

Impact of the Covid-19 on Fast Food Business in Kathmandu

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Abstract

Corona-virus is a very dangerous virus in the world. It affects the overall human activities in Nepal. This research article tries to analyze the impact of the Coronavirus on the fast food business in Kathmandu. The fast food business is very popular in Kathmandu, it provides services for different levels of people and also provides employment opportunities as well as increasing economic activities. Due to Coronavirus, these economic activities, through the primary information collected in certain sample areas for analysis, affect the economy. This study is helpful to know the current situation of the fast food business of our country and the economic impact of the coronavirus on the income of the fast food business. After analyzing the information provided by the respondent through the questionnaire survey Coronavirus reduced employment opportunities, the business of the fast food market, and the income level of the entrepreneur as well as the employee people in the sample area. It is concluded that the virus hurt the fast food business sector in Kathmandu.

Key Words: Corona-virus, Impact, Fast-food, Business &Covid-19.

Background of the Study

Corona-virus disease (COVID-19) is an infectious respiratory disease caused by a newly discovered coronavirus. Most people infected with the COVID-19 virus will experience mild to moderate respiratory illness and recover without requiring special treatment. Older people and those with underlying medical problems like cardiovascular disease, diabetes, chronic respiratory disease, and cancer are more likely to develop serious illnesses. The first human cases of COVID-19, the disease caused by the novel coronavirus causing COVID-19, subsequently named SARS-CoV-2 were first reported by officials in Wuhan City, China, in December 2019. Retrospective investigations by Chinese authorities have identified human cases with the onset of symptoms in early December 2019. While some of the earliest known cases had a link to a wholesale food market in Wuhan, some did not. Many of the initial patients were stall owners, market employees, or regular visitors to this market. Environmental samples taken from this market in December 2019 tested positive for SARS-CoV-2, further suggesting that the market in Wuhan City was the source of this outbreak or played a role in the initial amplification of the outbreak. The market was closed on 1st January 2020 (World Health Organization).

Millions of enterprises face an existential threat. Around the globe, the workforce is at risk of losing their livelihoods. Informal economy workers are particularly vulnerable because the majority lack social protection and access to quality health care and have lost access to productive assets. Without the means to earn an income during lockdowns, many are unable to feed themselves and their families. For most, no income means no food or at best, less food and less nutritious food.

The pandemic has been affecting the entire food system and has laid bare its fragility. Border closures, trade restrictions, and confinement measures have been preventing farmers from accessing markets, including for buying inputs and selling their produce, and agricultural workers from harvesting crops, thus disrupting domestic and international food supply chains and reducing access to healthy, safe, and diverse diets. The pandemic has decimated jobs and placed millions of livelihoods at risk. As breadwinners lose jobs, fall ill, and die, the food security and nutrition of millions of women and men are under threat, with those in low-income countries, particularly the most marginalized populations, which include small-scale farmers and indigenous peoples, being hardest hit.

Nepal's economy is projected to grow by only 0.6 percent in 2021, inching up from an estimated 0.2 percent in 2020 as lockdowns caused by COVID-19 disrupt economic activity, especially tourism, says the World Bank's latest South Asia Economic Focus. Informal businesses make up around 50 percent of enterprises in Nepal and are the main source of income for most of the labor force. Within this group, urban informal sector workers and self-employed households in urban areas are more vulnerable than rural households who can fall back on subsistence farming. Most informal firms operate with limited savings, and owners may face the difficult choice of staying home and facing starvation during the lockdown or running their business and risking infection. These scenarios accentuate financial difficulties as well as the spread of COVID-19. Nepali health sector, the government announced a nationwide lockdown from 24 March 2020, the nationwide lockdown became a little loose after 15th June 2020. Of the negligence by the citizens of the nation and the spreading number on daily basis the government imposed a curfew on the Kathmandu Valley from 19th August 2020 to 9 September (World Bank, 2020)

Fast food is a type of mass-produced food designed for commercial resale and with a strong priority placed on "speed of service" versus other relevant factors involved in culinary science. Fast food was created as a commercial strategy to accommodate the larger numbers of busy commuters, travelers, and wage workers who often did not have the time to sit down at a public house or diner and wait for their meal. Making the speed of service the priority, this ensured that customers with strictly limited time (a commuter stopping to procure dinner to bring home to their family, for example, or an hourly laborer on a short lunch break) were not inconvenienced by waiting for their food to be cooked on-the-spot (as is expected from a traditional "sit down" restaurant).

