

## INNOVATIONS

### **Challenges of Covid-19 pandemic and the road ahead: Evidence from star rated hotels in Bahir Dar, Ethiopia**

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#### **Abstract**

Given the increasing number of travel restrictions along the COVID-19 outbreak has dealt a crippling blow to the hotel industry. This article discusses the practices and challenges combating COVID-19 pandemic and impacts on star rated hotel operation. This study aims to identify the practices and challenges combating COVID-19 pandemic crisis and impacts on star rated hotel operation. Data were collected through interview and focus group discussion from star rated hotel managers, city's culture and tourism officers, and ARSTCPB officers in Bahir Dar. Follow-up direct observations by the researchers were conducted to validate the results of the study. The finding of this paper presents practices and challenges combating COVID-19 pandemic and impacts on star rated hotel operation. The practices as local cooperation in priority settings, preventing the pandemic of COVID-19, encouraging employees proactively and orderly participate in this battle against COVID-19, limiting the number of customers at a table, and commencement of COVID-19 vaccination; challenges as lack of relief materials and human resources, health emergency discipline is underdeveloped, flustered and lacks awareness between public, Shortage of COVID-19 Vaccine, and People's Responses to the COVID-19 Vaccine; and impacts of COVID-19 pandemic on hotel business are identified. This is an in-depth analysis paper and recommends advancing the knowledge base to help hotels to combat and recover from the COVID-19 pandemic.

**Keywords** Covid-19, Pandemic, Hotel, Ethiopia, Bahir Dar

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#### **1. Introduction**

The COVID-19 first emerged in Hubei Province, China. Progressively, the infectious infection arrived at different countries even if countries have acted to limit its spread. Governments and authorities immediately reacted to the pandemic, started different measures and approaches to assist individuals with getting through. Experience with previous pandemic reveals that the human costs are significant.

The costs are due to the preventive behavior of individuals and the transmission control policies of governments (Brahmbhatt & Dutta, 2008). Therefore, Current experience is no exceptional. Being a country with its experiences on global health epidemics during the last few decades, Ethiopia has a clear predetermined technical agenda for such a worse tragedy. Even China has taken the action as the cases started to be reported from the country with deaths. Ethiopia government started with quarantining and some specific health measures and preparedness at airport with thermal scanners before the first case found from the country.

The country is one of the leading nations with major tourist destinations endowed with enormous natural, historical, and cultural heritages. A total of 13 tangible and intangible of its heritages are inscribed by UNESCO (MoCT, 2018). As a result, a large number of tourists visited the country every year. About 900,000 tourists from different countries visited Ethiopia every year before the outbreak of COVID-19 (MoCT, 2018). Since the outbreak, hotels have seen a decline compared to the same period last year, and their revenue has declined by 66 percent. And, the extent of the damage varies from place to place, but it is better in Addis Ababa than in other parts of the country. At the same time, 88 percent of restaurants and 97 percent of destinations have reduced tourist capacity (CTTI, 2020).

Due to COVID 19 which is characterized by its rapid spread, which led to travel restrictions and advisories have again revealed the vulnerability of the tourism and hospitality industry (Zhang et al., 2020). In terms of employment, hotels have dropped by 25 percent, restaurants by 22 percent and tourist destinations by 28 percent throughout the country (CTTI, 2020). As a result of declining hotel services, workers' wages have also declined.

Tourism is an important sector of the economic activity in Bahir Dar as the city is home to various attractions (Belachew K. & Ayana F., 2020). It seems to be a promising business as tourists are increasing.

Year	Oversea Tourist	Domestic Tourist	Tourism Receipts
2005/06	8,777	16,442	9,218,083
2006/07	10,083	23,561	9,864,774
2007/08	11,769	26,761	12,263,709
2008/09	12,613	28,542	57,167,918
2009/10	17,042	42,709	57,472,307
2010/11	17,901	30,885	72,237,846
2011/12	25,721	42,930	102,326,897
2012/13	45,731	88,899	274,348,698
2013/14	41,148	97663	223,305,512
2014/15	43,045	226,449	332,749,188
2015/16	45,959	278,228	429,774,914
2016/17	17,393	274,976	417,636,348
2017/18	27,203	322,305	378,398,838

