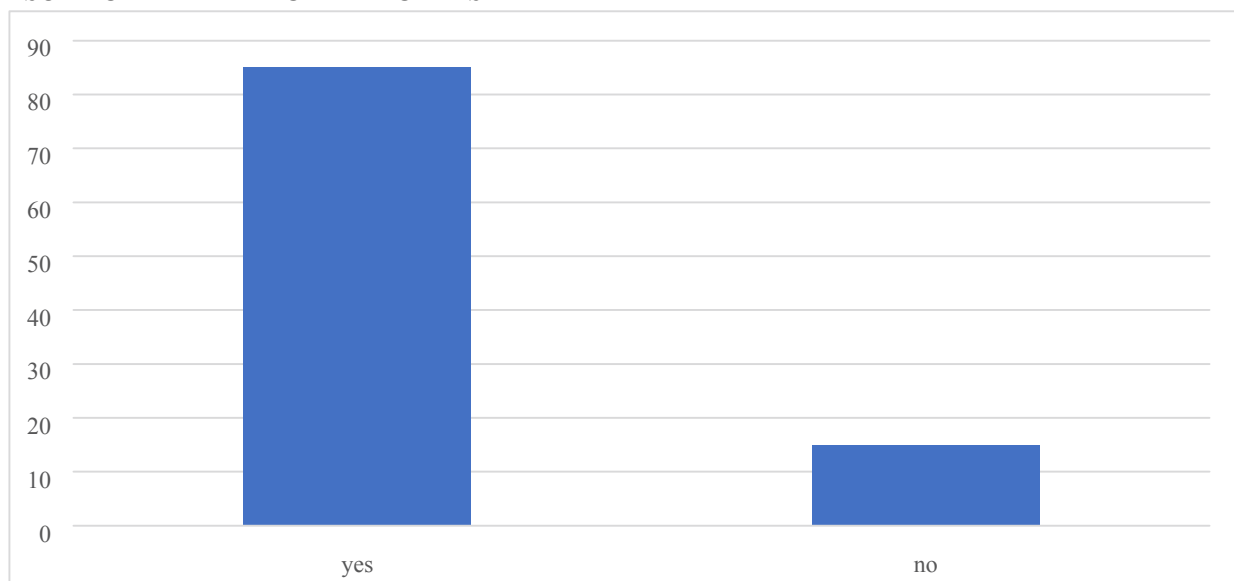


INTERPRETATION: From the table it is found out that the 90% respondents provide travel insurance and 10% of respondents never provide travel insurance

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE COVID-19 TEST RESULT OR RELATED CERTIFICATES

Options	Frequency	Percentage
Yes	85	85%
No	15	15%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE COVID19 TEST RESULT OR RELATED CERTIFICATES