The fastest form of "fast food" consists of pre-cooked meals kept in readiness for a customer's arrival (Boston Market rotisserie chicken, Little Caesar's pizza, etc.), with waiting time reduced to mere seconds. Other fast food outlets, primarily the hamburger outlets, etc. use mass-produced pre-prepared ingredients (bagged buns & condiments, frozen beef patties, prewashed/sliced vegetables, etc.) but take great pains to point out to the customer that the meat and potatoes (hamburgers and French fries) are always cooked fresh (or at least relatively recently) and assembled to order (like at a diner). In the context of Nepal, we can find Mo: Mo, Chawmin, Samosa, etc. Due to the busy life of people, most of their break-fast often uses fast food. It is also most popular in the official area where most of the offices are located. Nowadays consumer behavior of people is changing due to their busy life. They use short and fast food for their breakfast. Some fast food is not health friendly for different age groups, situations, and nature people like; readymade dry noodles, biscuits, etc. are junk food. A lot of people are doing business in this field. We can find small, middle, and big size of fast-food food businesses in Nepal.

The objective of the study is to examine the effects of COVID-19 on the fast food business in a sample area of Kathmandu. Many countries are being highly affected by this virus, and the countries that are highly reliant on tourism, hotel, and industries have been affected, so this study is going to see how fast food is being affected by their income and employment generation. Is the fast food in our country an effect of this pandemic or not? Is it going to be studied? This study will be helpful to know the current situation of the fast food business of our country and the economic impact of the coronavirus on the income of the fast food business.

Research Methodology

This research aims to analyze the effect of Covid 19 on the fast food business in the sample area. In social science research, fieldwork is the central and important method for collecting primary information. This study is based on primary information, secondary data is also used for supplementary sources of information, and descriptive statistics are used for data analysis tools.

It had already been stated that the source of data is a primary source that is used for analysis and this data was collected using visiting the field in the Koteshwor and Baneshwor area. Therefore, all the fast food businesses of the Koteshwor and Baneshwor areas are the sources of the population of this research. In aggregate 248 (KMC Wada No. 32) firms in the Koteshwor area and similarly, 336 firms in Baneshwor (KMC Wada No. 31 & 10) area are included in the study area. Out of the 60, 60 farms are selected as samples for the entire population through the sample random sampling methods. Direct personal interviews with the sample population had been taken for the information collected at the time of the field survey through the open and closed-ended semi-structured questions.

The information collected on different aspects of the fast food business firms through the questionnaire survey was first processed for tabulation and analysis. For analysis purposes, descriptive statistical tools have been used.

Empirical Result and Discussion

Income and Expenditure Analysis of Fast-food Business

Fast-food businesses are established to generate income by providing fast-food service to customers in the market. They provided various items of fast-fast to their customers. To produce fast-food items in the firm, they should bear various types of costs like raw material costs, labor costs, rent, operating, and administrative costs