Source: Arsctpdb, 2019

The table above has reflects the numbers of domestic as well as the foreign visitors. The sector experienced an upward trend, with the total number of annual tourist visits steadily increasing from 25,219 in 2005/06 to 349,508 in 2017/18 at city level (ARSCTPDB, 2019). However, it indicates that the increasing the tourists are most likely to be occurred due to the Lake Tana monasteries, Blue Nile fall, and Tana forum that other cities and destinations do not have (Dharmendra Kumar Dube, 2012). But the importance of tourism as economic wheel as it was before the outbreak of COVID-19 is not due to the pandemic (BCTSB, 2020). As a result of COVID-19 with the generalization of travel restrictions and closing of borders; not only tourism and hospitality but also services that are directly and indirectly attached to them; such as, hotels and restaurants, transport providers, tour guides and operators, museums, parks, and other tourist attracting features are affected significantly in Ethiopia. Ethiopia has declared state of emergency due to COVID-19 and has put in place travel restrictions and closing of borders like many other countries did worldwide,

regional lockdown has affected the tourism and hospitality sector. This study was proposed to find out the challenges of Covid-19 pandemic and the road ahead in star rated hotels in Bahir Dar. Thus, outcome of the study may also have implications for the recovery from COVID-19 and implementation of future policy for the stakeholders in the city. Moreover, the findings within this study may also be applicable to other hotels where Combating COVID-19 is a first agenda.

## 1. Literature review

The outbreak of COVID-19 has association with a seafood market in Wuhan city in Hubei province in China (Wu et al., 2020; Xu et al., 2020). On December 12 as the first case was reported in China, since then the virus had infected people in the country (Wu et al., 2020). It then became a pandemic due to the virus's higher tendency of getting transmitted among human population worldwide (Bai et al., 2020; & Gautam & Trivedi, 2020).

Destinations worldwide had travel restrictions associated with COVID-19. The pandemic has significantly impacted every sector of the travel and tourism industry: airlines, transportation, cruise lines, hotels, restaurants, attractions, travel agencies, tour operators and online travel organizations (World Tourism Organization, 2020). The effect is manifested in the entire tourism supply chain, affecting livelihoods of employees, and other services. The loss of jobs in the hotel industry has a disproportionate effect on employees and the indigenous population. The impact of COVID-19 on the world economy is not easy to measure yet. It is estimated to fall by 0.5 for the year 2020 (International Monetary Fund (IMF), 2020). Africa is not exceptional to be impacted by COVID-19 and has been experiencing a slowdown as a result of the pandemic (AU, 2020), some key sectors such as tourism, air transport, and the oil sector of the African economy are already experiencing a slowdown as a result of the pandemic.

Tourism and hospitality industry booms as a result of visitations and considerable efforts are placed by decision makers to attract visitors to support the sector and enhance the multiplier effect from the industry. The rapid spatial diffusion of the COVID-19 epidemic outbreak led the World Health Organization (WHO) to announce the pandemic on March, 11, 2020. Accordingly, due to COVID-19 travel restrictions are being observed at national and international levels. These travel restrictions, border closures, cancellations of events, quarantine requirements and fear of spread, have placed extreme challenges on tourism and hospitality sectors (Gössling et al., 2020).

The covid-19 crisis continues to exert profound impacts on how hospitality businesses operate even if hospitality industry is slowly recovering. Changes on Hospitality businesses are observed due to covid-19 as a result business are strive to ensure employees' and customers' health and safety, and enhance customers' willingness to patronize their business (Gössling et al., 2020). Accordingly, it could be said the hotel industry as part of tourism it is a very sensitive and vulnerable sector to any risk situation caused by external factors, whether it is a natural disaster, an economic crisis, an international conflict, terrorism or an epidemic outbreak (Pizam and Fleischer, 2002; Kuo et al., 2008; Jiang et al., 2019).

Companies as hotels have to cope with costs related to closing down premises, maintaining the disinfection of working environments, force employees to take the annual break to prevent any possible spread of the COVID-19, among others. Accordingly, some companies have gained assistance and some also provided infrastructure and even funds to assist the government in addressing the pandemic (Ataguba, 2020).

In Ethiopia, as the number of cases of COVID-19 slightly increased since the first case has confirmed a coronavirus disease on March 12, 2020 in Addis Ababa since the beginning of the outbreak in China in December 2019 (WHO, 2020). Since the first case confirmed the it adversely affected all economic sectors and the Tourism sector in particular as the nature tourism is an industry that drives people to travel for recreation and leisure.

## 2. Objectives

The general objective of the study was to examine the challenges of Covid-19 pandemic and the road ahead in star rated hotels in Bahir Dar Amahara Region, Ethiopia. Since COVID-19 has become a global challenge, this particular study scrutinizes the effects of the COVID outbreak on hotel and examines the recovery efforts in star sated hotels which are little explored by researchers heretofore.

## 3. Methodology

### 3.1. Description of the Study Area

This study is carried out in Bahir Dar city, situated in the northwest part of Ethiopia, in the Amhara regional state. Based on the 2007 Census conducted by the Central Statistical Agency of Ethiopia (CSA), the city has a total population of 221,991.

