

BOOM OF ENTREPRENEURIAL VENTURES IN FOOD SERVICE INDUSTRY POST LOCKDOWN IN GUWAHATI-PERCEPTION OF THE YOUTH

Abstract

During the sudden lockdown in 2019 people were primarily baffled by the change that came about. The limited availability of resources and accessibility shook each and every household. In a couple of months the food service industry saw a massive rate of laying over and thus great amounts of unemployment. These skilled individuals who were suddenly jobless still had to provide for their families. And those who depended on out sourced food faced a huge challenge as well. Guwahati was no exception and as was seen all over India a surge of cloud kitchens, home kitchens, home bakeries started and this new trend gave birth to entrepreneurs out of need.

Thanks to social media, this information of those who needed and those who provided was exchanged and facebook, whatsapp, instagram was full of these entrepreneurs working from their home kitchen or a small rented space.

In this research paper we seek to understand the popularity of entrepreneurship projects in Guwahati which started during the lockdown but did not end with it. There has been a major surge in the number of restaurants, QSRs, Cafes and food trucks that have come up post lockdown and are still developing.

This research also shows how the youth of Guwahati has actively been a part of this revolution in the food scene of Guwahati, both as a stakeholder and consumer. And how this path encourages them to be an entrepreneur and support entrepreneurship.

Keywords: Entrepreneurship, Food industry, Youth, Popularity.

Authors

Vikram Singh

IHM Guwahati
Guwahati, Assam.
singh.vikram2611@gmail.com

Srijani Chatterjee

IHM Guwahati
Guwahati, Assam.
srijani.chat@gmail.com

I. INTRODUCTION

When COVID-19 hit us in 2019 and a nationwide lockdown started, the regular routines and habits of common people had to be changed overnight. Online food delivery apps and their popularity was raging at the point, when all these apps and restaurants catering to them were forced to shut down. The deadly virus ensured many restrictions and food was among the most susceptible among all commodities. For many this was a huge issue, especially those who relied on outside food on a daily basis.

When these restaurants were closed down for months the revenue lost could not be recovered and many restaurants were shut down permanently. Even large hotels with multiple food and beverage outlets had to close down few outlets. As a result all over India there were lakhs of skilled staff that were unemployed only from the food service industry. Guwahati was no exception and a major layoff took place here as well. These skilled food service industry employees had to support their family. At this point we saw the first few entrepreneurial ventures start at ones homes or cloud kitchens. These were initially temporary arrangements and they became quite popular among the locals. But even at the end of lockdown these skilled employees of all positions and abilities were still unemployed. Entrepreneurship boom was seen at this point. Where these skilled employees started permanent ventures of their own.

The common people who were once regulars with restaurant food had seen them closed down or out of service. During the lockdown people who were passionate about food but did not have time, took to their kitchen. Few even started home kitchens and home delivery services which were hygienic and safe. These services were also immensely popular during that time. Home cooks and home bakers were among the pioneers of this entrepreneurial boom. The survival and popularity of these ventures compelled them to continue this as a full time or part time engagement. Many from this platform took their venture forward with small cafes and stalls.

Post lockdown a boom of restaurants, cafes, roadside stalls and even cloud kitchens were seen in Guwahati. All the trending food on social media came up as successful entrepreneurial ventures. Many skilled food service industry employees in Guwahati planned to start something new and secure for themselves. A void was already there in terms of cuisine variations which were taken as an opportunity by these skilled entrepreneurs.

This research endeavours to find out the popularity of these new entrepreneurial ventures that have come up post lockdown, among the young population of Guwahati. The young generation are the highest consumers and explorers of new cuisines and food options. The survival and profitability of the ventures depend on their choices. Thus this part of the society is targeted to find out the prospect of these ventures and their present acceptance. We also wish to find out the views of the youth regarding the change in the food scenario. This research also wishes to find out the most popular of the entrepreneurial ventures among all the various segments, in Guwahati area.

II. OBJECTIVES

- To discuss various entrepreneurial ventures in the food service industry emerged post lockdown and their reasons.
- To investigate reasons for popularity of new entrepreneurial ventures as a choice for the young generation while eating out in Guwahati
- To study perception of youth towards entrepreneurial ventures in food service industry in Guwahati