Table: 1 Monthly Average Income of Business During COVID-19 and Before COVID-19

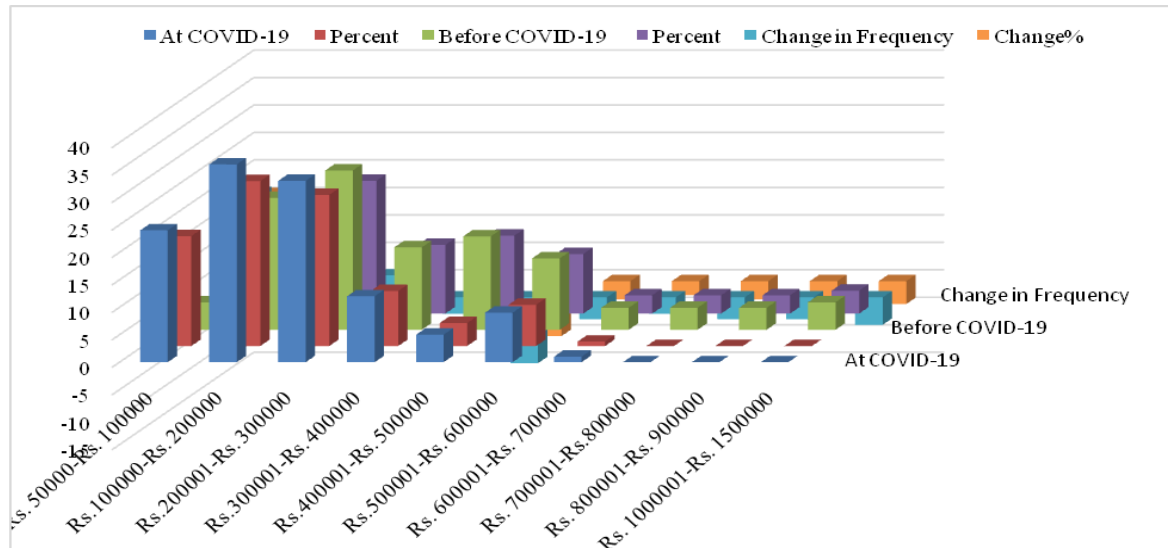
Income earner groups	At COVID-19	Percent	Before COVID-19	Percent	Change in Frequency	Change in percent
Rs. 50000-Rs. 100000	24	20.0	5	4.2	19	15.83
Rs.100000-Rs. 200000	36	30.0	24	20.0	12	10.00
Rs.200001-Rs. 300000	33	27.5	29	24.2	4	3.33
Rs.300001-Rs. 400000	12	10.0	15	12.5	-3	-2.50
Rs.400001-Rs. 500000	5	4.2	17	14.2	-12	-10.00
Rs.500001-Rs. 600000	9	7.5	13	10.8	-4	-3.33
Rs. 600001-Rs. 700000	1	0.8	4	3.3	-3	-2.53
Rs. 700001-Rs.800000	0	0.0	4	3.3	-4	-3.33
Rs. 800001-Rs. 900000	0	0.0	4	3.3	-4	-3.33
Rs. 1000001-1500000	0	0.0	5	4.2	-5	-4.17
Total	120	100.0	120	100.0		

Source: Field Survey, 2021

Table 1 shows the monthly earnings of the fast-food business of a sample area business firm. The impact of COVID-19 on the frequencies of an entrepreneur is increased by 19 at the income range Rs. 0-Rs.100000 with a change in percentage of 15.83, increased in group Rs. 100001-Rs. 200000 by 12 numbers with a percentage change is 10, which means

earning of the firm is decreased at higher range to convert into the lower group. Increased frequency in group Rs. 200001-Rs. 300000 by 4 with a percentage change is 3.33. The change negatively in earning frequency at income group Rs. 300001-Rs. 400000 is 3 with 2.50 percent, change in earning group Rs. 400001-Rs.500000 by 12 number with 10 percent negatively, change in Rs. 500001-Rs. 600000 by 4 numbers negatively with 3.33 percentage, change in group Rs. 600001-Rs.700000 by 3 numbers negatively with 2.53 percentage, change Rs. 700001-Rs.800000 by 4 negatively with 3.33 percentage, change in group Rs. 800001-Rs. 900000 by 4 negatively with 3.33 percentage and change in group Rs. 1000001-Rs. 1500000 by 5 number negatively with 4.17 percentage.

Figure: 1 Monthly Average Income of Business During COVID-19 and before COVID-19



Source: Table 1

Figure 1 shows the monthly income of the fast-food business in the study area under the various categories. The group of income Rs. 50000- Rs. 100000 with frequency 24 and percentage 20, Rs. 100001- Rs. 200000 with frequency 36 and 30 percentages, Rs. 200001- Rs. 300000 with 33 frequencies and 27.5 percent, Rs. 300001- Rs. 400000 with 12 frequencies and 10 percent, Rs. 400001- Rs. 500000 5 and 4.2 percentage, Rs. 500001- Rs. 600000 with frequency 9 and 7.5 percentage, Rs. 600001- Rs. 700000 with 1 frequency and 0.8 percentage, Rs. 700001- Rs. 800000, Rs. 800001- Rs. 900000, Rs. 900001- Rs. 1000000 and Rs. 1000001- Rs. 1500000.