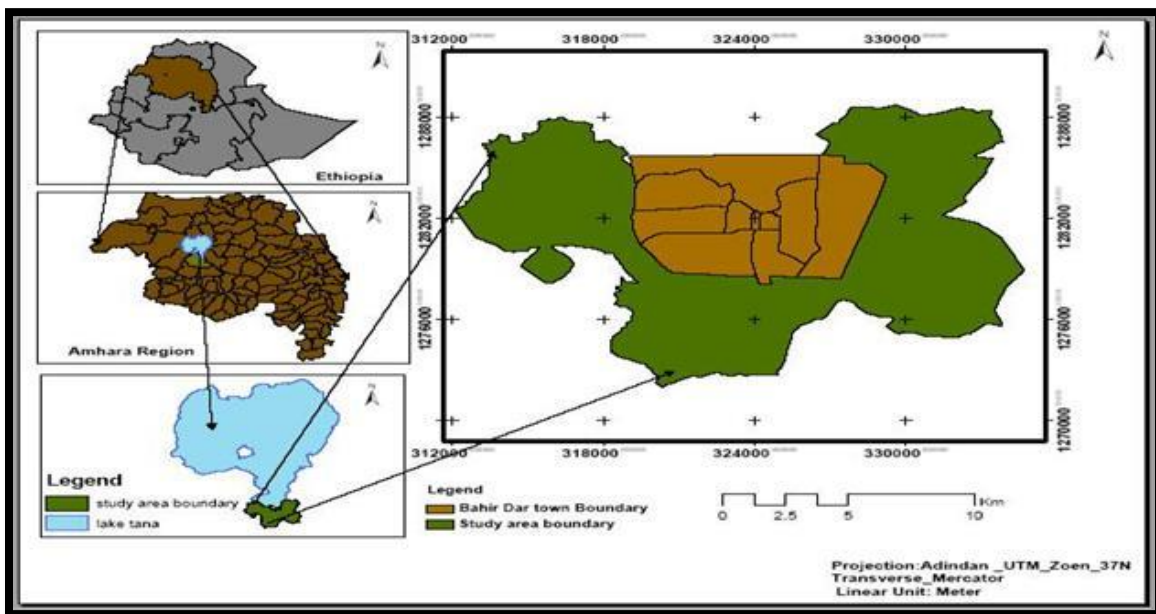


Figure: Map of Bahir Dar city, Source: Sewnet A. (2014)

### 3.2. Population and Sampling Procedures

The study consisted of all managers of star rated hotels in Bahir Dar City. Grading of hotels in Ethiopia is a recent activity. As of other regions, 19 hotels in Amhara region are graded in 2015. The researchers considered all the star rated hotels operating in Bahir Dar (MoCT, 2015).

**Table 1: List of star rated hotels in the Bahir Dar City.**

SN	Name of the Hotel	Star
1	Avanti Blue Nile	4
2	Jacaranda Hotel	4
3	Naky Hotel	4
4	Grand Resort	3
5	Benmas Hotel	3
6	Addis Amba Hotel	3
7	Delano Hotel	3
8	Rahn Nile Hotel	3
9	Homeland Hotel	3
10	Solyana Hotel	2
11	Papyrus Hotel	2
12	Waterfront Hotel	2
13	Lake Mark Hotel	1

**Source: Minister of Culture and Tourism**

Practices of COVID-19 pandemic on hotel were identified by direct observation while key informant interview and focus group discussion were conducted to ascertain the current challenges of Covid-19 pandemic and the road ahead. Purposive sampling technique was used to select the responds to get the right respondents according to their responsibility. To get the appropriate data the researchers decided to employ one manager of every category of star rated hotels in Bahir Dar City instead oftaking all-star rated hotel managers for focus group discussion due to they are few in number. Therefore, 4 Participants are established including managerial position at star rated hotels. In addition, one city’s culture and tourism officer, one city’s health department officer, and one ARSTCPB office were in focus group discussion. Accordingly, 7 participants were included in focus group discussion. Participants' perceptions of on Challenges of Covid-19 pandemic and the road ahead for Hotel were assessed through the use of open ended questionnaire. Hotel mangers professionals’ representative of 1, 2, 3, and 4 star rated hotels, one city’s culture and tourism representative, one city’s health department representative, and one ARSTCPB officer professionals also interviewed to extract in-depth information to adequately address research objectives.

### **3.3. Research Approach**

The scarcity of prior research related to COVID-19 in Bahir Dar, this study adopts a qualitative research approach (Creswell, 2013). For this qualitative research the logical structure selected was descriptive case study. Since the qualitative research approach permits the collection of data using various methods (Roshan & Deeptee, 2009), the researchers have decided to employ a qualitative research and better understand the research. On the basis of this design, forms of indigenous communication of the Oromo community in the study area, the actors and how these actors disseminate information in the community, credibility extent of the indigenous communication forms, and the roles indigenous communication plays in the community were assessed.