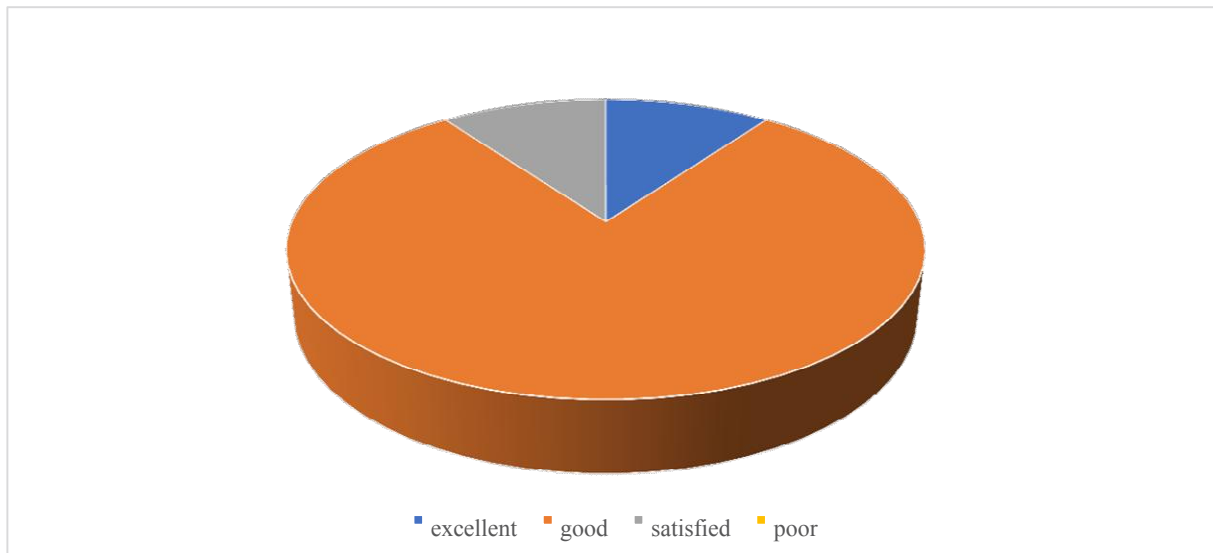


INTERPRETATION: from the table it is found out that 85% of respondents assist client in obtaining necessary travel document such as COVID-19 test result or related certificates

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE SAFE GUARDING OF CUSTOMERS TRAVEL DOCUMENTS

Options	Frequency	Percentage
Excellent	10	10%
Good	80	80%
Satisfied	10	10%
Poor	0	0%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE SAFE GUARDING OF CUSTOMERS TRAVEL DOCUMENTS

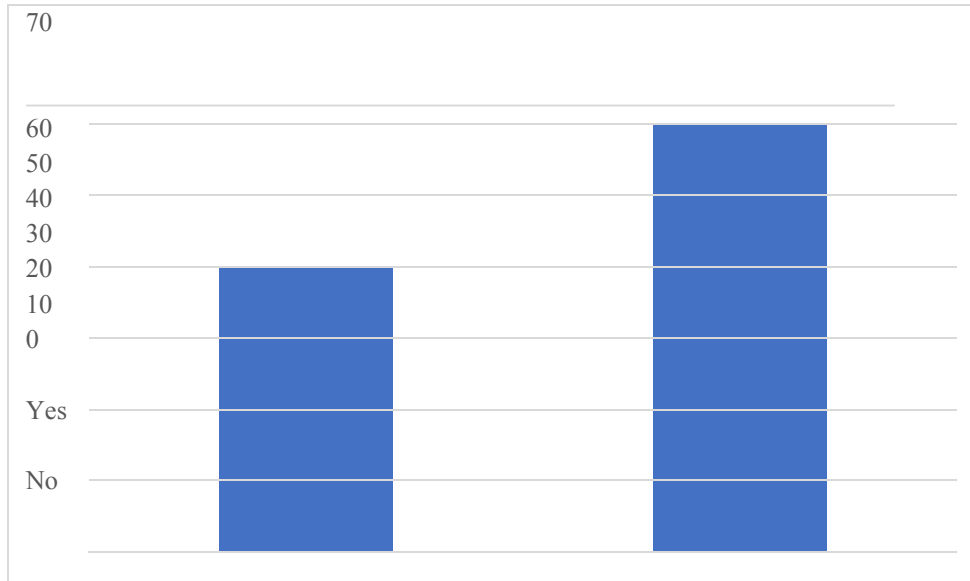


INTERPRETATION: from the table it is found out that 80% of respondents rated good for the safety measures taken by the travel agency for the safe guarding of customers travel documents.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE OFFERED ANY NEW TRAVEL OPTIONS OR PACKAGE DURING TO THE PANDEMIC

Options	Frequency	Percentage
Yes	40	40%
No	60	60%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE OFFERED ANY NEW TRAVEL OPTIONS OR PACKAGE DURING TO THE PANDEMIC

