

## Research on the Development of the Catering Industry during the COVID-19

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**Abstract:** There's a lot of discussion going on about how COVID-19 is affecting industries, and the food and beverage industry as one of them is definitely worth talking about. Therefore, this study will focus on how the new coronary pneumonia affects local businesses. This paper adopts the statistical analysis method, uses the collected data for list analysis, lists the table, controls the variables, compares them, and finally draws the experimental conclusion. The results of the study show that COVID-19 has made a loss in the local catering industry, but compared with other industries in the same period, the turnover of the catering industry has only declined by 7%, while the turnover of the residential sector has decreased by 25%. The study will help people to effectively find suitable jobs during the epidemic, and make the catering industry find a suitable business model during the epidemic

### 1. Introduction

#### 1.1. Research Background

For a long time, the catering industry has been a representative example of local business. They usually contribute to the local economy by purchasing raw materials from the local area and paying workers' wages. At the local level, the catering industry is very relevant. However, when the new crown pneumonia epidemic appeared in 2019, due to the close distance between customers and the very close nature of the industry, it became easy to spread the virus in restaurants, and these companies had to shut down and adapt. In a study by Dube, Nhamo & Chikodzi (2021), the decline in dine-in restaurants in the restaurant industry is due to the social distancing measures, movement restrictions and lockdown measures adopted by most governments in the world in the face of the epidemic in an attempt to contain COVID-19 spread [1]. A large number of companies went bankrupt directly, and many companies still survive and develop in another way. As time changes, the degree of influence of the new crown is also changing, and the marketing methods of local companies are gradually changing. By the end of 2019, the outbreak of COVID-19 had made a great impact on many industries in 2020. Among them, the catering industry was completely shut down and could not operate the restaurant. The turnover of the catering industry suffered huge losses and could not be eaten in restaurants. The catering industry began to focus on developing the takeaway industry. Therefore, the catering industry did not suffer as much loss as other industries. Food is the most important thing for the people. The catering industry has always been an upward industry. However, the catering industry suffered an impact during the epidemic. Therefore, this paper decided to explore how the epidemic will affect the catering industry, so as to explore how to protect the catering industry during the epidemic.

#### 1.2. Literature Review

The impact of COVID-19 has been so rapid that it has not been prepared anywhere in the world. Research by Shen, Fu, Pan, Yu & Chen (2020) proposed that the COVID-19 outbreak has had a significant negative impact on the performance of Chinese listed companies by reducing the scale of investment and reducing total returns. In addition, tourism, catering and transportation, as the sectors

most affected by the epidemic, are particularly evident, even extending into the first quarter of 2020, with significant declines in corporate performance[2]. China, the first country to find COVID-19, has done a lot of analysis and made many countermeasures in all aspects. In medicine, agriculture and even the entertainment industry, there are many analyses and put forward many plans for returning to work and disease treatment, and the survival and development of local enterprises also need to be paid attention to. Qi Ye et al. (2020) explored the public cognition and attitude of New Coronavirus pneumonia, and analysed that the public was highly concerned about COVID-19, had high disease awareness, and took active protective measures [3]. Xiao Kuixi and others novel coronavirus pneumonia analysed the impact of the new crown pneumonia on the foreign trade of the province and made reasonable countermeasures in 2020[4]. Jin Bei (2020) studied the behavior paradigms of different organizations such as individuals, society and countries from the perspective of economics [5]. Novel coronavirus pneumonia research group (Minsheng Bank) has analysed the impact and impact of the new crown pneumonia epidemic on China's economy and finance from macro, industrial, regional and financial dimensions, and put forward short-term, medium and long-term policy recommendations [6]. Shi Bitao (2020) took Dongguan as an example to analyse the impact of COVID-19 epidemic on the production and operation of private enterprises and put forward reasonable suggestions [7]. Although there has been a lot of relevant literature that has discussed how the new coronavirus pneumonia has an impact on the country's economic conditions from a macroeconomic perspective, these are almost all analysed from a broader perspective or carried out in a specific case. A case study, most of the literature is an analysis of trends in the entire industry across the country. If there are few subdivision and analysis to local enterprises, such as restaurants and groceries, there are few analysis and suggestions on these industries. So, we decided to study the impact of new crown pneumonia on catering enterprises

### **1.3. Research Contents and Framework**

Based on the perspective of economics, this paper adopts the method of data analysis, compares the data and draws a conclusion. The first part of this paper is the source of data, the second part is the analysis of data, the third part is the discussion based on the results of data analysis and the reasons behind it, and finally the conclusion.