The blue color shows the income of firms-food firms at COVID-19 with a percentage stage in orange color. The light black color shows the income of fast food firms before COVID-19 with the percentage in yellow color. The light blue color shows the difference in frequencies of fast food between the two during COVID-19 and before COVID-19; similarly, the green color shows the change in the percentage of the proportion of frequency.

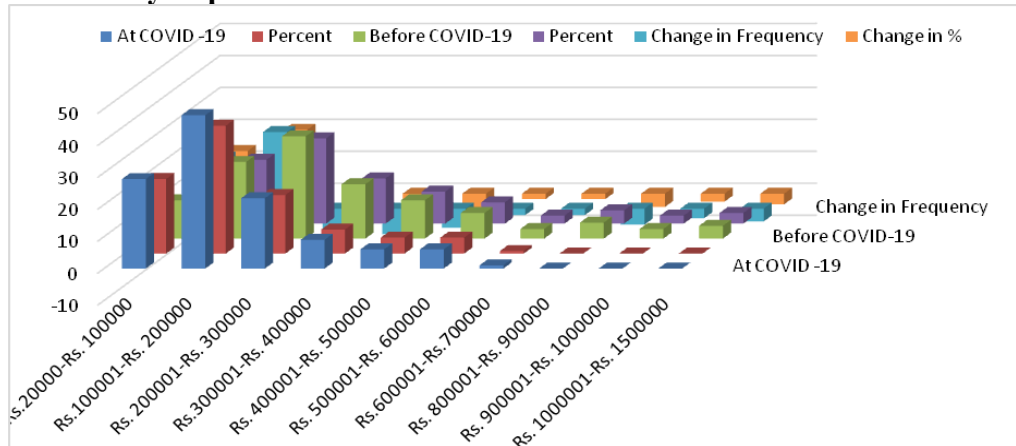
Table: 2 Monthly Expenses of Fast-Food Businesses at COVID-19 and Before COVID-19

Particular	At COVID - 19	Percent	Before COVID- 19	Percent	Change in Frequency	Change in %
Rs.20000-Rs. 100000	28	23.3	12	10.0	16	13.33
Rs.100001-Rs. 200000	48	40.0	24	20.0	24	20.00
Rs. 200001-Rs. 300000	22	18.3	32	26.7	-10	-8.33
Rs.300001-Rs. 400000	9	7.5	17	14.2	-8	-6.67
Rs. 400001-Rs. 500000	6	5.0	12	10.0	-6	-5.00
Rs. 500001-Rs. 600000	6	5.0	8	6.7	-2	-1.67
Rs.600001-Rs.700000	1	0.8	3	2.5	-2	-1.70
Rs. 800001-Rs. 900000	0	0.0	5	4.2	-5	-4.17
Rs. 900001-Rs. 1000000	0	0.0	3	2.5	-3	-2.50
Rs. 1000001-Rs. 1500000	0	0.0	4	3.3	-4	-3.33
Total	120	100	120	100.0		

Source: Field Survey, 2021

Table 2 shows the monthly income of the Fast-food business in the Baneshwar and Koteshwar areas of study. The monthly income range of expenditure is categorized in Rs. 20000-Rs.100000, Rs. 100001-Rs. 200000, Rs. 200001-Rs. 300000, Rs. 300001-Rs.400000, Rs. 400001-Rs. 500000, Rs.500001-Rs.600000, Rs. 600001-Rs.700000, Rs.700001-Rs.800000, Rs. 800001-Rs.900000. Rs. 900001-Rs.1000000 and Rs. 1000001-Rs.1500000. The frequencies of monthly expenditure on the fast-fast business change between COVID-19 and before COVID-19. The change in several frequencies in various expenditure groups is as; Rs. 20000-Rs.100000 increased by 16 numbers with 13.33 percent, Rs. 100001-Rs. 200000 increased by 24 numbers with 20 percent, Rs. 200001-Rs. 300000 decreased by 10 numbers with 8.33 percent, Rs. 300001-Rs.400000 decreased by 8 with a 6.67 percent, Rs. 400001-Rs.500000 decreased by 6 with 5 percent, Rs.500001-Rs.600000 decreased by 2 with 1.67 percent, Rs. 600001-Rs.700000 decreased by 2 with 1.70 percent, Rs.700001-Rs.800000 decreased by 5 numbers with 4.17 percent, Rs. 800001-Rs.900000. Rs. 900001-Rs.1000000 decreased by 3 numbers with 2.50 percent and Rs. 1000001-Rs.1500000 decreased by 4 numbers with 3.33 percent. The impact of COVID-19 on the monthly expenditure of fast-food business firms is increased at lower-level expenditure and decreased at a high level.