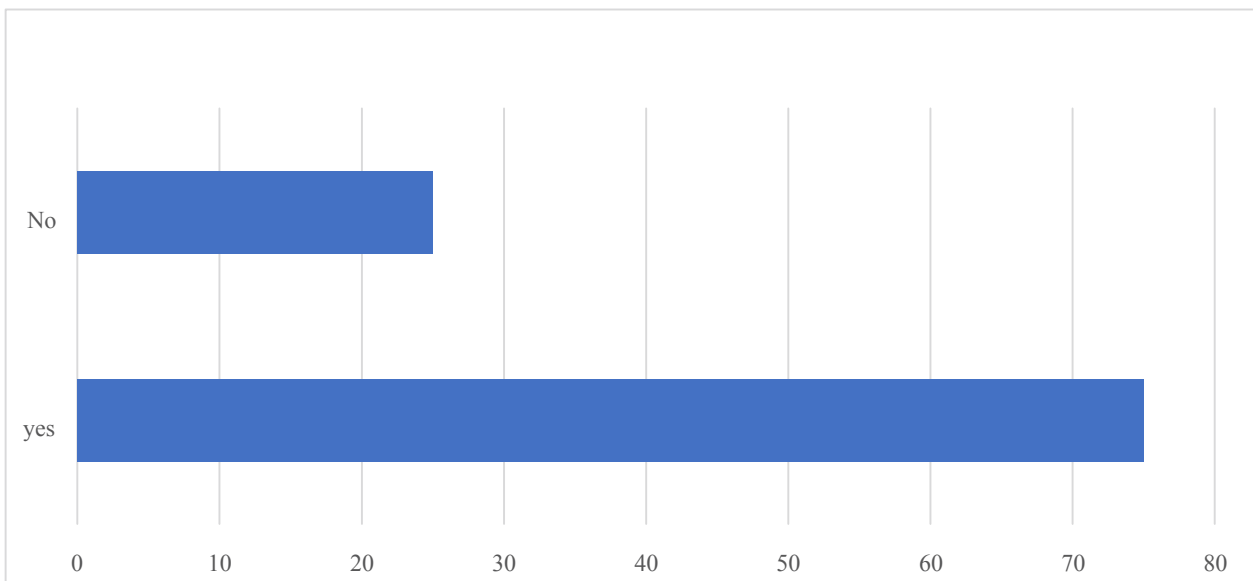


INTERPRETATION: Table 4.15 indicates the offering of new travel options or packages during pandemic. It is found that the 60% of respondents never offers new travel options during pandemic **Table 4.16**

CLASSIFICATION OF RESPONDENTS ACCORDING TO THE NUMBER OF CUSTOMERS AFTER PANDEMIC

Options	Frequency	Percentage
Yes	75	75%
No	25	25%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE NUMBER OF CUSTOMERS AFTER PANDEMIC

