

Psychology of customers towards Operations, Pricing and Safety during Unlock Phase of Covid-19, with reference to select fine dining restaurants in Ahmedabad

Satish Singh¹

Abstract. Covid-19 pandemic has affected the hospitality industry the most. Majority of the restaurants and hotels have closed down during this pandemic. In the unlock phase the restaurants and hotels have started their business but have failed to motivate the customers for their services. Some of the customer started to eat outside food while majority did not preferred to eat outside, there is a massive change in the food service preference from dine-in to home delivery. People have trust issues related with hygiene & safety standards, there is a psychological barrier among the customers due to the fear of coronavirus for dining out in restaurants. The present research investigates the effect of Covid-19 on the psychology of customers towards the fine dining restaurants and hotels restaurants in Ahmedabad, also whether the consumers will permanently change their consumption habits due to social distancing and the pandemic or will go back to the older habits of dining out. It also explores the latest safety and hygiene standards adopted by the hotels to motivate the customers for fine dine-in service, the changes done during this pandemic in operations and service of food & beverage items. This study also makes an awareness for the owners of the restaurant/hotels whether the customers are ready to accept the fine dining service or not and what are their needs during this pandemic related with safety and hygiene as well as to understand their psychology.

Keywords: A Psychology, Customer, Safety Measures, Restaurants, Covid-19, Ahmedabad

1 Introduction

The COVID-19 pandemic, lockdown and social distancing regulations have completely changed the consumer's habit of going out and dining in the restaurants and other food outlets. The Pandemic has almost brought a stagnation to the hospitality Industry. Hotels and restaurants are one of the worst hit segments of hospitality sectors in the world. People all around the world have stopped consuming outside food and beverages as a concern over the safety and hygiene during Covid-19. The initial phase of lockdown led to the complete closure of the restaurants and other organised and unorganised food service sectors.

In the unlock phase, since June, 2020 the government has allowed hotels and the restaurants to reopen with certain strict guidelines and precautionary measures to follow mandatorily for a specified timings only. While the hospitality industry is still recovering, the COVID-19 crisis continues to exert profound impact on how hospitality industry business will operate and how it will bring back its customers and guests. The restaurants business has been affected in Ahmedabad too and many have closed down during this Pandemic. People of Ahmedabad are food lovers and love to dine out. The no. of hotels and individual standalone restaurants have been seen emerging in huge numbers in last few years.

New practices have been developed and emerged by the hotels and restaurants with the advanced technology as a concern over safety and hygiene related with food production and service. Customers have a combination of fear, excitement, uncertainty, confusion, readiness and stress. Some of the people have started eating outside food and while some still don't feel safe. Understanding the psychology of the customers is the need of the hour which will help the restaurants to live back again and provide an opportunity to do some changes in the safety and hygiene standards related with operations.

¹ Satish Singh, Lecturer, Institute of Hotel Management, Gandhinagar, singhsatish3838@gmail.com

2 Literature review

According to Anurag Katriar (2020) president of the National Restaurant Association of India said India's organised dine-in restaurants are on course for a 40-50% cut in revenue this fiscal because of the disruptions caused by COVID-19 pandemic, which have led to outlet closures, job cuts and trickle-down effect on the food supply chain. Many of the restaurants will closedown in the coming days and closure in bigger cities would be much higher due to higher cost of operations in these cities. Dining out in India is yet to bounce back and operating at 8-10% of pre-COVID levels. Slump in the industry is largely driven by markets being in lockdown, consumers not stepping out due to fear of transmission and restaurants not opening up, even if the city is not in lockdown" according to Zomato's mid Covid-19 report. Even in cities where restrictions have been lifted, only very few dining out restaurants are open for business at the moment which are also running at low capacity. Out of the restaurants that are not open for business, 10% restaurants have already shut down permanently and the Zomato's report anticipates an additional number of restaurants to not reopen at all. Some are closed right now but likely to open, as the situation become better. HatherLalley (2020) stated that most of the customers plan to decrease spending on dining out in the near future and some of this spend will shift to food delivery. Many of the restaurateurs said they estimate to retain less than half of their original business volumes for a few months even post-COVID. While online food deliveries were allowed even through the lockdown, they were only operational in select cities. Moreover, only 20% of the restaurants listed on online platforms were open for deliveries and they were also operating only at 40% of their normal sales volumes. Online food ordering has spiked despite consumers' initial hesitations and new customer segments emerge as pick-up and delivery become ubiquitous, also preference for food delivery brands varies for each generation. Cobe Patricia (2020) says that meat alternatives are playing a bigger role in brand loyalty as a result of the pandemic. A study also reveals the data that 30% of respondents would switch restaurant brands to satisfy their taste for plant-based meat alternatives, up from 23% earlier. It also states that the coronavirus crisis has changed consumer attitudes toward plant-based eating, according to a survey states that delivery orders are nearly split between first- and third-party. R. J. Hottovy (2020) states that the customers want to see restaurants following health and safety guidelines and face mask and 6-foot social distancing are givens, but this group of guests is looking for more. Over one-third of respondents want physical barriers between tables while some want personal hand sanitizers placed on the table and some want their food covered when it's served to them.