## **2. Methodology**

### **2.1. Data Sources**

Most of the research samples are now based on the Internet, and the definitions of various affairs can be obtained from the Internet. From CBN data, we can get information about the heavy losses suffered by the national catering industry in 2020, with a loss of about 500 billion yuan. Among them, many well-known chain catering enterprises such as heidilao and northwest have closed down, a large amount of food has been hoarded, and the capital is facing cash flow difficulties. At the same time, before the outbreak of the epidemic, well-developed ready to drink channels also closed stores, and Starbucks and LG suspended more than half of their stores nationwide. In order to get more data to prove the impact on local enterprises, the situation of the catering industry in Japan from the HowNet could be used. In order to resist the impact of the epidemic, Chiba prefecture government launched a crowdfunding activity to let people donate money to their favorite catering industry, so as to resist the impact of the new crown. Many catering industries in the United States began to develop takeout to ensure the profitability of the catering industry. At the same time, from the data found in China's National Bureau of statistics, it can be concluded that China's national catering industry has suffered an extremely huge impact. In 2020, compared with 2019, the turnover of the catering industry decreased by 50 billion yuan, and the meal revenue also decreased by 40 billion yuan. Although the number of employees increased, the turnover was much stronger.

Table 1. Data of accommodation and catering industry in 2019 and 2020.

Index	2020	2019
Number of legal person enterprises in accommodation and catering industry (PCs.)	58182	53711
Number of employees in accommodation and catering industry at the end of the year (10000)	424.3	434.8
Turnover of accommodation and catering industry (100 million yuan)	9367.01	10900.99
Meal revenue from accommodation and catering industry (100 million yuan)	6545.72	7349.55
Accommodation and catering business area (10000 square meters)		
Number of catering legal person enterprises (PCs.)	32901	29918
Number of employees in catering industry at the end of the year (person)	2576586	2527930
Turnover of catering industry (100 million yuan)	6037.26	6557.38
Meal fee income of catering industry (100 million yuan)	5445.73	5886.58
Catering business area (10000 square meters)		

## 2.2. Data Analysis

In order to explore the impact of the epidemic on the catering industry, we decided to compare the catering industry in the epidemic period horizontally and vertically, with the catering industry in different periods of time, and with different industries in the same period of time. Taking the catering industry in 2020 as a sample and comparing with the catering industry in 2019, we found that the operating revenue of the catering industry decreased by 50 billion yuan, or 7.6%. Before that, the operating revenue of the catering industry increased year by year. Compared with 2018, the turnover in 2019 increased by 70 billion. We also conducted a survey on the accommodation industry in 2020 and found that the turnover of the accommodation industry in 2020 decreased by 100 billion or 25% compared with that in 2019. We compare these data horizontally and vertically, and finally get the impact of the epidemic on the catering industry. After comparison, we found that the impact of the epidemic on the catering industry is negative and very negative. However, compared with other industries, such as the accommodation industry, the impact on the catering industry is not very serious. The total amount and decline rate of the turnover of the catering industry are less than that of the accommodation industry. At the same time, due to the development of the takeout industry, the catering industry still has a lot of benefits during the epidemic period. Therefore, although the income decreases, the number of employees still increases.