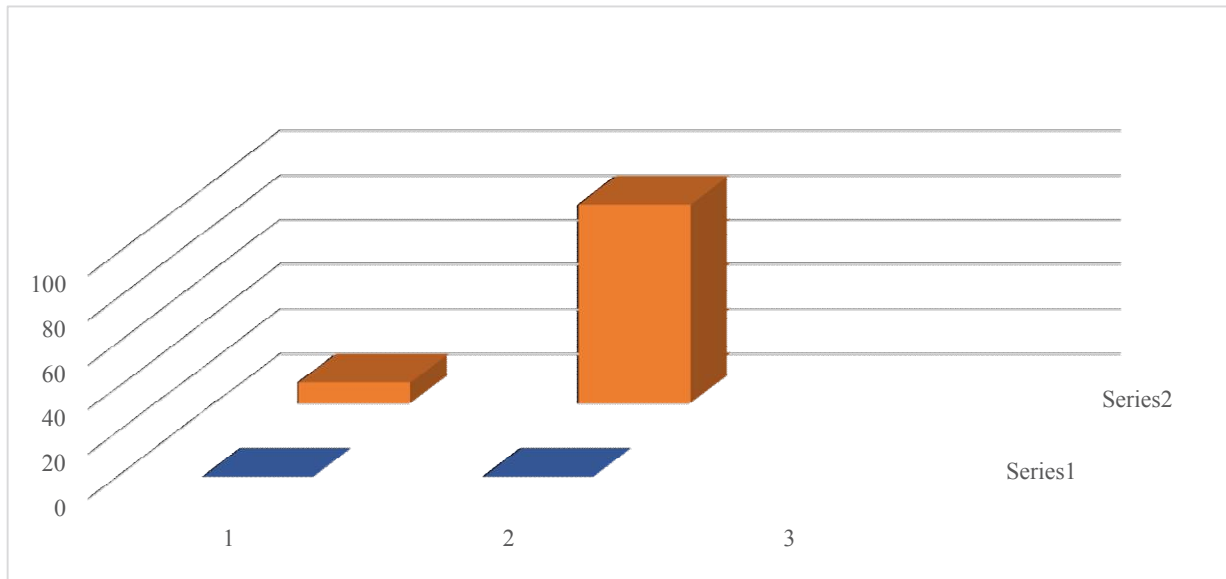


INTERPRETATION: From the table it is found that there were less increase in the number of customers after pandemic.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE TRAVEL AGENCY OPENED DURING PANDEMIC TIME

Options	Frequency	Percentage
Yes	10	10%
No	90	90%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE TRAVEL AGENCY OPENED DURING PANDEMIC TIME

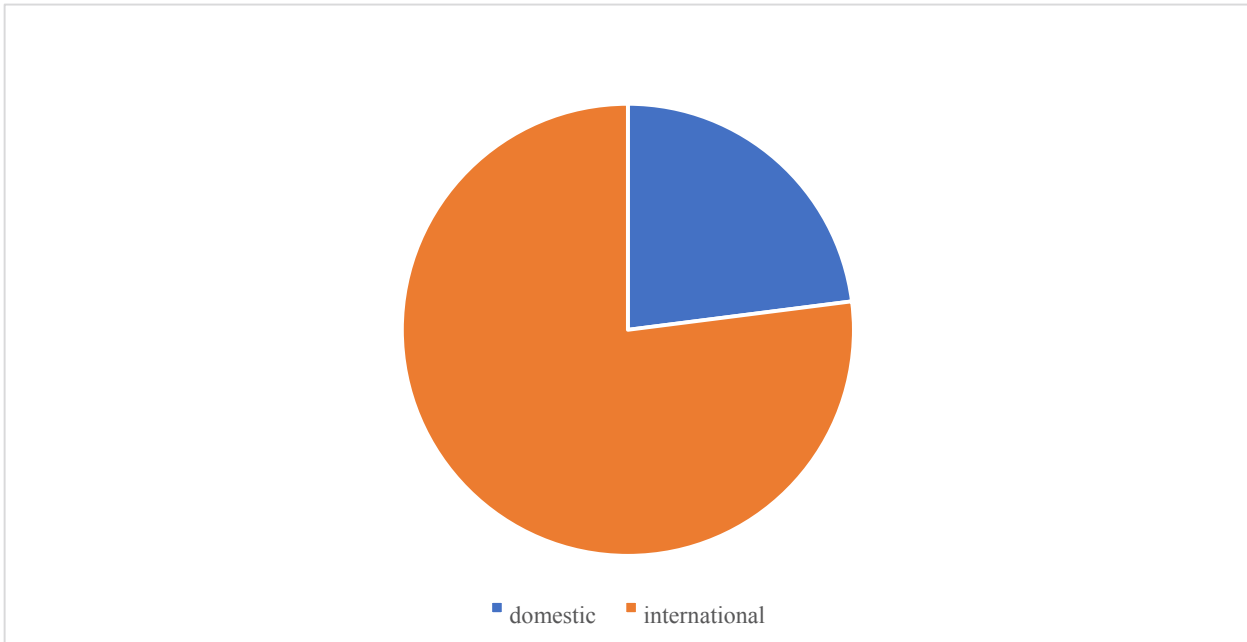


INTERPRETATION: From the table it is found that 90% of respondents never opened travel agency during pandemic.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE TRAVEL CUSTOMER MOSTLY PREFER

