

Impact of Pandemic on Socio-Economic Condition of the Shop Holders of Tourist Places in Kanyakumari District

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Abstract: The COVID-19 pandemic has caused immense financial and social upheaval, halting most economic activity and a nationwide lockdown. To assess the effect of the disease on shop owners in Kanyakumari district, we surveyed 127 shop owners from March 28 to April 18, 2022. Our findings revealed that the lockdown completely restricted travel and tourism, significantly impacting the shops. The socio-economic status of the shop holders in the study area is heavily affected.

Key Words: Covid'19 pandemic, Socio-Economic Conditions, Shop holders, Kanyakumari District

1. Introduction:

The COVID-19 pandemic has probably been the most devastating financial and social crisis of recent times, leading to the suspension of almost all economic activity and forcing a country-wide lockdown. Tourism contributes 5.06 per cent to India's GDP (2017-18). The ongoing pandemic, travel restrictions, and the country-wide lockdown have brought the entire tourism industry to a standstill. Unlike other sectors, tourism, especially leisure tourism, will take longer to recover. This will directly impact states like Tamil Nadu and Kerala in the southern part of the country. The Indian tourism industry employs 8.75 crore people (12.75 per cent of the total employed population in 2018-19), such as people from the hospitality industry, tour operators, travel agents, homestay owners, drivers, guides, small traders, artisans and artisans among a host of other service providers. The sector also has strong forward and backward linkages to other sectors, such as agriculture, transport, handloom, and FMCG. Disruptions in the tourism sector will render many people unemployed. The food and hospitality sector is already under pressure from high fixed costs and no footfalls. The researcher initiated to analyse of the impact of covid'19 on the shop holders in the Kanyakumari district.

2. Profile of study area:

Kanyakumari district is located in the southernmost part of mainland India and is one of the 38 districts in Tamil Nadu. Among all the districts in Tamil Nadu, it has the second highest population density. Moreover, it is the wealthiest district in the state when considering per capita income. Additionally, it is at the top of the Human Development Index, literacy, and education rankings in Tamil Nadu. The district's headquarters is situated at Nagercoil.

3. Review of Literature:

Muhammad Khalilur et al. (2021) "Effect of Covid-19 pandemic on tourist travel risk and management perceptions". The findings reveal that the Covid-19 pandemic has greatly affected travel risk and management perceptions. Travel risk and management perception were significantly associated with risk management, service delivery, transportation patterns and distribution channels, avoidance of overpopulated destinations, and hygiene and safety. The results also identified the mediating effect of travel risk and

management perceptions. The finding of this study contributes to tourism crises. It provides future research insights into the travel and tourism sector and response to change tourists' travel risk and management perceptions in the post-covid recovery period.

Reshma Sucheran (2021) "Preliminary Economic Impacts of the COVID-19 Pandemic on the Hotel Sector in South Africa". The data for this paper is based on the hotel sector specifically and is extracted from a larger dataset that examined the economic impacts of the COVID-19 pandemic on all accommodation establishments in South Africa. Online surveys were administered to accommodation establishment managers. Approximately 3,000 accommodation establishments were targeted, and 482 responded, of which 67 were hotels. The study confirms that the hotel sector in South Africa has experienced severe economic impacts due to the COVID-19 pandemic, and some hotels face the risk of bankruptcy and permanent closure. Employment has also been substantially affected by job losses, reduced pay, and staff made redundant. Current concerns facing hotels are cash flow, travel restrictions, guest cancellations, low consumer spending, the overall economic uncertainty of the industry, as well as the uncertainty of the COVID-19 pandemic.

4. Statement of Problem:

The COVID-19 pandemic has severely impacted the tourism industry worldwide, and the study area has not been an exception. From aviation and hospitality to transportation, tour operators, and eateries, all tourism-related activities have been adversely affected in an unprecedented manner. The Kanyakumari district, known for its tourist attractions such as Kanyakumari City, beaches, forts, and Thirparappu Falls, has seen a significant decrease in business. The district usually attracts more than two crores of tourists annually, with summer tourism being the second biggest season, attracting at least ten lakh tourists per month from the first week of April to the first week of June. Unfortunately, due to the pandemic, nobody is coming to the district, leaving more than 10,000 shop owners who solely rely on tourism for their livelihood struggling to make ends meet. As a result, most shop owners have become unemployed, making it difficult to support their basic needs. This study aims to identify shop owners' socio-economic standing, highlight the difficulties they faced amidst the Covid outbreak, and suggest ways to improve their means of living.

5. Objectives of the study:

- To analyse the impact of covid'19 pandemic on the socio-economic status of the shop holders of tourist places in Kanyakumari District.
- To offer suitable suggestions to improve tourism and the socio-economic status of shop holders in the study area.

6. Null and Alternative Hypotheses:

H₀: There is no significant association between the impact of covid'19 pandemic on the socio-economic status of shop holders' and their satisfaction with the business.

