

## Market trend reverberation of the fine dining sector at Jubilee Hills, Hyderabad Post Covid-19 Lockdown

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### Abstract.

**Purpose:** The motivation behind writing this paper is to find out how the market dynamics have changed in Jubilee Hills, a popular upscale area of Hyderabad with a lot of foreign as well as Indian food outlets post the COVID-19 lockdown, an unfortunate event which has pushed the economy towards recession.

**Background:** COVID-19, a deadly virus which has left more than 9.5 lakh dead till date, has wreaked havoc in 2020, leaving businesses bankrupt due to nationwide lockdown which lasted more than 2 months. *Unlock 4* in September has allowed eateries to open for business. *As per the World Travel & Tourism Council India Initiative (WTTCII) 70% of the workforce i.e. about 3.8 crore people employed in the hospitality services would be left jobless.*

**Methodology & objectives:** The paper adopted an exploratory structuring so as to know in deep about the shift in market trends. The study focused on Jubilee Hills, an upscale neighborhood with a thriving fine dining culture, and included 87 samples, out of 100 approached which were the restaurant owners/partners which gave their opinions through a questionnaire with tools like Likert's scale. The objectives focused on knowing more about the lockdown effect on the Hyderabad culinary scenario & analysing about the losses that have occurred.

**Conclusions/discussions:** More than 60% of the samples reported huge losses because of the complete isolation of the industry from its customer base, and amongst the losses, about 56% have completely closed their operations. The focus here was more on the diners rather than the eateries themselves. The majority blamed the lockdown for the losses while some of the samples were of the opinion that it was careless preparation that drove businesses into bankruptcies. The industry is hopeful to regain their strand with more than 68% samples thinking implementing new SOPs will help towards surviving the new normal times.

**Keywords:** Fine Dining, COVID-19 Lockdown, Jubilee Hills, Hyderabad, Bankruptcy

## 1 Introduction

As the world tries to move past this new side of the coin that has plagued itself in everyday life with the pandemic of Novel Coronavirus, the coping mechanisms employed towards a new normalcy has already put in place as one can witness many new countries opening up their geographical borders and economies. Previous 6 months have completely changed our perception towards life. Recovery rate, on a brighter side has been steadily increasing and has had an effect on a global level as only about 01% remain infected, which is a very big relief sign. Though, it is on the rise & the only solution is that a vaccine is developed. As of 14th November, 2020, the overall statistics stand as follow: 87,73,479 confirmed cases, 20,46,622 recoveries and 1,29,225 deaths, which although shows a growing recovery rate in India, still poses a serious threat that tells a story about the virus' intensity and how painfully lethal it can be. According to the data compiled from the Federation of Associations in Indian Tourism and Hospitality (FAITH), around 70% of the total workforce, which has a valuation of about INR 5.5 crore might get laid-off, which depicts a very disturbing figure of 3.8 crore, if a solution to this problem i.e. a fully working and efficient vaccine is not developed and distributed within the next 6 months. Mr. Roop Pratap Choudhary concluded in an interview that situation is still unfolding and the final adversities will only come forward once everything is done. As and when the pandemic restrictions are lifted only then it

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would be known as to what disposable income do the people have and are willing to spend on leisure and hospitality. (IANS) This was paired with the statement given out by Mr. Vikas Kapai, the General Manager, Sofitel Mumbai BKC who was under the impression that the lockdown will negatively affect the sector as it has affected other industries. The domestic as well as foreign arrivals have zeroed thus affecting the occupancy level which has been at an all-time low, triggering a lot of dissolutions for many small-scale hotels. It would take some time to be able to recover and it might take till June, 2020 to be able to set a future course of action, provided the lockdown is not extended. (Bhargava, 2020).

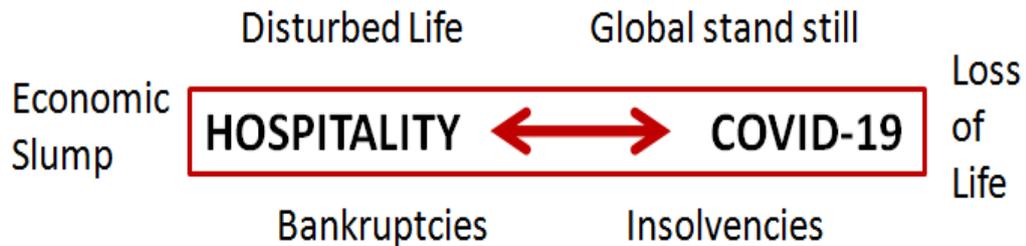


Fig. 1. : Inter-relational model between the effects of COVID on Hospitality (Source: Author)

The virus is a cause of a severe acute respiratory syndrome Coronavirus 2 which infests on the distance that two individuals share amongst them. The first strains of the COVID virus were traced in the city of Wuhan, a city located in the Hubei province of China. The virus’s origin is disputed, where some believing that it has originated from bats, while the other believe that it has originated in wet-markets, a place where seafood trade happens, the reason being that this was the exact condition as well as the reason why the virus SARS spread as well. Wet markets have a lot of species in close proximity where safe storing temperatures are not maintained thus being high potential risk zones (Fern, 2020).