Options	Frequency	Percentage
Domestic	23	23%
International	77	77%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE TRAVEL CUSTOMER MOSTLY PREFER

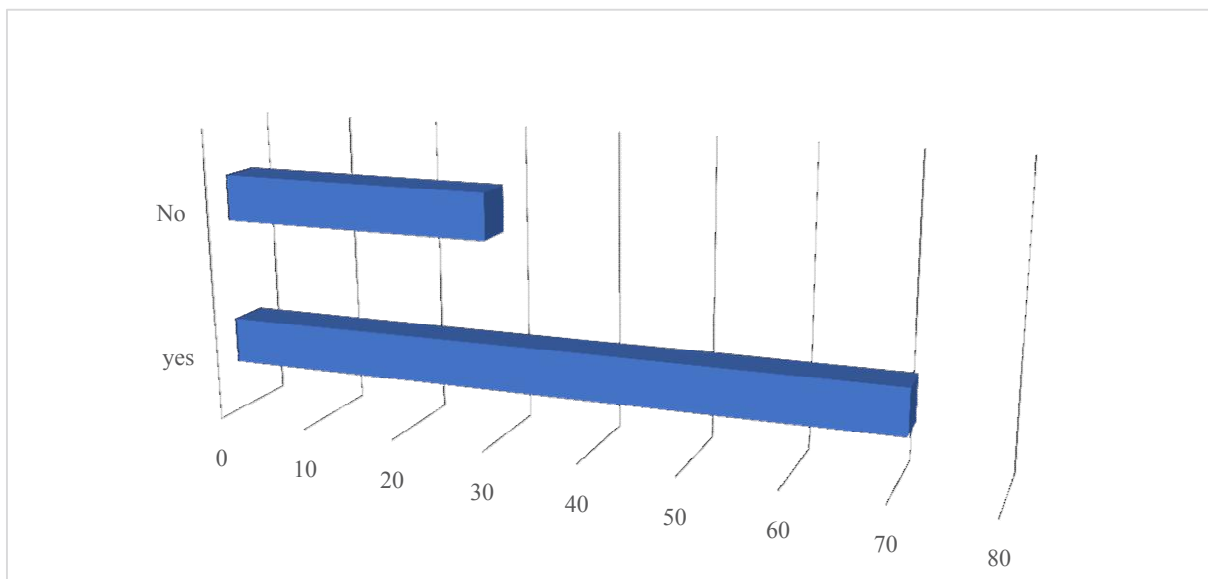


INTERPRETATION: From the table it is found that most of the respondents prefer international travel customer.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE QUARANTINE PACKAGES

Options	Frequency	Percentage
Yes	71	71%
No	29	29%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE QUARANTINE PACKAGES