### **3.4. Data Analysis**

The researchers employ qualitative method analysis as a data analysis. First, the data collected using an in-depth interview and focus group discussion was coded and thematically analyzed. The coding was carried out by sorting out similar and dissimilar ideas based on the concepts discussed in the introduction part of this research. These methods were applied to establish and/or explore the gaps or differences and additional knowledge between quantitatively collected data and the qualitative one. Additionally, notes were taken during the observation and the data was qualitatively analyzed. Finally, the coded data were thematically analyzed on the basis of narrative analysis techniques (Earthy & Cronin, 2008).

## **4. Results and Discussion**

### **4.1. Practices of combating COVID-19 Pandemic**

#### **4.1.1. Local cooperation in priority settings**

Bahir Dar city communication office reported when the first COVID-19 case confirmed in Ethiopia and lockdown was announced in Bahir Dar City, Hoteliers discharged their social responsibilities by supporting the street boy, being quarantine centers for health professionals free of charge, by providing sanitary materials to the public and sent the employees on paid leave.

As said by focus group discussants on September 28, 2020, it was pointed out that COVID-19 is spreading so fast which causes difficulties in containing the disease to have the shared future for mankind as result it needs better coordination in local and further improvement in the multi sectorial cooperation in order to quickly take response. They also stressed, a need of local cooperation in setting priority is to have better coherence of our resources with stakeholders; as a result shared information and data enables to response to outbreaks at local level. However, in the case of COVID- 19, it was pointed out that the support both from the local community and government has never been enough as the following excerpt from a city's health department representative highlights:

Given COVID-19 is a new pandemic in our area as well as in the world; it is quite problematic to fully understand the pandemic and take actions it brings the sector normal as it was before the COVID-19 happened. In addition to lack of understanding, we have other constraints that impede our meaningful engagement in cooperation in priority settings including lack of financial bottlenecks and communication gap. In this regard, Local cooperation in priority settings remains inadequate (city's health department representative, October 2018).

As a result, the stakeholders' rapid response is critical (Gössling et al., 2020) and recognizes the challenging conditions which many hospitality businesses face as a result of such the global pandemic. Local cooperation, however, encourage the government and inter-national foundation to support short-term and emergency response-related research projects to improve our understanding of the causes, risks, infectiousness, and threats of a pandemic (Thompson R., 2020).

#### **4.1.2. Preventing the spread of COVID-19**

With the conceptualization on building a community with a shared future for mankind, most hotel guests have been taking the following actions to prevent the spread of the COVID-19. Respondents who represent hotels perceived that the current action of preventing of the spread of COVID-19, especially in star rated hotels, is good that may bring the sector from the recession by increasing the customers. Furthermore, the hotel heads reflected on the immediate challenge of preventing the spread of COVID-19 is having no common consensus between guests when the enterprises are continuing to lose business. This due to the reason is that the Lodging properties have fixed cost. Lodging properties are sensitive to the shocks and instabilities in the



market (Dimitropoulos, 2018).

In this regard the hotel heads reflected that the star rated hotels are preventing the spread of COVID- 19.

“(i) Wash all parts of hands frequently (at least 20 seconds if using an alcohol-based hand rub, and at least 40 seconds with soap and water), including after exchanging objects such as money or credit cards. Look for hand sanitizer stations and use them before going into dining halls, restaurants or bars., (ii) Maintain at least a 1 meter distance from staff and other guests, (iii) Gym, beach, swimming pool, spa, sauna and steam bath facilities can be used safely with certain restrictions, as determined by national guidelines, (iv) Food buffets are not recommended because of the risk of close physical contact with others, shared serving implements and multiple people touching the surfaces on the buffet, (v). Using fans or conditioning in an accommodation to have fresh air, (vi). Disinfecting and ventilating the room properly between every guest’s stay. Those actions are implemented by strong coordinating of the hotel employees and guests with the aid of local residents and government authorities”.

In the similar vein participants of city’s culture and tourism representative and ARSTCPB reflected

“... As preventing the spread of COVID-19 varies from hotel to hotel except the discipline of customer is underdeveloped so preventing the spread to make the hotel environment is a challenge”.

To overcome challenge of customer discipline while preventing the spread of COVID-19 city’s health department representative reflected:

“During the first three months after the COVID-19 outbreak in the city, people took proper precautions. Various alarming measures implementation wherever it is possible, but gradually, they forgot the pandemic and started their normal life”

As the researchers personally observed in the study area, tubed hand washing with sanitizer were properly placed at the entrance of hotels and toilets leading visitors to wash their hands following the standards.