III. REVIEW OF LITERATURE

1. **(Tahir Sufi, 2021):** The authors concluded that the foodservice industry is among the leading sectors in India. There are organised as well as unorganised food outlets in India and this sector is growing well in the last decade. A crowd of youth people is leading the foodservice industry which is further supported by organised retail space that has encouraged the growth of local and international brands across the country. The study explored how the crisis caused by the Covid lockdown has led to adapting to the new business model by the food service sector in India.
2. **(Kumar, 2020):** According to the author, The Covid lockdown has affected the whole country causing a lot of business disruption. Lockdown has led to panic buying and shortages of food, medicines, personal items, raw materials, basic goods, etc. As a result, few businesses have benefited from this sudden spike in demand, many have already collapsed and many others are on the brink unless and until saved by government or private investors. In particular, the food service industry, which relies heavily on global supply chains to meet the demands of local consumers, was working around the clock to maintain flow of food products to feed the nation. Countries that have taken strict measures such as full lockdown were struggling to balance their demand and supply. The study attempted to explore the way the food service industry is dealing with the lockdown situation and proposed some potential risk-mitigating pathways.
3. **(Ewa Kochańska, 2021):** The author concluded that increased take away food deliveries during Covid lockdown are related to tight food packaging needs. The COVID-19 pandemic had set new challenges for the food service industry. The new delivery-food market requires not only the development of specific distribution channels, but also the introduction of appropriate, very specific food packaging. To meet environmental and administrative requirements, new technologies to produce food packaging materials emerged, ensuring product functionality, low environmental impact, biodegradability, and potential for composting of the final product. However, the final product should keep the nutritional value of food and protect it against changes in colour or shape.
4. **(Priya Shah, 2023):** According to the authors, Food preferences of consumers are undergoing a rapid transformation, and there has been an increase of interest in eating healthy, sustainable foods. Food entrepreneurs are moving according to the trend and are diversifying their existing offerings to include healthier options using alternate ingredients. The present study examined the opportunities and challenges faced by entrepreneurs.

5. **(Chhabra):** The author concluded that the pandemic and lockdown made restaurants to close across India which affected the food service industry on a large scale. With the affected chain of supply and ban on travel, the restaurant industry specially the onsite dining faced lot of challenges and became desperate. The government advised people to stay indoors and follow Covid guidelines that affected the industry badly. The study discussed the response of food service industry to pandemic and lockdown by evaluating the innovative practices adopted by restaurant owners to stay in the market.
6. **(Twinkle Beniwal, 2022):** According to the author, Cloud kitchens are more efficient than traditional dine in restaurants. Cloud kitchens also save money such as rent as they don't need many workers. Scaling the system of Cloud kitchen is challenging. During Covid 19 pandemic, cloud kitchens supported ongoing business and it gave an opportunity for the entrepreneurs.
7. **(Boroh, 2021):** The author concluded that we can scrutinise not only our cost related elements but also our revenue generators by using Business model Canvas. The team may sit together to check every single element of the canvas and see what else can be done with it.
8. **(Manasi Sadhale, 2021):** According to the author, home cooks concept has got popularity in recent times and is a fast emerging trend in India. This concept has been used by many small entrepreneurs to start their business. When the world was dealing with lockdown, it took lot of toll on travel and hotel industry. Most home cooks have turned their home cooking business into profitable one. Due to pandemic, lot of people lost their jobs but found cooking skills they had. This led to turning the hobby into home cooking business. Home cooking can be considered as a sustainable form of business to begin with. Cooking from home gives flexibility of working hours, amount of order to be taken, supply and marketing of food and menu designing.

IV. RESEARCH METHODOLOGY

1. **Research Design:** A qualitative and quantitative approach of data analysis was adopted due to large size. The analysis was done on youth of Guwahati. The young people were asked to give the responses towards boom of entrepreneurial ventures post lockdown in Guwahati.
2. **Sampling Design:** Primary data was collected from young people of Guwahati.
 - The questionnaire was circulated among young people in Guwahati.
 - In total 144 responses were received and used for data collection.

V. DATA ANALYSIS

The data obtained from the questionnaires are analysed below to understand the outcome of primary data of the research.

Table 1

	Do you feel the food scene of Guwahati has improved in the last 3 years?	The new small scale food entrepreneurial ventures have gained in number post lockdown.	Have you observed more QSR and food trucks pop up in Guwahati in the last 3 years?
Yes	120(83.3%)	122 (84.7%)	118(81.9%)
No	24(16.7%)	22(15.3%)	26(18.1%)
N	144	144	144
Mean	72	72	72
Standard deviation	48	50	46

In the above questions the answers are in vast majority with above 80% responding with affirmation of the fact that a major change in the food scenario is seen in the last 3 years and across various categories. The high standard deviation percentage shows that the majority is attained while evaluating the data.

Table 2

	Are you aware of the major lay off faced by food service personnel in Guwahati?	Have you observed fine dining entrepreneurial ventures in Guwahati post lockdown?
Yes	92(63.9%)	92 (63.9%)
No	52(36.1%)	52(36.3%)
N	144	144
Mean	72	72
Standard deviation	20	20

From the first question we may derive through the majority response that approx 60% of the youth responding were aware of the layoffs. The second questions about fine dining restaurants were also found to have popped up as entrepreneurial ventures in recent times.