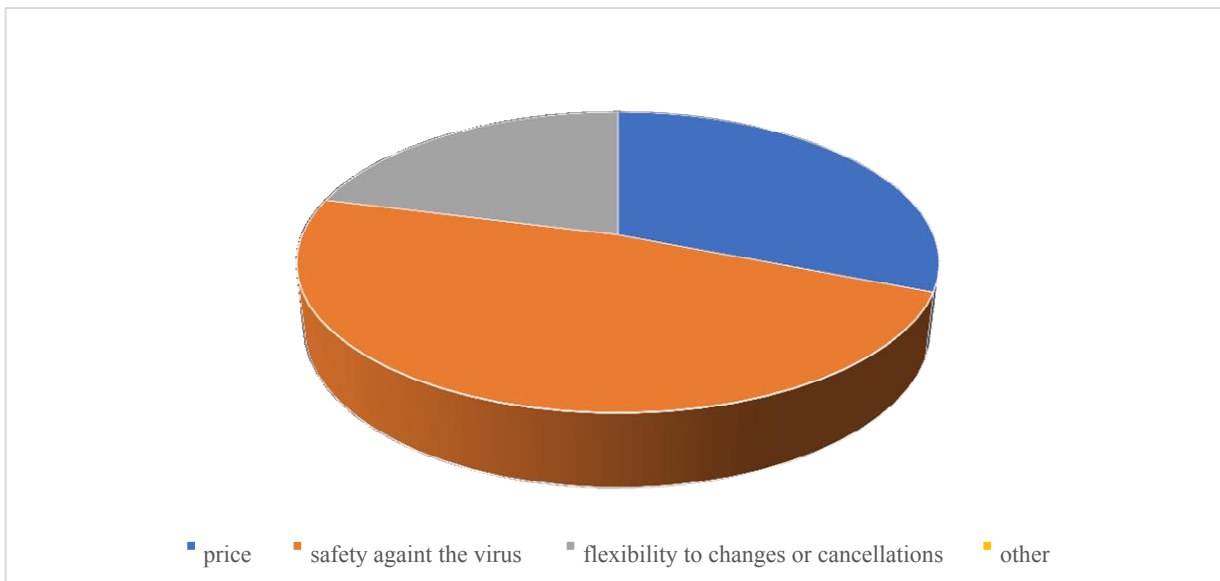


INTERPRETATION: From the table it is found that most of the respondents never take quarantine packages.

Table: CLASSIFICATION OF RESPONDENTS ACCORDING TO THE EFFECTED YOUR TRAVEL AGENCY AT PANDEMIC SITUATION

Options	Frequency	Percentage
Price	31	31%
Safety against the virus	48	48%
Flexibility to changes or cancellations	21	21%

Figure: GRAPHICAL REPRESENTATION OF RESPONDENTS ACCORDING TO THE EFFECTED YOUR TRAVEL AGENCY AT PANDEMIC SITUATION



INTERPRETATION: From the table 4.20 it is found that safety against virus was the main factor affected travel agency for many of the respondents.

IV. FINDINGS

- A majority of the respondents were aged between 20-40
- Most people working in travel agencies, and the travel and tourism industry have good educational qualifications.
- Respondents had a monthly income between Rs. 15000-Rs. 30000, suggesting that the travel agencies in Kerala provide an average monthly income to the employees.
- The COVID-19 pandemic had a huge negative impact on the operation of travel agencies. The COVID-19 pandemic has caused industry-wide lay-offs and salary cuts.
- There are as many people who think the government could do more as there are people who think the government's support has been adequate.
- A majority of the respondents agree that the industry has been taking the necessary measures to recover from the pandemic.
- Most respondents expect the industry's recovery from the pandemic to be slow
- Most of the respondents believe they have been able to satisfy their customers despite the limitations of the service they are being able to provide during these times.

- Travelers are now showing more interest in travel insurance as opposed to the prepandemic period.
- Travel agencies in Kerala are following the required COVID-19 protocols at the workplace, as per the respondents
- The pandemic has indeed been a difficult period to endure for everyone, as most respondents reported difficulty working during this period.

V. SUGGESTIONS

- Travel agencies should use more promotional techniques to uplift their business
- Travel agencies should promote more opportunities to re-think the products and services to bring more business
- Domestic tourism will become the first opportunity to get most businesses back on track so travel agencies should bring new initiatives to increase the business

VI. CONCLUSION

The COVID-19 pandemic has resulted in the loss of lives and livelihood all across the globe. Industries across the spectrum have been impacted by the pandemic, the travel and tourism industry has felt maximum impact due to grounding of planes, closure of railways, hotels and other establishments.

The results of this study reveal that the tourism sector is very sensitive and easily affected by global crises. These findings are indicative of the sudden entry of the tourism sector into a bottleneck. Although it is not clear when major crises such as epidemic, pandemic, natural disaster, terrorism will occur, it is quite difficult and costly to be ready for them. The B plan of the tourism sector can be attracting tourists from different locations, highlighting different attractions, presenting influencers as brand faces, and increasing location reputation. However, in global crises, all of these plans lose their meaning and effectiveness.

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