#### **4.1.3. Precautions Trainings and Information**

Training and information is an important to management and staff, including through the managers in charge of the different departments and medical employees to combat COVID 19 pandemic. As interviewed with 2,3, and 4 star rated hotels managers and they stated that all staff have been taken training to follow measures that could protect their health and that of others including customers and their fellow worker, including the recommendation to stay home and seek medical attention if they have symptoms of COVID-19. They also boldly added that the implementation of the action plan and the effectiveness of the measures undertaken should be evaluated frequently based on training and information to verify compliance, identify and correct gaps, and adapt the plan based on practical experience.

In that respect, a star rated hotel representative (three star hotel manager) stated the following:

“...we sometimes organize regular information briefings that cover all basic protective measures against COVID-19 and the signs and symptoms of the disease, and update staff on new developments. Thanks to city health officers as they help us in training for specific procedures, including Standard Operating Procedure (SOP) to be implemented in the case of isolation of a suspected case (while awaiting ambulance transfer or according to national procedure), cleaning, disinfection and any other measures.”(Three star rated hotel representative, March, 2021).

#### **4.1.4. Encouraging employees proactively in this battle against COVID-19**

The effort of encouraging employees in this battle against COVID-19 while working help customers to get services on new operational protocols. All hotel employees are trained on new operational protocols and are required to wear PPE when attending to guests and guest rooms (MoCT, 2020). It also allows customers to get services on the safe zone. As focus group discussants, one of the important steps to protect the employees from exposure to the infection, all residents in the potential risk areas were encouraged to stay at home, which is an effective way to block the transmission routes. But, currently the hotel employees are encouraged to use personal protective as masks and sanitizers while they are on and off the duty as hotel business resumes to its operation. All those activities logistically managed supervised by immediate managers and local health workers. Since Local community health workers and volunteers taken specific training combating Covid-19, proactively participate in screening the suspicious infections (General Administration of Quality Supervision, 2016).

#### **4.1.5. Limiting the Number of Customers at a Table**

As hotels resume operations after the lock down in Bahir Dar city, Ministry of health offers the following considerations for ways in which operators can protect employees, customers, and communities and slow the spread of COVID-19 (MoCT, 2020). Since reopening does not mean the COVID-19 pandemic is over as a result hotels are doing to combat COVID-19 as physical distancing measures for employees and customers, ensuring everyone to wear face coverings, ensuring tables are spaced at least 6 feet apart so that at least 6 feet between parties is maintained, and checking the number of customers are not more than four at a table.

Research findings indicate that limiting the number of customers at a table is widely followed at star rated hotels currently. Although practices related to limiting the number of customers at a table based on Ethiopian tourism national safe travel protocols is appreciable. The vast majority of research participants (90%) emphasized that currently, the limiting the number of customers at a table practice in star rated hotels is good moving step to limit the spread of COVID-19. Problems such as unwearing of face mask and unfollowing of physical distancing between guests are sometimes observed.

#### **4.1.6. Commencement of COVID-19 Vaccination**

World Health Organization has accredited several vaccines from countries around the world; the end of the pandemic is still a way off (Rebecca Forman et al, 2021). At start of March 2021, Ethiopia through COVID-19 Vaccine Global Access (COVAX) Facility has launched the vaccination drive against COVID-19 across 10 regions and two city administrations in the country, which prioritizes specified populations to receive the vaccine first. Despite the commencement of COVID-19 vaccination, according to discussants, the task of dispensing logistics of the vaccine to the vast population by World Health Organization through its COVID-19 Vaccine Global Access (COVAX) is extraordinarily difficult to accomplish. They stressed those challenges that require a collaborative and global response.

### **4.2. Challenges of combating COVID-19 Pandemic**

#### **4.2.1. Lack of Relief Materials and Human Resources**

The works on response to the combating COVID-19 Pandemic need initiated as soon as possible with the assistance of health workers as well. The major preparing works are to prepare enough facilities for use in hotels, such as facemasks, and personal protective equipment (PPE), prepare human resource to who will take care of the suspected until they move to the quarantine.



As far as the status of lack of relief materials and human resources in star rated hotels is concerned, a manager from the fourth hotel addressed that:

Thus far, the study area has the limitation of discrepancy between supply and demand of prevention and control materials remains prominent, and there have been serious shortages of masks as K-95 and protective clothing in the city of Bahir Dar. These are substantial materials tools that can control the spread of the pandemic in hotels (fourth star hotel manager, March 2021).

However, one positive development participants pointed out is the human resource work either found in hotels or work on call star rated hotels as per national protocol to combat the pandemic. Respondents mentioned that the city health administration has started initiation activities to ensure the needs of the epidemic care are met, and has adopted methods such as substituting import by local masks and strengthening cooperation with NGO's, in order to meet the current mismatch between supply and demand.