2.1 Health risk factor

According to Kussmamm, 2020, in order to attract customers to visit hotels and restaurants, they need to concentrate on improving perceptions of safety and reducing customer's anxiety level by implementing risk-reduction strategies. Implementing technology innovations for reducing guest interaction with hotel employees and for enhancing restaurant cleanliness can be an effective strategy to reduce health risk for the hotels and restaurants customer

Garcia, 2020 States that some of the hotels have implemented technologies that will reduce staff interaction with the customers. They have also updated their cleanliness procedures and began to adopt advanced cleaning technologies. The outlet cleaning procedure has also been adopted for enhanced disinfection (e.g., electrostatic sprayers ,ultraviolet-light technology, etc.) .These strategies will be critical for the restaurants to reduce actual and perceived health risks for the customers which may change their-mind-set about the outlets

There may be a change in shifting priorities of the customers towards the restaurants and hotels. Leading restaurant's brand may be a factor to attract the customers for dine-in service. People while ordering the food may spend more time on ordering as they may check the safety and hygiene procedures are followed properly or not. The Covid-19 has made a huge impact on the psychology of human being for everything that surrounds us which includes our daily basic to luxury needs.

3 Objective

- To explore the latest changes adopted in food & beverage services and operations of the restaurants due to Covid-19 pandemic.
- To study the mind-set of the customers, their present need and requirement and different ways to motivate them towards the food and beverage outlets for dining out.

4 Methodology

This study has been conducted on 120 people (49 Male /54 female) with 74% of people of age group from 15-30 from Ahmedabad to understand their psychology regarding the acceptance of fine dine-in restaurant service.

- 2 Hotel's restaurant and 3 fine dine-in restaurant of Ahmedabad has also been considered for this study. Primary research has been conducted with collection of primary data through structured questionnaire with some open ended questions and telephonic Interviews corresponding to the source of data. 5 point Likert scale is also used to understand the perception of hoteliers and the restaurateurs about the guest's requirement and their needs, their psychology toward the hotels and restaurants during this pandemic.
- The hotel's restaurants which have been studied are Comfort Inn ,Airport road Ahmedabad and Pristine Residency Ahmedabad, Barbeque Nation Hospitality Ltd Prahlanagar, Hocco Eatery, (Kudasan) and Honest (Infocity) fine dine-in restaurants of Ahmedabad have also been considered for this study .Responses have been recorded from the General Managers, Restaurants Managers and Business Managers of different fine dine-in restaurants.

5 Analysis

Some of the hotel's restaurant and few standalone dine-in restaurants of Ahmedabad were explored and studied to know the latest practices followed and the various changes done in operations and the latest practices followed for safety and hygiene to motivate the customers towards their outlet for dine-in service.

Table 1. Changes done in the operations of the restaurants during unlock phase since June, 2020

Hotel/ Restaurant Name	Changes in- Menu	Reduction of Covers	Home Delivery Start up before/ during Pandemic	Inclusion of disposable For restaurant dining	Changes in service styles	Continuation of Buffet Service	Reduction in pricing of Food & Beverages
Comfort Inn	Yes	Yes (50%)	No	Yes	Yes	No	No
Pristine Residency	1)Reduced Non Vegetarian dishes 2)Discounts on food and beverages 3)Inclusion of Immunity booster dishes/ beverages	Yes	Yes	Yes	Yes	No	Yes

Barbeque Nation Hospitality ltd.	Inclusion of Immunity booster dishes/ beverages	Yes (50%)	Yes	No	Yes	No	Yes
Honest Restaurant	No	No	Yes	Yes	Yes	No	No
Hocco Eatery Restaurant	Discounts	No	Yes	Yes	Yes	No	Yes

Table 2. Safety and Hygiene Practices followed during Covid-19

Hotel Restaurant Name	Use of Mask/Gloves By staff	Use of Sanitizers by guests and staff.	Temperature check of staff and Guest.	Social distancing in the restaurants between tables
Comfort Inn	Yes	Yes	Yes	Yes
Pristine Residency	Yes	Yes	Yes	Yes
Barbeque Nation Restaurant	Yes	Yes	Yes	Yes
Honest Restaurant	Yes	Yes	Yes	Yes
Hocco Eatery Restaurant	Yes	Yes	Yes	Yes

Table 3. Changes in psychology of guest's towards restaurants during Unlock Phase from restaurant's perspective