Figure:2 Monthly Expenses of Fast-Food Business at COVID-19 and Before COVID-19



Source: Table 2

Figure 2 shows the first front-row expenditure of a fast-food firm in the study area. The frequencies of the firms at expenditure (Rs. 100001- 200000) and lowest in (Rs. 1000001-1500000). The orange color second row shows the percentage of expenditure for COVID-19 time. The light black color third row shows the expenditure frequencies of the firm before COVID-19 at that time, there are highest frequencies in Rs. 200001-Rs.300000 and lowest in Rs. 600001-Rs.700000 and Rs.900001-Rs.1000000. The yellow color in the fourth row shows the percentage of fast-food firm expenditure. The light blue color fifth row shows the difference in frequencies of the firms. The last row shows the change in the percentage of expenditure in two periods of COVID-19 and before COVID-19.

Employment Change in COVID-19

The employment in fast-food businesses in study areas Baneshwor and Koteshwor is changing. Employment refers to the number of workers working in the fast-food industry. The employees are in two different situations.

Table: 3 Employees working in Fast-Food at COVID-19 and Before COVID-19

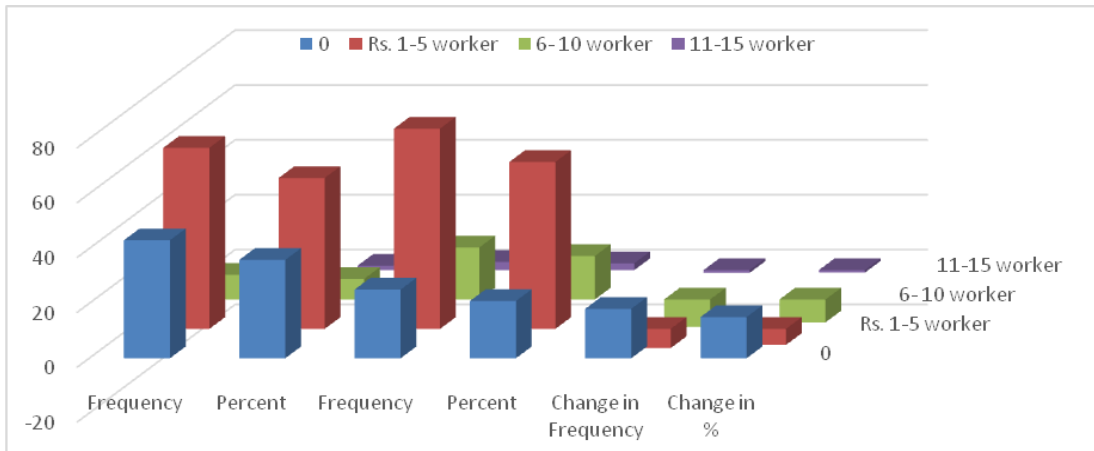
Particular	Frequency	Percent	Frequency	Percent	Change in Frequency	Change in %
0	43	35.8	25	20.8	18	15.0
1-5 worker	66	55.1	73	60.1	-7	-5.8
6- 10 worker	9	7.5	19	15.8	-10	-8.3
11-15 worker	2	1.6	3	2.5	-1	-0.9
Total	120	100	120	100.0		

Source: Field Survey, 2021

Table 3 shows the employed worker in the Fast-Fast business firm in the study area. The impact of COVID-19 on employment is categorized as group Zero worker group, 1-5

workers, 6-10 workers, and 11-15 workers. The change in frequencies of frequency of firms providing jobs to the worker is at Zero worker group is 18 number increased with a percentage change is 15, ingroups 1-5 workers decreased by 7 number with 5.8 percent, ingroups 6-10 it decreased by 10 number with 8.3 percentage and decreased in group 11-15 by 1 number with 0.9 percentage. The impact of COVID-19 on fast-food firm employment is negative, there is a decrease in employment in the high employment group but an increase in the zero employment group.