H₁: There is a significant association between the impact of covid'19 pandemic on the socio-economic status of shop holders' and their satisfaction with the business.

7. Scope of the study:

The present study critically evaluates the impact of the covid'19 pandemic on the shop holders of the tourist places in the Kanyakumari district and how their lives are affected. The study's outcome will be useful to the Department of Tourism in India and the Kanyakumari Town Panchayat Office, as it will portray the socio-economic condition of small business people in the district. It may be helpful to concerned authorities to take necessary steps to protect the socio-economic conditions of small shop owners of the district. Besides, take promotional steps to increase domestic and foreign tourist arrivals. Employment generation and foreign exchange earnings will also increase the Kanyakumari district and the country's economic development.

8. Methodology

This study focuses on shop holders operating in the tourist hotspots of Kanyakumari district. The researcher developed a comprehensive questionnaire based on the study's objectives and previous research to

ensure accuracy and relevance. Statistical experts and local shop owners evaluated the survey for validity during a pre-test phase. Based on their feedback, the questionnaire was refined to improve its effectiveness. The data collection areas for the study were randomly selected as Kanyakumari, Vattakottai, and Padmanabhapuram. The questionnaires were distributed to the targeted population in these areas, and the responses were collected and analysed accordingly.

Table 1: Selection of sample size

Sl.No	Name of the Tourist Spot	Questionnaires Distributed	Fully completed Questionnaires Received
1.	Kanyakumari	50	44
2.	Padmanabhapuram	50	41
3.	Vattakottai	50	42
Total		150	127

9. Limitations

- The sampling method used was Judgmental sampling; therefore, the shortcomings of the non-probability sampling may also apply to this study.
- The research is mostly based on primary data, and the validity of the research depends upon the truthfulness of the responses from the selected respondents.

10. Data Analysis and Interpretation

Table 2: Demographic Profile of Respondents

Characteristics		Frequency	Percentage
Gender	Male	73	57.48
	Female	54	42.52
Age	< 30 Years	38	29.92
	30 – 50Years	57	44.88
	>50 Years	32	25.20
Marital Status	Married	93	73.23
	Unmarried	34	26.77
Languages known	Only one	18	14.17
	Two	84	66.14
	Three	21	16.54
	More than three	4	3.15
Residence	Rural	29	22.83
	Urban	53	41.73
	Semi-Urban	45	35.43
Experience	<10 Years	41	32.28
	10 – 20 Years	47	37.01
	> 20 Years	39	30.71
Monthly Income	< 20,000	27	21.26
	20,000 – 50,000	58	45.67
	> 50,000	42	33.07

The second table presents the demographic breakdown of the respondents who participated in the study. The data shows that 57.48 percent of the participants were male, while 42.52 percent were female. Regarding age distribution, most respondents (44.88 percent) were between 30 and 50 years old, followed by 29.92 percent below 30 years and 25.20 percent above 50 years old. Additionally, almost three-quarters of the participants were married.

The survey revealed that most of those who participated (66.14 percent) are proficient in two languages. Out of this group, 41.73 percent reside in urban areas. The data also shows that 37.01 percent of respondents have worked between 10 to 20 years. Regarding monthly earnings, 45.67 percent of respondents earn between 20,000 to 50,000.

Table 3: Classification of Shop holders based on the type of business

Sl. No	Type of Business	No. Of Respondents	Percentage
1.	Hotel & restaurants	18	14.17
2.	Fancy goods	20	15.75
3.	Handicrafts	12	9.45
4.	Textiles & Garments	15	12.01
5.	Transport services	14	10.63
6.	Stationery & Communication services	9	6.69
7.	Ticket booking & Tourist Guidance	10	7.87
8.	Ice cream Parlour	7	5.71
9.	Tea and Snacks	8	6.30
10.	Fruits stall	11	8.66
11.	Other petty shops	4	2.76
Total		127	100

(Source: Primary Data)

Table 2 discloses the segmentation of shop holders based on their business. It is observed that a maximum of 20 shop holders (15.75 per cent) are making fancy goods sales, followed by 18 respondents (14.15 per cent) and 11 respondents (8.66 per cent) are engaged in the textiles and garments business. It is further noted that 14 respondents (10.33 per cent) were in transportation services, 9 respondents (6.69 per cent) were in handicrafts, and 7 respondents (5.71 per cent) had fruits stall.