Hotel Restaurant Name	Guest Inflow for dine in service	Preference of Guest's for food service	Change in the guest preference towards Non Veg food during the pandemic
Comfort Inn	Poor	Room Service. In Restaurants Pre-portioned food on the table for the guests to help themselves, takeaway	No
Pristine Residency	Poor	Room Service Home delivery	Yes
Barbeque Nation Restaurant	Average	Pre-portioned food service on the table for the guests to help themselves	Maybe
Honest Restaurant	Poor	Pre-portioned food service on the table for the guests to help themselves. Takeaway.	Can't say
Hocco Eatery	Average	Home delivery, Takeaway	Can't say

6 Results

Q1. Preference for Dining out

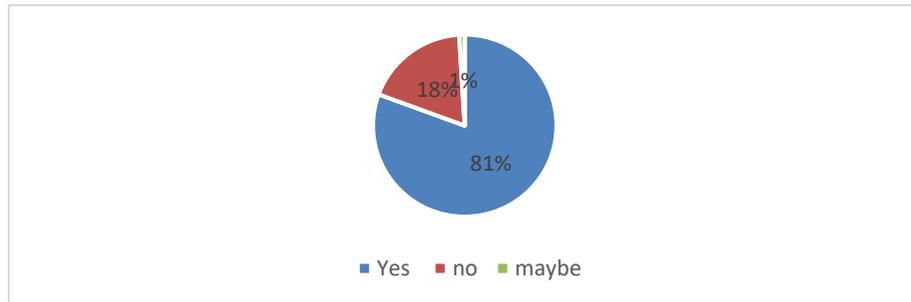


Diagram 1

Inferences: More than 1/3rd of the respondents they generally dine out.

Q2. Preference for food items before Pandemic

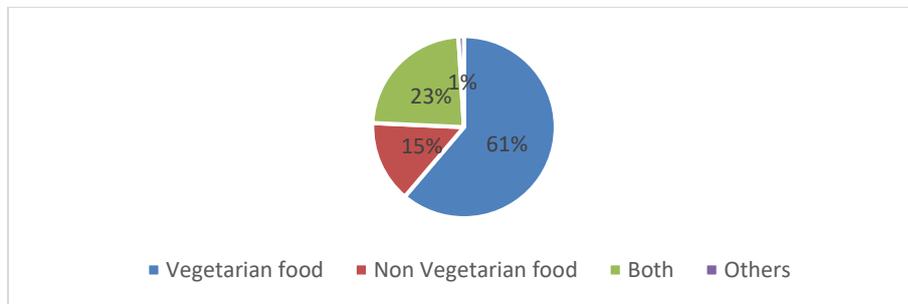


Diagram 2

Inferences: Majority of the respondents 61% preferred vegetarian food, 15% Non-Vegetarian and 24% preferred to eat both Vegetarian and non-vegetarian food

Q3. Preference for food items During Pandemic

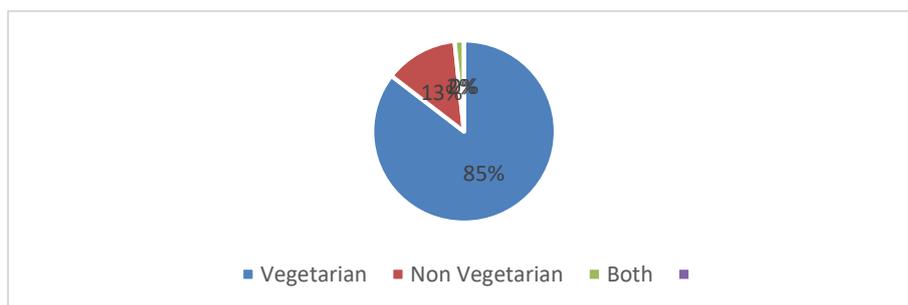


Diagram 3

Inferences: 85 % (Majority of the customers like to prefer Vegetarian food now during Pandemic.

Q4. Frequency of dining out before Covid -19 Pandemic.

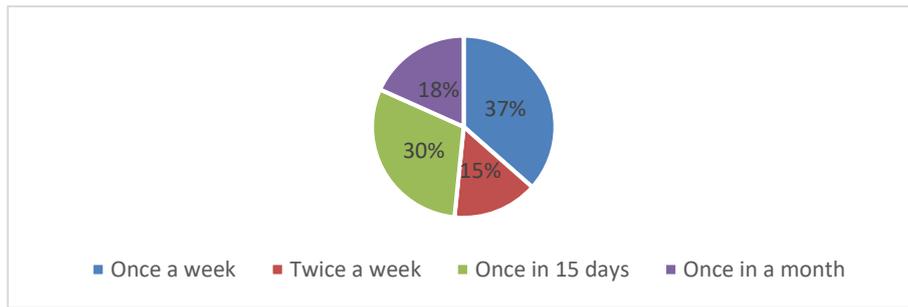


Diagram 4

Inferences: Once a week and once in 15 days are the maximum preference by the respondents for dining out before pandemic.