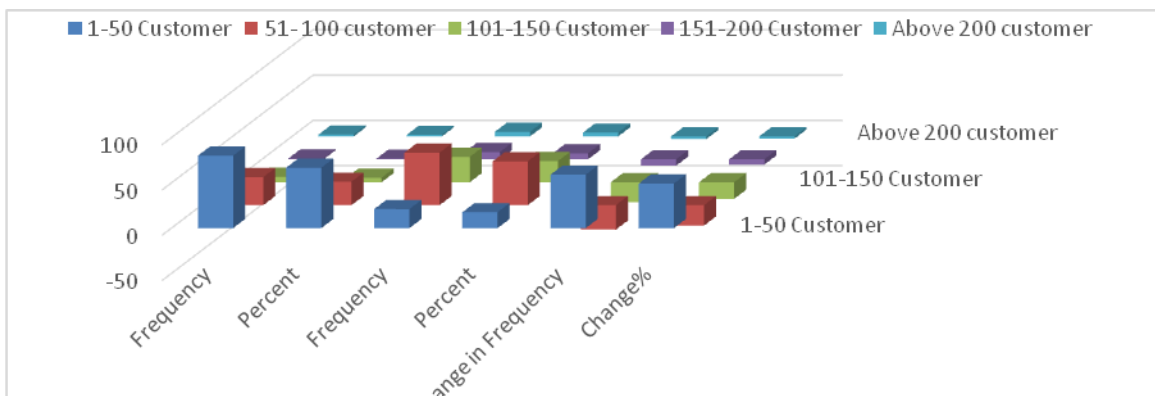
Figure:3 Employees Working in Fast-Food at COVID-19 and Before COVID-19



Source: Table 3

Figure 4.3 shows the employment situation in the fast-food firm in the study area. The first blue color in the first row shows the number of employees in fast-food firms. The second orange color shows the employee's frequencies in fast-food firms highest in 1-5 frequency with percentage, change in frequencies, and percentage change. There is the lowest number of employees in the range 6-10 and 11-15, shown by the last rows.

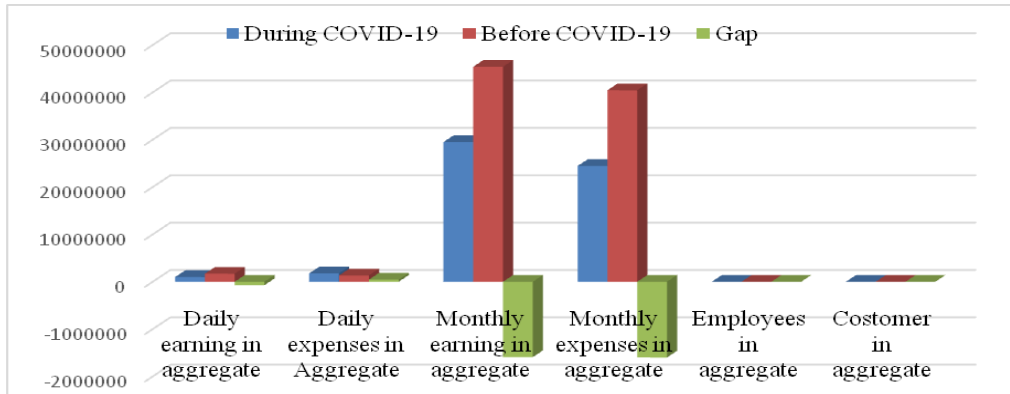
Figure:4 Number Customersomer Visiting COVID-19 and Before COVID-19



Source: Field Survey, 2021

Figure 4 shows the visiting number of customers in the fast-food business in the study area. The first row shows the frequencies of consumers visiting during and before at ranges 1-5 with percentage, change in frequency, and percentage in the fast food business. The second row shows the frequency of visiting a customer in the fast food business at range 51-100 with percentage, change in frequency, and percentage. The third row shows the frequency of 100-150 and the fourth row shows the frequency of visiting customers at 151-200 and the last row shows the above 200 customers visiting the fast-food business.