#### **4.2.2. Health Emergency Discipline is Underdeveloped**

In star rated hotels, there is no health emergency discipline and facility to combat the COVID-19. The training and reserves of health emergency personnel need to be greatly strengthened even if some of star rated hotels have been working health employees on call.

The vast majority of research participants (90%) underscored that currently health emergency discipline is underdeveloped that lead to diminish customers experience and tarnishing the image of the star rated hotels. The only option to work in the current pandemic situation, handle the emergency case when COVID-19 symptoms seen are through dial to health center who are assigned to combat the COVID-19 at city level. Even if the training and reserves of health emergency are important in the hospitality sector but the stakeholder as Universities do not offer training in health emergency response. COVID-19 is a highly infectious virus disease (Singhal, T., 2020) and spread rapidly worldwide (Spagnuolo, G., et al, 2020).

As the researchers personally observed in the study area, hotel clinic were not properly placed with proper materials for combating COVID-19 in hotels. Rather they only have first aid materials as it is mandatory to get star grade.

#### **4.2.3. Flustered and Lacks Awareness between Public**

Although the epidemic prevention work has attracted the attention of the hotel employees, there are still some places where both the employees and customers do not fully understand the necessity and importance of prevention and control of COVID-19. Some people usually need the alarming and supervision from their immediate boss all the time. Observations proved that some hotel customers are refusing to wear masks and laughing at those who wear masks, even some people take their children into crowded places and travel long distances without protection. According to informants from the focus group discussion, customers believe that epidemic prevention is a matter for the health and disease control departments, and their response to the "joint prevention and control" movement is still slow. They stressed that there is the shortcomings in the public health system, and that health literacy and disease prevention knowledge in the customer as part of general population requires strengthening.

#### **4.2.4. Shortage of COVID-19 Vaccine**

Several vaccine candidates had received emergency use authorization across arrange of countries. Despite this scientific breakthrough, the journey from vaccine discovery to global herd immunity against COVID-19 continues to present significant policy challenges that require a collaborative, global response

(Rebecca Forman et al, 2021). Production, affordability, global allocation, and deployment of COVID-19 vaccines are global vaccination challenge (Wouters OJ et al, 2021).

In the similar view participants of city's culture and tourism representative, ARSTCPB, and star rated hotel managers reflected:

“To stop the rapid spread of the COVID-19 outbreak, production capacity of COVID-19 Vaccine to achieve widespread roll-out of effective vaccines and efficiently distributing them to the current demand is difficult as the global demand is much higher than vaccine supply”. (City's culture and tourism representative, ARSTCPB, and star rated hotel managers' representatives, April 2021)

To overcome shortage of COVID-19 Vaccine while preventing the spread of COVID-19 city's health department representative reflected:

“COVID-19 vaccines are to be developed and produced at a rapid speed. To this end wealthier countries and World Health Organization through its COVID-19 Vaccine Global Access (COVAX) program make it affordable and access for low- and middle-income countries. Since short supply and large pre-orders made by wealthier countries prevent timely global access and could potentially increase the risk at low- and middle-income countries further that make existing vaccines ineffective and shortage. (City's health department representative, April 2021)

#### **4.2.5. People's Responses to the COVID-19 Vaccine**

Ethiopia as a developing country has been suffering from the COVID-19 pandemic. While it is expected that societies experience, knowledge to respond to the vaccine is very limited (Junyi Zhang). Based on a focus group discussants' some people are not willing to be vaccine even if Ethiopia launched the world's largest vaccination drive against covid-19 due to vaccines effectiveness in individual's overtime and the rise of new variants pose concern over mutations with high vaccine escape potential. To this end, the residents of Bahir Dar have been vaccinating people across selected health centers.

In that respect, city's health department representative stated the following:

“It is vital that differentiated communications are necessary to encourage people to have a common consensus on vaccine and take vaccine”. (City's health department representative, April 2021)

#### **4.3. Impacts of Covid-19 Pandemic on Hotel Business in the study area**

The impacts of the current COVID-19 will be more pronounced and long lasting, especially in Developing countries due to absence of immediate vaccine to create immunity in the common masses and undeveloped health system. Ethiopian hospitality industry is undoubtedly one of the biggest casualties of the COVID-19 outbreak as demand has declined to an all-time low. A travel restriction, suspension of Visas, Ethiopia like most other countries is on lockdown from January to August, the ramifications of which are unprecedented.

This section in fact assesses the impact of COVID-19 Pandemic on hotel business or organizational level actions as a result of COVID-19. Considering the movements of the crisis management practices in the quadrants, most of the marketing practices are downgraded.