## 2 Literature review

Restaurants will need to invest in the contactless deliveries and develop delivery-specific menus. They will also need to think about packaging more creatively, since most of the time, packaging for home delivery is just an after-thought,” says Sneha Jain, co-founder and managing director of chain of artisanal bakeries ‘The Baker’s Dozen’. Although, in the sector of hospitality, one usually cannot take out human interaction aspect of the question, as stated by Priyank Sukhija, CEO & MD of First Fiddle F&B Pvt. Ltd. “Opposite to the IT sector, the staff of hospitality cannot practically work from home, and apart from the case of delivery sector and cloud kitchen services, the concept of physical distancing is not practically applicable in the restaurants.”. Talking about newer concepts like trend of “contactless dining” does not have any real meaning in the hospitality. Mr. Priyank further added that outing to a restaurant or a coffee shop is a basic social exercise, and even though when the people want isolation, one usually go and be amongst the crowd either in a public place or restaurants, which is because it’s comforting as well as assuring to have a crowd around. It’s not surprising to have such a deep need of being alone but being amongst the crowd (Pillai P. , 2020).

The Restaurants in Kolkata, West Bengal are implementing a cut in the in-house cover capacities of their dining rooms by around 50% so as to ensure effective social distancing protocols and norms are being followed. It has been forecasted that a lesser footfall is expected especially in the dining out aspect, as people tend to focus more on takeaways and not step outside for extended periods of time. Mr. Nitin Kothari, the owner of the restaurant Peter Cat & Mocambo stated that online orders will have a major role in revenue earning for the restaurant during COVID times. Restaurants have anyways suffered tremendous losses extending to thousands of crores because of the implementation of the lockdown and many of these outlets can’t resume businesses due to the overhead losses the outlets have faced. Dining out may be reduced to 10-20% of the previous capacities but online deliveries would be occupying the main focus (PTI, 2020).

### **2.1 International Scenario:**

In the United States, a country which has been plagued with major restaurant brands, bailing out & many independent eateries facing closure, chef Gabrielle Hamilton, owner of Prune's moving account has laid off her entire employees, has called a lot of attention towards a sector in crisis. Talking about the situation in Europe, the restaurant owners are confused between owners who wish to restart businesses and those trying to renovate and re-launch themselves. Chef Rene Redzepi, Owner Noma has abandoned his previous business model of building a destination restaurant for gastronomes and has instead catered to locals with simpler fare of opening a hamburger joint. Anna Roš, chef of Slovenia's Hiša Franko, has urged the Slovenian government to reopen the borders in order to save the business from going under as well as the livelihoods of the team. China is trying to re-launch its economy, past the lockdown; the dining scenario in big cities isn't revolutionizing itself. Rather, it is innovating itself to cater to its diners for a better value (Bonnefoy, 2020).

## **3 Methodology**

The purpose of writing this paper was to study and analyse the on-ground market situation in the city of Hyderabad, a crown jewel of India for its gastronomical offerings. As COVID has restricted a lot of activities that were done before, dining out and leisure tops the list in that criteria. Being in those times when dining has been open for public, the paper's findings tried to get the feel of what fine dining patrons are thinking, whether to indulge or fall in the scare trap and avoid.

### **3.1 Research Design**

The research adopted an exploratory study to carefully frame the overall structure of the paper, which helped the authors to analyse the perception people of Hyderabad carry around on the topic of going out to fine dining places that served both Indian as well as Continental food. It also helped to understand the on-site situation as well as the sample perspective of whether they have succumbed to the scare or they are exploring the world after the lockdown

### **3.2 Sampling Procedure**

Convenience sampling was used for the study. About 200 samples were approached, but about 168 samples gave their consent to be included in the study with 91 males and 77 female samples, which were differentiated on their genders so as to have a wider scope of thought in the study.

### **3.3 Location & Data Collection:**

The study was conducted in Jubilee Hills, a posh upscale market with a lot of fine dining options available for its patrons. The data was collected by doing an on-site survey and distributing the questionnaire which had close ended question with a Likert's Scale to quantify the data recorded. The intent as the topic has suggested, was to collect the diner's opinions that were visiting the area.