Figure:5 Gap of Earning, Expenses, Employment, Customer in Fast-Food



Source: Field Survey, 2021

Figure 5 shows the graph of the gap between daily, and monthly earnings, expenses, employment, and customers in the fast food café of the study area Baneshwor and Koteshwor. The orange color graph shows the before COVID-19 earnings, expenses, employment, and customer. The blue color graph shows COVID-19 and the light black color graph shows the gap between during and before earnings, expenses, employment, and customers in the fast-food business.

Result Analysis

The daily income before COVID-19 recorded on the response of respondents is Rs 2500 per day minimum and Rs 45000 per day with an average of 14151.67 and a standard deviation of 9304.68. The monthly income before COVID-19 is minimum earner Rs 6, 00,000 and maximum earner Rs 19, 00,000 but the average highest number of firm incomes of Rs 3, 00,000 frequencies is 12. The average income is 378450 with a Standard deviation of 271135.21. The data of expenses per month before COVID-19 is varies minimum expenses Rs 40000 with only one frequency, and the highest expenses firm is Rs 12,00,000, but the highest frequency is Rs 80000, and Rs 3,00,000 is 6, second most frequency is Rs 230000, 380000 and 450000 that frequency is 5. This means the maximum firm bear monthly expenses are Rs 230000, Rs 380000, and Rs 450000. The statistical calculation shows

means of expenses is Rs 337016.67 with a standard deviation of Rs 21847.56. The impact of COVID-19 on employees shows that before COVID employees and the data shows that there are no employees externally are 43, other than 23 firms employ two employees. The second large employee provider firm 16 hires only one worker and two workers' firms 12, four worker firms 13. The family members involved in business operations responded on yes 115 and no 5 with 95.9 and 4.1 percent. That means most firms are operated by family members in the fast food business. The engagement of family members in the business operation is no family members are only two firms, only one member is 41, only two members are 57, three are 11, four are 7, five are only one, and seven is only one. This means most firms operate under family member involvement. The employment generated by fast food before Covid-19 is significant. The maximum job provider fast food hires 15 employees from the labor market, but only one firm hires 15 employees, 13 employees are hired by only one firm, and 11 employees are also hired by only one. However, most firms hire 1, 2, 3, and 4 employees in the process of business operation. The firm has faced various types of problems during the time of lockdown main indicated problems are lack of raw materials, lack of workers, difficulty in sales and distribution, demand problems, and the working capital problem are the problem of the problem problems problem faced by the business firm. The firm opening after COVID-19 started from Shravan, the highest no. of the firms is 57, in Bhadra firms are 22, in Kartik 17, but others are open another month. The customer-visiting ratio was comparatively different before and after COVID-19. That means the fast food business is influenced by COVID-19 negatively. At the time of lockdown, the fast-food business only 52 got a rent discount from the landlord 120. The remaining 68 firms have not got any discount from their landlord. The maximum firm gets only one monthly rent discount from their landlord at the time of lockdown, a 2-month discount got 13 firms and a 3-month discount got by only four firms. An average 0.6-month fast food business got a discount from their landlord.

Conclusion

A large number of businesses and firms suffered from the COVID-19 pandemic. COVID-19 is a major problem for the economy. It influences most business activities negatively but some rare business has the opportunity. The specific study focuses on the impact of COVID-19 on the fast food business. The income, expenditure, and employment in fast food areas decreased during the pandemic period. They are faced with a large number of problems about a lack of raw material supply, and a lockdown of business.

In conclusion, from a study, it can be said that the most affected sector of business fast-food is decreased income, expenditure, and workers in the firms, due to the closedown direction by the government. The change negatively in earning frequency at income group Rs. 300001-Rs. 40000 is 3 with 2.50 percent, change in earning group Rs. 400001-Rs.500000 by 12 numbers with 10 percent negatively, change in Rs. 500001-Rs. 600000 by 4 number negatively with 3.33 percentage, change in group Rs. 600001-Rs.700000 by 3 number negatively with 2.53 percentage, change Rs. 700001-Rs.800000 by 4 negatively with 3.33

percentage, change in group Rs. 800001-Rs. 900000 by 4 negatively with 3.33 percentage and change in group Rs. 1000001-Rs. 1500000 by 5 number negatively with 4.17 percentage. Researchers concluded that there is a negative impact on the fast-food business through the Coronavirus, decreasing employment, business, and income.

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