Q5. Frequency of dining out at present.

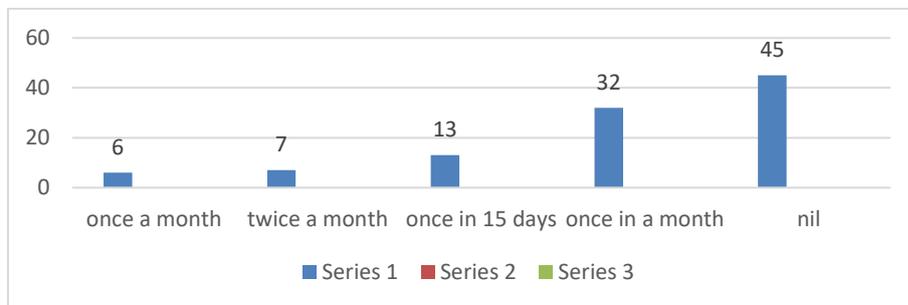


Diagram 5

Inferences: Majority of the respondents don't prefer for dining out during pandemic.

Q6. Feeling of Safety for dining out in restaurants at present.

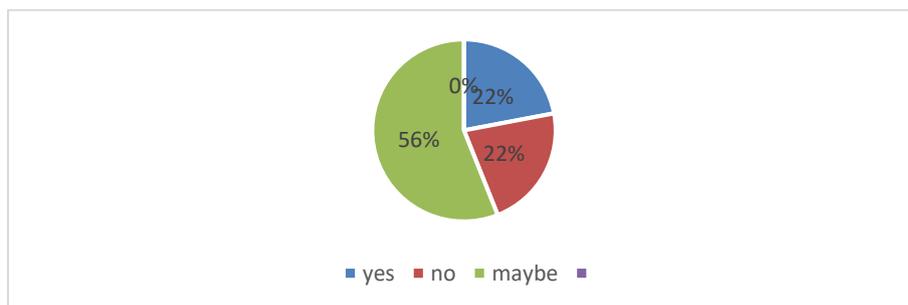


Diagram 6

Inferences: Majority of the Respondents are not able to decide whether it's safe or not to dine outside with 56% as respondents.

Q7. Brand name of restaurant/hotel as a tool for motivation for dining out.

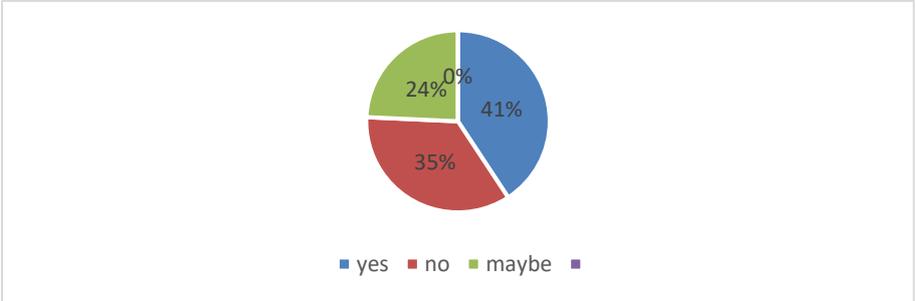


Diagram 7

Inferences: 41 % of the respondents they have trust on brands of hotels which may motivate them to dine out.

Q8. Preference of home delivery service of food over dining out in restaurants.

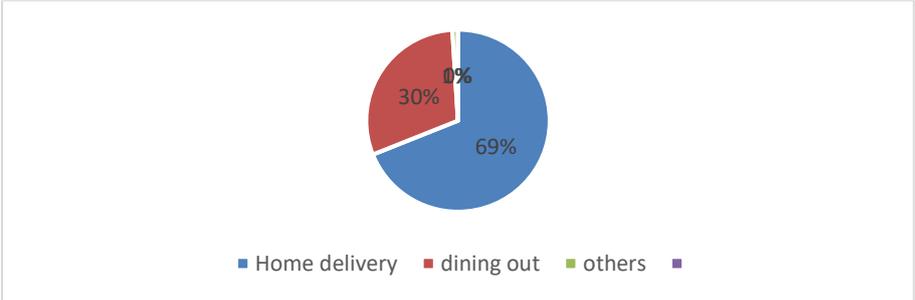


Diagram 8

Inferences: Majority of the respondents they prefer for home delivery of food and beverages.

Q9. Factors attracting the most for dining out before pandemic.