## **4 Objectives Of The Study**

1. To know more about the gastronomical offerings of Hyderabad
2. To study market trends of fine dining scenario of Hyderabad post COVID lockdown
3. To analyse the public opinion on the post COVID preferences in fine dining

## 5 Analysis

As discussed above in the methodology, 91 male samples and 77 female samples consented their approval to be included in the study. Thus out of 200 samples approached the study had a final sample universe of 168. Following were the observations made from the close ended questionnaire, filled by them:

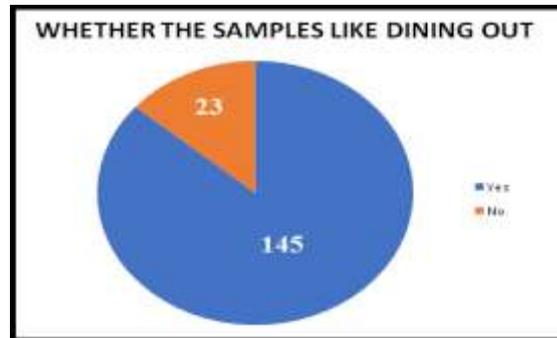


Fig. 2. Sample answers on whether they like dining out (Source: Author)

The first question asked about the basic preference of the samples whether they like eating out or not to which, yes was supported by 145 samples and no was supported by 23 samples. This set forth a majority that around 86.3% of the total sample population liked eating out. When a city has so much to offer, it comes with no surprise that such a high majority was established in this sample study.

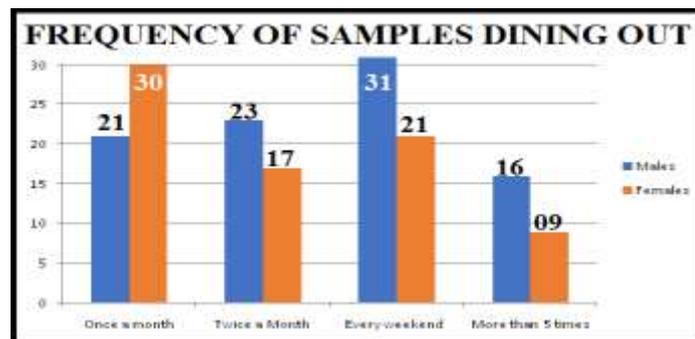
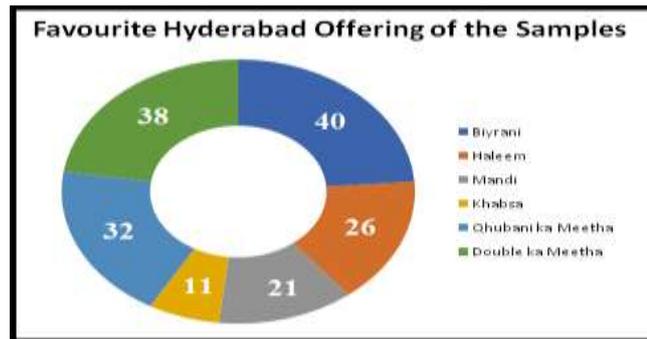


Fig. 3. Male & Female samples on how frequently they eat outside (Source: Author)

The next question enquired about the frequency of the male as well as female samples dining out in a month. The 4 categories were 'Once a month', 'Twice a month', 'Every weekend' and lastly 'More than 5 times'. The categorization of samples in this question was done because to have more varied look and clarity about the thought processes that both the genders have. 'Once a month' was voted by 21 male samples and 30 female samples, followed by 'twice a month' which was supported by 23 samples and 17 female samples. Next came 'every weekend' which was voted by 31 male samples and 21 female samples and lastly 16 samples and 09 samples voted for 'more than 5 times a month'. Thus in summation, 'every weekend' was voted by 52 samples and 51 samples supported 'once a month' which the highest were voted. When talking about the gender differentiation, the males were highly supportive of 'every weekend' as the majority of them i.e. 31 samples voted for it. Talking about the female samples, the highest voted was 'Once a month' with 30 samples voting it.