However, in the case of COVID-19, in the initial stage, they hoped that the epidemic crisis could be resolved within a short period as the following excerpt from health department representative highlights:

Given COVID-19 is a pandemic; it is quite problematic to fully recover from the pandemic and take advantage of the opportunities it brings. In addition to lack of a coronavirus vaccine research in developing countries as Ethiopia impede the recovery from tourism business even if the promising news widely spread over the world regarding vaccine (City's Health department representative, March 2021).

Since the breakeven COVID-19 most customers not willing to travel to a destination and stay at a hotel (Gursoy et al., 2020). ARSTCPB office's representative highlights the following:

“To increase the demand of customers we have tried to reducing the price but that did not work as result of travel was not advised to make. The survival of many hospitality businesses heavily relays on increasing the demand for their services and products but the occupancy of hotels are from 15-20 percent in star rated hotels in Bahir Dar. This figuring is not the same as the same business period as it was 60-80 percent of the occupancy. To make customers return as it was it requires intensive marketing strategy as nationwide since individual marketing tactics are useless in increasing sales and preferred to save marketing (ARSTCPB office, March 2021)”.

The sector employs workers, the hospitality sector are crucial engines within the city as part of tourism economies and had been instrumental in supporting the city's economy. Human resource management is a premised relationship between organizations and employees and where psychological contracts exist between parties. Since the first day the corona case reported in the country on March 12, as the focus group discussants, it posed the problem on the employees as leaving the organization initiated by self and organizations. The impact of the COVID-19 hospitality sector is terminated the contractual agreement of exist between employer and employee. Contracts exist between employer and employee work is psychological contracts that individuals beliefs regarding the terms and conditions of a reciprocal exchange agreement (Rousseau, 1989). This in fact, well accepted employment principle assumes a set of “reciprocal obligations” that repeatedly do not exist in sector that employ so many part-time employees.

Another impacts mentioned by the discussants is a decrease in the amount of income allocated to vacations by customers mainly by tourists. The economic crisis linked to COVID-19 will have repercussions on purchasing power. With the economic crisis, according to the results of the discussants, tourists will try to reduce their expenses either by targeting more affordable products, seeking special offers or shortening the length of their stay. Looking at the current performance of the hotel as part of tourism sector particularly gives us the clear picture of the impact of the pandemic. According to interview conducted with hotel managers, occupancy rate of hotels reduced from 60-80% before the outbreak of the Corona virus to 15-20% immediately after the first case was announced. The percentage mentioned above is different from hotel to hotel.

To continue the operation of hotels financial service providers, linked to the hotels as part of tourism, like insurance and banks which offer service-related financial protection during emergency situations (Mekonnen B. & et al., 2020). During and after economic crisis, consumers adopt numerous attitudes: saving, new ways of spending money, changing travel planning strategies, and changing consumer practices (Bronner & De Hoog, 2016).

Participants from star rated managers, however, reported that given very nature of the hotel sector networked with many other sectors in the economy including community level operations, travel and transportation, raw materials suppliers, etc. and vice versa. Due to the heavy toll of tourism in the country's economy, hotel sector connection with other sectors seem low and reliance of the industry might shape the recovery of its main sub sectors once the pandemic subsides. Performance of star rated also restricted due to heavy toll of tourism. Employees are forced to take annual break by hotels to minimize the cost incurred. Such a problem leads to affect operation of hotels.

In the similar tone participants of star rated hotel managers reflected:

“... As minimizing the cost related to employees’ hotels have been forcedly giving their employees annual beaks. Such strategy leads to minimization of cost affecting the operational cost of the hotels where economic activity takes place during the pandemic.”(ARSTCPB office, March 2021)”

Finally, ARSTCPB representative concludes:

Another much more direct element would be to providing loan and freezing the interest to hotels. This would allow the hotels to be much more functional with their operation reducing their employees without this going directly against the hotel’s margin”. (ARSTCPB office, March 2020).”

In this context, the travel and tourism as means for foreign exchange earner in the country, has totally collapsed with the fear of travelling and the need of maintaining the social distancing, restriction on visa issuing and closing down the international airport, and lock down of the countries and cities. The crises happen as COVID-19 the hospitality companies have to change their operating strategies. Because the events generate high levels of uncertainty and usually require quick responses in facing negative impacts (Okumus, F. & Karamustafa, K., 2005).

#### **4.4. Recovery Efforts for the Hotel from COVID-19 Pandemic**

The important actions and measures carried out in response the business to recover from the recessions to improve the hotel sector. In any case, the hotel groups through its association have set themselves the common objective of protecting the health of customers and their employees, implementing strict hygiene standards in the facilities and in the processes, promoting social distancing and avoiding, as much as possible, direct contact between employees and customers by strengthening digitization and opting to undertake extensive communication and awareness programs that involve both customers and employees in the adoption of and compliance with these prevention measures against COVID-19.