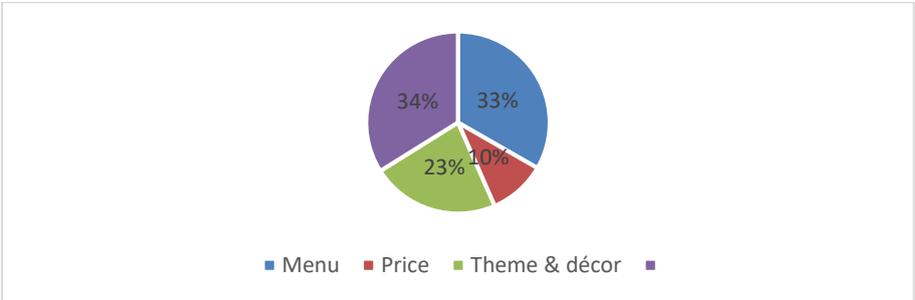


Diagram 9

Inferences: Theme décor and Menu was the main factor for dining out by the respondents before pandemic.

Q10. Greatest concern/concerns at present for dining out.

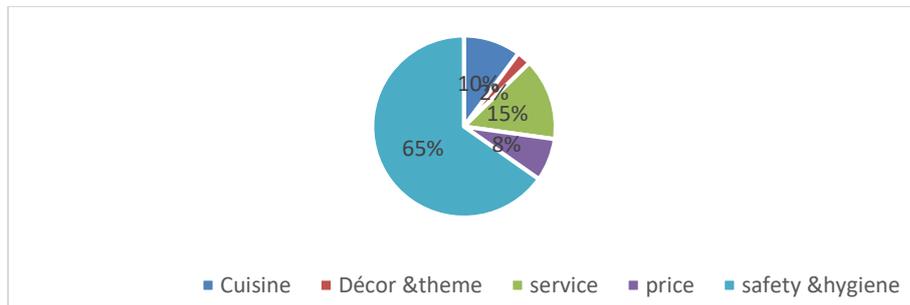


Diagram 10

Inferences: Safety and hygiene is new concern now for which 65% of the respondents agree.

Q11. Preference of food service style pre-pandemic

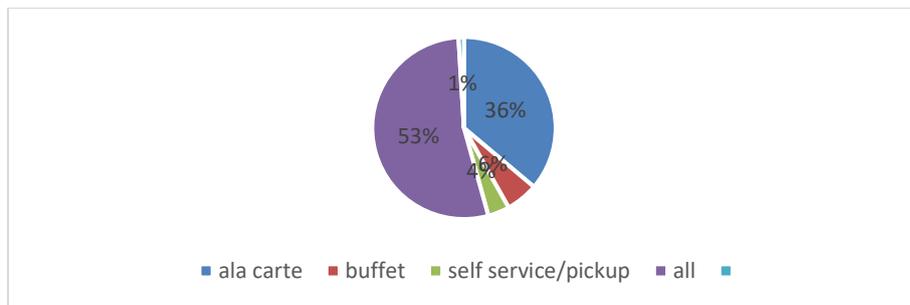


Diagram 11

Inferences: Majority of the respondents preferred all types of food service.

Q 12. Preference of food service style during pandemic.

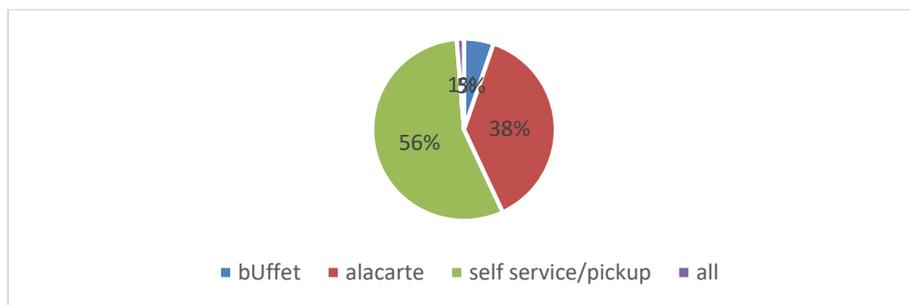


Diagram 12

Inferences: 56% of the respondents they prefer self-service/pick up

Q13. Non-vegetarian food items having more risks of contamination with viruses and bacteria during pandemic.

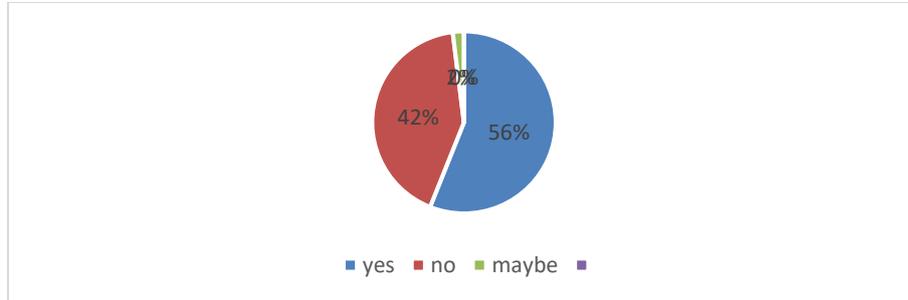


Diagram 13

Inferences: 56% of the respondents believe that Non Vegetarian food has more risk of Contamination with viruses and bacteria.