Table 3

	Do you feel entrepreneurship has become a major career option for the youth in the food industry of Guwahati?	Would you prefer ordering food from small entrepreneurial food ventures?
Yes	86(59.7%)	100(69.4%)
No	6(4.2%)	4(2.8%)
May Be	52(36.1%)	40(27.8%)
N	144	144
Mean	48	48
Standard deviation	32.78	39.59

In the above question we can see that the majority with high deviation has agreed to the fact that major entrepreneurial boom was seen in Guwahati. Also majority of the youth agreed that their preference is ordering from small scale entrepreneurial ventures.

Table 4

	Have you availed the services of home based food services?		If you availed the services of home based food services, were you satisfied?
Never	48(33.3%)	Never Experienced	50 (34.7%)
Very Often	28(19.4%)	It was of great taste and quality	62(43.1%)
Rarely	54(37.5%)	I did not like the experience	14(9.7%)
Everyday	14(9.7%)	I loved the experience and continue till date	18(12.5%)
N	144	N	144
Mean	36	Mean	36
Standard deviation	15.93	Standard deviation	20.49

We may see that home based entrepreneurial ventures have been availed by the youth on rare occasions; however those who availed it found it of great taste and quality.

Table 5

	Entrepreneurship encourages independent livelihood		Entrepreneurial growth is necessary for overall economic growth of a region
Not at all	34(23.6%)	Not at all	46(31.9%)
Yes, very much	110(76.4%)	Yes, very much	98(68.1%)
N	144	N	144
Mean	72	Mean	72
Standard deviation	38	Standard deviation	26

In the above questions we can see that the majority with high deviation feels that entrepreneurship can bring independence and help in economic growth of a region.

Table 6

	Do you believe these entrepreneurial ventures can revolutionise Guwahati street food scene?	Do you feel these entrepreneurial options are pocket friendly?
Less likely	44(30.5%)	54(37.5%)
Highly Likely	100(69.5%)	90(62.5%)
N	144	144
Mean	72	72
Standard deviation	28	18

As per the responses to the above questions, the majority agrees that the street food scenario has been revolutionised by this entrepreneurial boom and contributes to more pocket friendly options.

Apart from the close ended questions an open ended question was also put forward in the endeavour to recognise which of the sectors in food service industry has grown the most. It was recognised through the answers that street food was the category to have grown the most and that also around the youth inhabited areas, around colleges and universities. Food truck is a hugely popular entrepreneurial venture as observed and mentioned by most of the respondents.

VI. FINDINGS

This research has shown us that the youth of Guwahati are well aware of the entrepreneurial boom and agree that it has happened post lockdown. This growth is found to be accepted whole heartedly by the youth. The boom is mostly observed around areas popular with the youth, around colleges and universities and thus can be called youth centric. This popularity has also encouraged the entrepreneurs and various outlets and QSRs are observed to have bloomed.

The youth see this growth as a positive economic development and wish to encourage them. They are also keen to express the improvement in quality observed in these new ventures due to professional involvement from the layoffs. They have also expressed exceeding enthusiasm to try new places and also the trending food items introduced.

We also find through this research that though home kitchens were the pioneer and various cafes and restaurants have also come up, the biggest boom is seen on the streets of Guwahati. The kiosks and food trucks have emerged in a striking rate and gained immense popularity through their innovations and pocket friendliness.

To conclude it may be said that the entrepreneurial revolution in the food industry of Guwahati has been of great delight to the youth of Guwahati. They are consciously encouraging and enjoying these ventures. The boom may pave ways for economic development and encourage future generations to understand the value of learning a craft. This research shows us that the youth of Guwahati is aware and conscious of prevalent

changes and are ready to experiment with food options when available within their pocket's reach.

REFERENCES

- [1] Boroh, J. (2021). Strategies during pandemic for restaurant and cafe businesses using business model canvas. *The European business review*, 74-77.
- [2] Chhabra, L. (n.d.). Innovation and sustenance of business during Covid 19 Crisis: An analysis of restaurant industry in India. In *Management Functions in Covid 19 Era*.
- [3] Ewa Kočańska, R. M. (2021). New Circular Challenges in the Development of Take-Away Food Packaging in the COVID-19 Period. *Economic Aspects of Low Carbon Development*.
- [4] Kumar, V. (2020). Adjusting to the new normal: Challenges of the food sector in the wake of COVID-19. *Journal of Supply Chain Management, Logistics and Procurement*, 3(2), 163-180.
- [5] Manasi Sadhale, A. J. (2021). The concept of home cooks and its entrepreneurial business potential during and post Covid -19 pandemic.
- [6] Priya Shah, A. D. (2023). Opportunities and challenges in food entrepreneurship: In-depth qualitative investigation of millet entrepreneurs. *Journal of business research*, 155.
- [7] Tahir Sufi, S. A. (2021). *Surviving COVID-19 Crisis by New Business Models: A Case Study of the Indian Restaurant Industry*. IGI Global.
- [8] Twinkle Beniwal, V. K. (2022). Cloud kitchens and its impact on the restaurant industry. *International research journal on advanced science hub*, 04(12).