Recovery actions from stakeholders as the government and particularly the hotels themselves to support local economies have varied across hotels. The hospitality sector needs credible measures from governments and the hotels themselves to generate market confidence and reduce the risk from this virus. The initiatives are similar to those undertaken in previous health crises (Chien, G.C. & Law, R., 2003, & Tew, P.J et al, 2008). As focus group discussants stated that the recovery actions have been undertaking quickly from the first stage of subsidizing for liquidity to incentivizing sustainable recovery and innovation. However, this is an activity to be a part of a ‘recovery.’ As per one of this study’s informants:

“The sector will follow the national protocol is designed to support companies in the sector whose survival may be at risk due to the harmful effects of the pandemic. "The protocol is likely forces the hotels to have safe workflow management”.

However, hotels may be a potential place to take an active part in mass customers and want to reduce with a focus on occupancy rate. For hotel sector, this may be a potential challenge to overcome, since mass social gatherings are inherent to India’s religious tourism. As per one of this study’s informants:

“Reduction of occupancy rate for hotels and restaurants can improve the safety perception of customers. However, the government imposes limits well below the full capacity; this can harm business sustainability, and therefore increase prices”.

Finally, ARSTCPB representative concludes:

“Provide funding for promoting business and the lack of revenue due to reducing of occupancy rate.”

To sum up, at the recovery stage, religious tourism can do more compared to other niche modes of tourism. All factors Lifting or easing of visa regulations for countries as they recover from the outbreak to boost international tourism flow, allowing local governments to implement regulations, and optimize website for direct bookings which are currently highlighted as part of the recovery are directly or indirectly linked with the hotel sector. As the country emerges from the pandemic, these features could be used to revitalize the tourism sector.(City’s ARSTCPB representative, April 2021)

## 5. Conclusion

The COVID-19 sends the Ethiopia’s hospitality sector in a furrow. Due to the pandemic, several domestic and foreign travels are not advised to make or forced to postpone as the people are afraid for the transmission of this dangerous virus. With the seriousness of the COVID-19 pandemic, there is a pressing need, after the epidemic is resolved, not to revert to business as normal, but to rethink a restructuring of the hospitality system.

Thus, the measures and practices are to be implemented incrementally in response to the evolving conditions. Therefore, ensuring the safety of the guests and the staff has become a top concern of the hospitality industry stakeholders. At the same time, to recover business losses and to rebuild the positive image in the mind-set of the guests it is essential to initiate strong marketing and promotional campaigns both locally and internationally in line with combating the COVID-19. Hence, offering flexible prices, cancellation of hotels doubt to recover from the recession etc.; would be beneficial in achieving long term sustainability of the hospitality business. Its impact is one of the hardest hit on the hospitality. Since the onset of the epidemic, hundreds of guests have been cancelled and not intended to come to hotels. And also, this will/ have been directly impacting to the creation of job and marketing of hotels. Therefore, it is a time to play a pivotal role in the recovery from COVID-19as options to consider too face of disruption to get the number of benefits as increased the financial benefits, increased attendance, measurability and ease of transition.

### **Theoretical Implications:**

This study enhances the literature regarding COVID-19 and star rated hotel sector. In addition to that, this study presents how COVID-19 has negatively affected hospitality sector.

### **Managerial implications:**

The present study highlights the effects of COVID-19 on star rated hotels, the implications for the local authorities of sacred sites, tourism companies, policymakers, airline officials, and religious tourists. Until now the situation is unpredictable as now one knows when (if ever) the COVID-19 battle will be over when a viable vaccination for this virus accusable for all. In order to save the hospitality sector and reduce the impact of COVID-19 on unemployment and economic stability, it is better that hotel guests follow the instructions as suggested by the WHO. Second, the hotels need to ensure that they properly sanitize their hotels for the safeguard of guests and the overall industry. Lastly, it is suggested that hotels should offer customers with precautionary measures and prepare a standard operation procedure which needs to be followed by hotel guests.

### **Limitations and Recommendation for Future Research**

This study has several limitations. Thus, it is essential to measuring the in terms of economic. Due to the

complex and dynamic nature of the current pandemic, future research will allow bettering understanding the impacts of COVID-19 on hospitality sector. Second, the purpose of this research is exploration, to approximately identify the practices and challenges of combating COVID-19 pandemic and impacts on star rated hotel operation; generalization to a wider population is not the aim of this paper. Thus, the sampling technique approved for this research is non-probability sampling, which infers a lack of representativeness and limits the possibility of generalization of the results obtained. For a more reliable and broad interpretation, it is therefore recommended to proceed to a survey of selected respondents using a probability method.



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