Q14. Role of Social Media as an Influential tool for dining out.

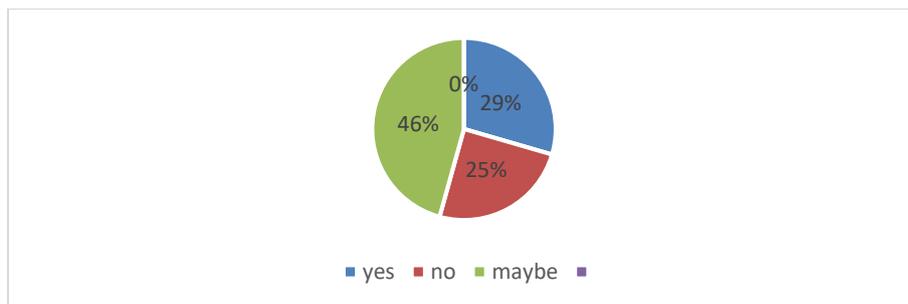


Diagram 14

Inferences: 46% of the respondents believe that social media can play a role in motivating the customers for dining out during pandemic.

Q 15. Visit to any hotel's restaurant /fine dining restaurant in the unlock phase of Covid -19.

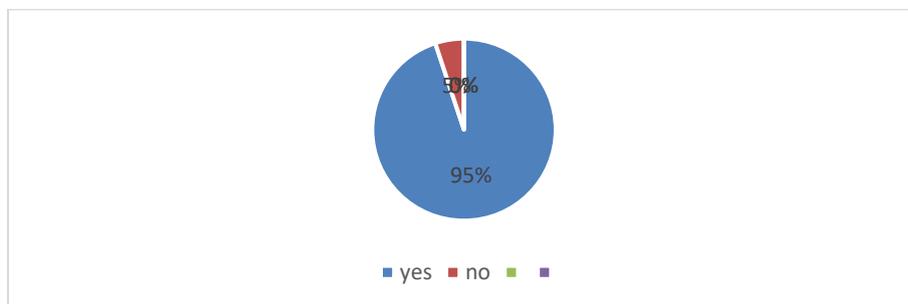


Diagram 15

Inferences: Almost all the respondents have visited restaurants and hotels for dining during the pandemic.

Q 16. Change in food consumption from dining out to home delivery services.

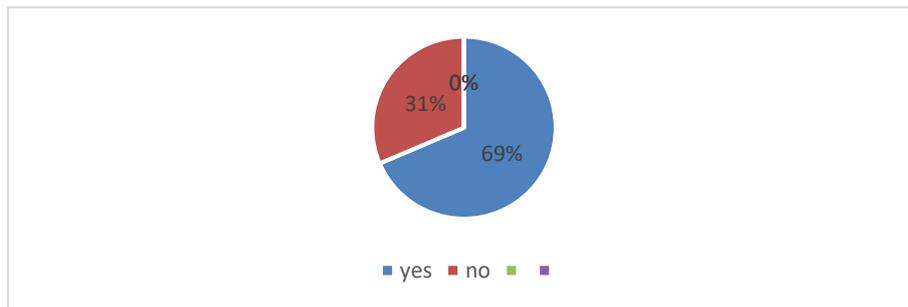


Diagram 16

Inferences: 69% of the respondents states that there is a huge shift in the style of food consumption hobbit. They prefer home deliveries more over dining out.

Q17. Art of cooking during pandemic

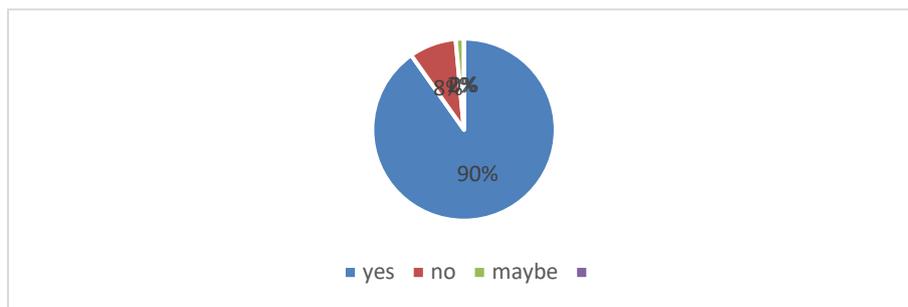


Diagram 17

Inferences: Almost all the respondents they developed the cooking art during this pandemic.

Q18. Continuation of self-preparation of delicacies as a substitute to outside food till the pandemic ends.