Table 4: Impact of the Covid'19 Pandemic on Business

Sl.No	Selected Variables	Code
1.	Lockdown	CPB1
2.	Travelling was completely banned	CPB2

3.	Tourists' arrival was completely stopped	CPB3
4.	We are not under the basic industries	CPB4
5.	No revenue	CPB5
6.	Unfortunately, we lost our business.	CPB6
7.	Need help to pay salaries to our workers.	CPB7
8.	Our customer base has dwindled.	CPB8
9.	We are experiencing difficulty in retaining our employees.	CPB9
10.	The condition of the stocks in the store and warehouse has deteriorated.	CPB10

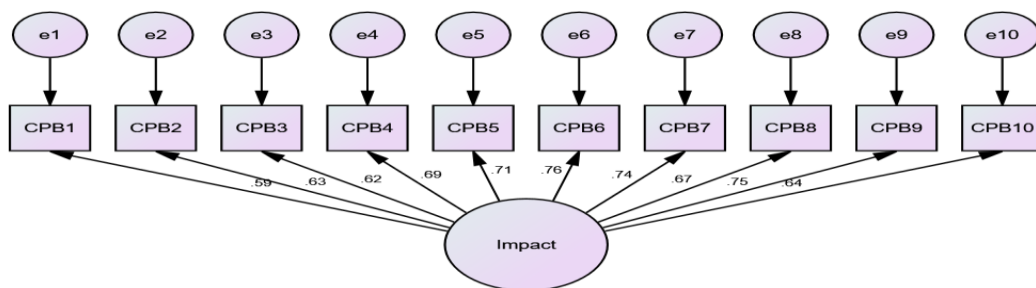


Fig 1: Impact of the Covid'19 Pandemic on Business

Table 5:

Chi-Square value	D.F	Chi-Square / D.F	P value	GFI	CFI	RMSEA
44.408	14	3.172	0.739	0.948	0.913	0.0321

The P-value of 0.739 exceeds the threshold level 0.05, indicating a flawless model fit. Moreover, high values of the Goodness of Fit Index (G.F.I) and Adjusted Goodness of Fit Index (AGFI) at 0.948 and 0.913 indicate a good fit.

Table 6: Standardised Regression Weights: (Group number 1 - Default model)

Depended Variables	Relationship	Independent variable	Estimate
CPB1	<---	Impact of Covid'19 Pandemic on Business	.591
CPB2	<---		.632
CPB3	<---		.622

CPB4	<---		.690
CPB5	<---		.710
CPB6	<---		.761
CPB7	<---		.737
CPB8	<---		.668
CPB9	<---		.750
CPB10	<---		.639

The results showed that the variables under the category “Impact of the Covid’19 Pandemic on Business in the study area” were highly significant, with appropriate loadings ranging from 0.591 to 0.764 according to C.F.A. analysis.

Table 7: Impact of the Covid’19 Pandemic on Business

Variables	Unstandardised Coefficients		Standardised Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.432	.057		7.566	< 0.05
CPB1	.228	.047	.194	4.899	< 0.05
CPB2	-.107	.030	-.123	-3.552	< 0.05
CPB3	.147	.031	.170	4.740	< 0.05
CPB4	.229	.043	.190	5.277	< 0.05
CPB5	.364	.035	.427	10.386	< 0.05
CPB6	.289	.041	.247	7.133	< 0.05
CPB7	.196	.037	.235	5.277	< 0.05
CPB8	-.188	.048	-.174	-3.918	< 0.05
CPB9	-.127	.041	-.117	-3.088	< 0.05
CPB10	.203	.027	.282	7.566	< 0.05
“R”	0.849				
“R²”	0.721				
Adjusted “R²”	0.719				
“F” value	81.231			Sig. Value .000	

Table 7 reveals the regression coefficient for the relationship between the impact of covid’19 on the business of shop holders in the study area and their level of satisfaction. The R-value indicates the correlation between the independent and dependent variables, with a value greater than 0.4 indicating that further analysis is needed. An R2 value greater than 0.5 means the model effectively defines the relationship between the chosen variables. In this case, both “R” and “R2” values exceed the threshold level, and the adjusted R-square is very close to the “R2” value, providing reliable results. Moreover, the “t” value of the selected independent variables is more than the 1.96 threshold level, and the corresponding “p” value is less than 0.05. Hence it is concluded that all the variables influence the respondents’ satisfaction.

11. Findings:

- The data shows that 57.48percent of the participants were male, while 42.52percent were female.
- Regarding age distribution, most respondents (44.88percent) were between 30 and 50 years old, followed by 29.92percent below 30 years and 25.20percent above 50 years old.

- Almost three-quarters of the participants were married
- A majority respondents (66.14percent) are proficient in two languages.
- Out of this group, 41.73percent reside in urban areas.
- The data also shows that 37.01percent of respondents have worked between 10 to 20 years
- 45.67percent of respondents earn between Rs. 20,000 to 50,000 per month.

13. Conclusion

This study focuses on the impact of the COVID-19 outbreak on the shop holders' business in the tourist places of Kanyakumari district. The outbreak of COVID-19 is a novel pandemic that severely impacted the lifestyle of most people across the globe. The critical economic shock to every person and every industry in most countries is the most common feature of the novel coronavirus. COVID-19 significantly impact the shop holders' business and their socio-economic status. Some of the threats faced by the economic environment during the pandemic are rising unemployment, world recession, uncertainty weighing on consumers, vaccine unavailability and business confidence.

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