## 3. Results

After research, the epidemic has brought negative effects to the catering industry, resulting in a decline in turnover. However, thanks to the developing takeout industry, the loss of the catering industry is not as serious as that of the accommodation industry. At the same time, from the perspective of the increase in employment, the catering industry can still have a foothold during the epidemic, providing jobs and job opportunities for many people, so that people can also get income during the epidemic. Catering can also be a good choice if people want to get a job or start a business during the epidemic. Compared with other papers, this paper only focuses on the influence of COVID-19 on the catering industry. But the same method is used to collect the data of the research object, and then compare it with other industries. Finally, we draw a conclusion through comparison. This study is also conducive to the catering industry to make an advantageous choice during the epidemic, abandon the restaurant industry and develop the takeout industry, which can reduce losses.

#### 4. Conclusion and discussion

In recent years, hunger breeds discontentment due to the impact of COVID-19. Catering industry is also one of the most important factors. The epidemic has changed people's demand habits for the catering industry, which has greatly affected the operation of restaurants. Research by Zhang, Jiang, Jin, & Chen (2021) found that before the outbreak of COVID-19, consumers paid more attention to the taste of dishes when eating out, but after the outbreak of covid-19, they preferred to pack or eat after the outbreak [8]. Order takeout. There is no doubt that COVID-19 has not only changed consumers' lifestyles in many ways, but also their attitudes and consumption habits. The food industry is damaged. The damage to the catering industry is huge. Therefore, this paper decides to study the impact of COVID-19 on the catering industry. After collecting the business data of the catering industry, through comparison, it is found that the catering industry has been greatly impacted during the epidemic period. However, the loss of the catering industry has been reduced through the development of the takeout industry. Also, studying the extent to which the new crown pneumonia epidemic has affected the catering industry can provide Specific and effective help to small businesses and local governments that exist in the local area. For small businesses, this research can enable COVID-19 to enable small and medium-sized catering companies to better cope with the problem of how businesses in the catering industry can operate normally in the presence of COVID-19. And related statistics can help those who want to open a store to further understand which store is the most profitable in the new era. For local governments, this type of research can help the government better analyze the profit and loss of local small businesses and provide appropriate assistance. This type of focused assistance can also maintain the stability of the local financial system. At the same time, it provides a way to help local governments prepare for the collapse of the financial system when a new epidemic strikes in the future, so as to prevent various enterprises from going bankrupt as much as possible, and to ensure the business of citizens on their journey. This provides tighter guarantees for the normal life and business work of both consumers and operators. The research of Fonseca, Jorge, Reis & do Carmo (2020) provides some suggestions for the future protection of the catering industry, which can effectively help us to ensure the sustainable development of the catering industry to a certain extent [9]. In their operational aspects of the restaurant, ordering and delivery can be done by a mobile device, where customers view the menu, order and pay for the service. Meals are served by appropriately guarded servers or, alternatively, via rolling platforms. Disinfection protection measures such as masks and disinfectants are provided after the service is over. This is actually more consistent with the services provided by many restaurants in China that are operating continuously.

After this study, we should pay more attention to how to help the catering industry prevent the attack of the epidemic, minimize the loss of the catering industry during the epidemic, or find ways to make effective use of the epidemic to make profits for the catering industry during the epidemic. Studying the extent to which the new crown pneumonia epidemic has affected the catering industry can provide Specific and effective help to small businesses and local governments that exist in the local area. The sudden outbreak of the epidemic in mainland China is not all bad and all good for the catering industry. Such emergencies have helped catering industry practitioners and catering companies begin to pay attention to preventing systemic risks. In the research of Qin, Huang, Shen & Fu (2020), it is proposed that COVID-19 has a significant positive impact on the level of cash holdings of listed companies [10]. In their research, they analyzed the changes in the cash holdings of Chinese listed companies before and after the new crown pneumonia epidemic. By improving the company's cash holdings, companies have a positive adjustment effect on the damage to goodwill, which is also useful for restaurants that still have continuous cash flow. The same role (mainly for the local small and medium catering industry). For small businesses, this research can enable COVID-19 to enable small and medium-sized catering companies to better cope with the problem of how businesses in the catering industry can operate normally in the presence of COVID-19. And related statistics can help those who want to open a store to further understand which store is the most profitable in the new era. For local governments, this type of research can help the government better analyze the profit and loss of local small businesses and provide appropriate assistance. This type of focused assistance can also

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