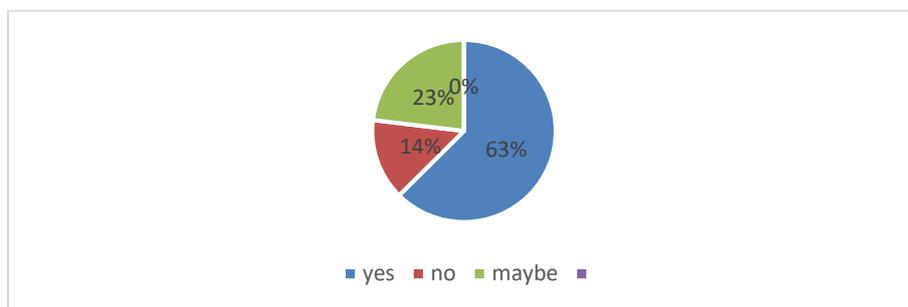


Diagram 18

Inferences: 63% of the respondents they are going to prepare and try out delicacies by themselves till the pandemic ends.

Q.19. Price reduction as a tool for attracting Customers for dining out

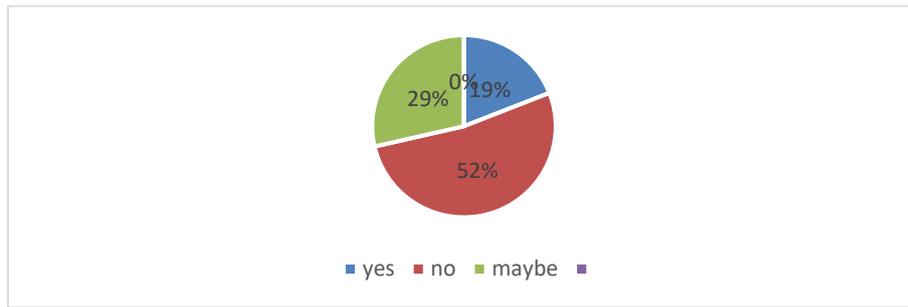


Diagram19

Inferences: 52% respondents state that reduction in the price is not a factor which can attract the customers for dining out during pandemic.

Q 20. Actual practice of safety and hygiene measures and building trust with Customers

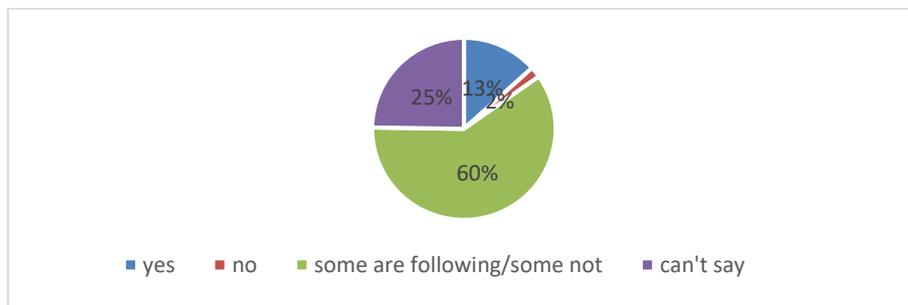


Diagram 20

Inferences: Majority of the customers (60%) think that some of the restaurant are following and some not as per their convenience

Q21. Building trust with Customers by practicing best safety and hygiene methods.

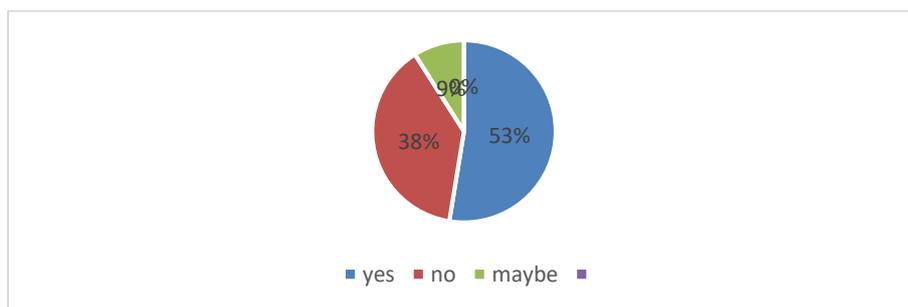


Diagram 21

Inferences: More than half (53%) of the respondents believe that the restaurant's /hotels with their best practices of safety and hygiene will be able to build trust with the customer's

7 Findings

After completing the entire survey the following are the findings:

- 81% of the respondents they prefer dining out, 61% of the respondents preferred vegetarian food and 15% Non-Vegetarian before Pandemic and now 85% i.e, majority of the customers like to prefer Vegetarian food now during Pandemic. There is a shift in the customer's preference towards Vegetarian food items.
- Respondents had different frequency level of dining out with 37% preference was once in a week before pandemic and during pandemic 45% of the respondents they don't prefer Dining out.
- 56% of the respondents are unable to decide whether it is safe or not for dining out.
- 41% of the respondents believe that yes brand name can build a trust among the customers and can be a motivational tool
- At present 69% of the respondents they prefer home delivery service
- 34% of the respondents they preferred safety as the main factor where 33% of the Respondents considered Menu as the influential factor for dining out before pandemic 65% of the respondents at present now consider safety as the prime factor for dining out and the preference of Menu has reduced to 10% of preference
- Mixed preference for different food service was the preference of the respondents before Pandemic. During pandemic there is a shift towards self-service/pick up with 56% of the respondent's preference. 56% of the respondents they believe that non vegetarian food are prone to bacterial and viral infection during this pandemic
- 46% of the respondents they believe safety and hygiene factors could be displayed through different social media windows which may be an influential tool for customers.
- 83% of the respondents have developed the art of cooking during this pandemic not explored earlier and 63% of them are going to continue preparing the delicacies for themselves till vaccine is available
- 52% of the respondents believe that reduction in price cannot influence them for dining out over safety and hygiene factor. 60% of the respondents have mixed opinion towards the actual practice of safety and Hygiene measures i, e, some of the restaurants are following and some not. 53% of them believe that with proper practices they can rebuild the trust with the customers over safety and hygiene.

Use of disposable plates/cutlery would be highly appreciated and if not used preheated cutlery and crockery should be used.

- Waiting area should be planned in every restaurant to maintain social distancing and proper sanitization procedures should be followed.
- Customers should be given access to the food production area to build more trust with them.
- Sanitization of tables and chairs should be done after every guest's movement by appointing a separate person for the task.
- Customers are more attached towards the trust factor, restaurants and owners should develop certain practices to display in reality and have a better bonding.
- Training programmes should be planned for the staff members to understand and practice the safety and hygiene standards.
- Record of every guest/diner should be maintained with complete information like phone number and address. Strict rules should be made for the customers too to follow the safety, hygiene and other Covid safety protocols while being present in the restaurants.
- Automatic sanitizers spray machines/ Laser automated spray machines would be highly appreciated.
- Temperature check of the staff members should be done at regular intervals during the shifts.
- Acrylic shield barriers should be used on the buffet counters if introduced again by the hotels and restaurants.

8 Conclusion & Suggestion

After completing the entire survey and study it has been observed that there is a fear factor amongst the customers acting as a barrier for them for moving out for dine-in service. Trust and assurance initiatives should be displayed either physically or social media sites. Some of the customers will wait until vaccine is available in the market and will continue to enjoy the delicacies prepared by them and the restaurants

even have to compete with them, the customers themselves have become a rival for the restaurants. Customers believe that even if the vaccine is available they want the hotels and restaurants to practise the safety and hygiene standards for a longer period of time.

Customers believe that there should be audits for restaurants and hotels from an external agency may be from government to check whether safety and hygiene standards are followed or not. It has been also observed that the customers have more preference for home deliveries than dine-in and have no inclination towards the use of hotel and restaurants cutleries and crockeries. Use of disposables are the first choice today. Respondents want physical barriers between tables while some want personal hand sanitizers placed on the table and some want their food covered when it's served to them. Some Customers will only visit restaurants that offer a contactless dining experience.

Providing digital tokens to avoid waiting in lines, enabling presentation of menu by scanning the code, taking orders without touching paper or a screen and providing options for contactless payments will induce trust in customers to dine out. Restaurants seem to be doing a good job with these online sales platforms about half of all people continue to feel comfortable ordering food as compared with restaurant dining. Customers will seek trust in the places they go to as a primary decision factor, instead of everything else - convenience, discounts, adventure, exploration, discovery, experience etc. trust will triumph all. Loyalty becomes of paramount importance to businesses.

All the hotels are practicing the best methods of safety and hygiene still they are not able to attract the customers for dine-in service. Almost 50% of the covers have been reduced and there is a major shift towards home delivery services. Some of the restaurants there has been discontinuation of use of metal cutleries and crockeries and there is a shift towards the use of disposables more as compared to its use before pandemic. The managers/ owners of the restaurant strongly agree that they have to build the trust with the customers by practicing the safety and hygiene standards and displaying it to the customers in order to get them back for dine-in service.

They even strongly agree that even they are practising the best measures of safety and hygiene but there has been a psychological barrier in the guests mind towards their restaurants and they have a fear factor too. The use of sanitizers, social distancing, and dependency on home deliveries will be there for a long time until unless the vaccine becomes available.

It is suggested that since the customers are more concerned about the safety and hygiene the hotels and restaurants should keep on practising and displaying the best methods of safety standards. Discounts, reduction in menu price is not the demand of the situation but developing a trust is the need of the hour.

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