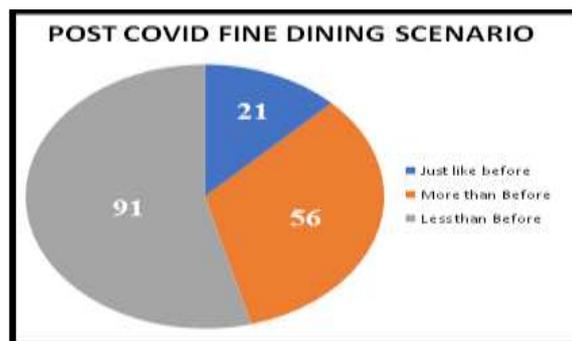
**Table 1.** Frequency distribution of male & female samples dining out (Source: Author)

Frequencies	Samples	
	M	F
Once a month	21	30
Twice a month	23	17
Every weekend	31	21
More than 5 times	16	09



**Fig. 4.** Samples preferences of the local Hyderabad offerings

The next questioned the samples on their preferences of the local Hyderabad preferences to fulfil the first objective of the study. A list of the local fine dining delicacies, which had a mix of both savoury and sweet preparations were forwarded to the male and female samples. The highest votes were given to ‘Biryani’ with 40 samples supporting it, followed by 38 samples voting for ‘Double ka Meetha’. After this came 32 samples which voted for ‘Qhubani ka Meetha’ creating a niche for sweet preparations in the list. 26 were voted for ‘Haleem’, followed by ‘21 samples’ supporting ‘Mandi’, an Arabian rice preparation as their favourite dish. The last in the list came ‘Khabsa’ another ice preparation which was least preferred by the samples as only 11 samples voted for it. 41.7% of the total was in favour of sweet preparations as their favourite and the remaining preferring the savoury preparations.



**Fig. 5.** Post COVID fine dining scenario (Source: Author)

The next question enquired about what are the current market trends in the fine dining scenario of Hyderabad. This was met with an overwhelming response to the option of ‘less than before’ with 91 samples voting for it. This was not surprising as post the lockdown, a lot of SOP changes for maintaining safety, but the scare was very much felt, which was followed by 56 samples voting for ‘more than before’ and lastly ‘just like before’ option having the least majority of 21 samples, again no surprises there as some samples are itching to get out of their houses and adopt the new normal.



Fig. 6. Samples voting for the reasons for lesser dining out (Source: Author)

The next question enquired about the reasons for such a higher dining out fall post COVID in Hyderabad. The highest votes were allotted to ‘safety over leisure’ with 26 male sample and 20 female samples, followed by ‘Improper COVID SOP implementation’ with 31 female samples and 20 male samples, next up with ‘Improper distancing’ with 27 male samples and 14 female samples. It was next came with ‘Do not want risk’ with 10 male samples and 08 female samples and lastly with the least votes, ‘Increased prices’ with 08 male samples and 04 female samples.

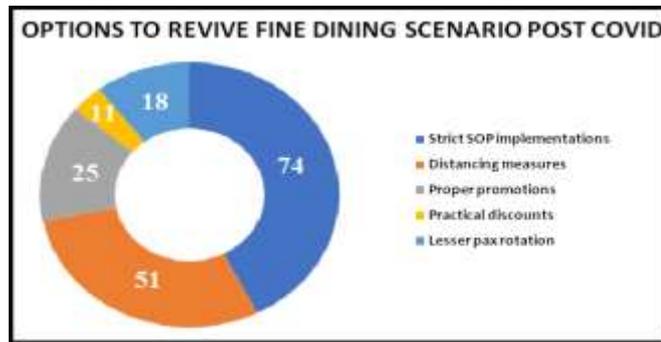


Fig. 7. Sample suggested options to revive fine dining scenario post COVID (Source: Author)

The last question enquired about the strategies to revive the fine dining scenario post COVID in Hyderabad. The majority of samples voted for ‘strict SOP implementation’ with 74 samples, ‘distancing measures’ with 51 samples, ‘proper promotions’ with 25 samples, ‘Lesser pax. rotation’ with 18 samples and lastly the ‘practical discounts’ with 11 samples, as discounts in the present time is not a good option when business is not good.

## 6 Conclusion

The purpose of writing this paper was to analyse the on-ground market situation in Hyderabad. The study adopted an exploratory study to know more about the perception people of Hyderabad carry around on the topic of going out to fine dining. The study divided the samples into male and female categories so as to have a wider scope on the study. It was found out that 86% of the samples liked to dine out, with about 31 male samples eating out every weekend and 30 female samples dining out once every month. Majority of the samples liked ‘Biryani’ and ‘Double ka Meetha’ when asked about their favourite fine dining dishes. 91 samples believed that fine dining out will be lesser than before COVID, and ‘Improper COVID SOP Implementation’ was voted the highest when asked about this lesser frequency of dining out.

## 7 Limitations

- Only Indian dishes were considered for the study, even though there are a lot of European and continental spots especially in the sample area of Jubilee Hills
- Only 1 area of the city was considered, even though areas like Banjara Hills and Hi-tech city are popular places to get great food for sampling, which may have reduced the scope of study and may have resulted in a not-so-wider analysis and discussion
- Due to COVID norms, the authors couldn't properly study the site when physically visited as samples were not very helpful due to the news and scare of COVID distancing

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