

# Facing the Unprecedented: Event Centers' Challenges and Interventions Amid COVID-19

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## **ABSTRACT**

The research investigates the complex issues and strategic interventions an event center has to deal with during the COVID-19 pandemic. Accordingly, the research identified significant challenges, such as a vast decline in profitability, transport-related problems, the loss of clientele, and acute liquidity problems. Safety and security concerns and the inability to maintain the operation cost contributed to and complicated the center's struggles. Challenges were met at the center by cutting utility and operating costs, revising marketing strategies, giving incentives to customers, and embracing technology. The lesson learned is that adaptability, innovation, and strategic planning are critical ingredients in managing crises. The management deftly rode out the unprecedented disruptions by keeping the business plan updated, carrying out market research, and creating a sense of commitment. The recommendations at the end of the study were focused on cost efficiency, marketing, the infusion of technology, and building resilient organizations for long-term growth.

**Keywords:** Event Centers, Challenges, Interventions, COVID-19

## **INTRODUCTION**

The COVID-19 pandemic has inflicted a worldwide unprecedented crisis and changed how most businesses are run today. Those to be most severely hit are event centers that had otherwise been having the better end of the stick with human physical presence in huge events and human interactions. A sudden shock to these places came with strict social distancing measures, travel restrictions, and lockdowns, leading to abrupt disruptions with substantive operational and financial challenges.

These ranged from large convention halls to smaller centers that had suffered a wave of cancellations and postponements since the outbreak. In many centers, this has had an immediate effect that was extremely sharp, with some losing up to 90% of revenues within the first few months of the crisis. The sharp plunge forced most event centers to rethink business models and operational tactics in an environment where traditional face-to-face events are no longer possible.

This research paper aims to present the multi-dimensional effect of the pandemic on event centers. It discusses the immediate and long-term challenges such establishments face, such as severe revenue losses, workforce reductions, and logistic headaches in following all health guidelines and regulations. The research also examines the psychological effects on staff and clients, mainly how uncertainty and fear of the pandemic affected the morale and engagement of employees and customers.

The research also investigates the innovative interventions and strategies that event centers have adopted to navigate the crisis and ensure business continuity and future resilience. These include rapid uptake of virtual and hybrid models of events, rigorous health and safety protocols, and new streams through

socially distanced smaller events or repurposing of spaces. Technology has majorly driven these adaptations; most event centers must invest in advanced audio-visual equipment, virtual event platforms, and robust internet infrastructure for seamless online experiences.

Studying how event centers have responded to and adapted to such a tumultuous period informs us about the resilience and adaptability that characterize the industry of events. It also highlights the extent to which the pandemic has taken a heavy toll on service industries more generally by underscoring the critical role innovation, technology, and strategic planning play in overcoming unprecedented challenges. The work, therefore, seeks to increase the body of knowledge in crisis management and business continuity by giving accurate recommendations to event centers and other like-minded businesses in their preparedness for future disruptions.

## LITERATURE REVIEW

### *Impact of Event Center Industry*

The event center industry is a major global enterprise with a significant economic impact (Theocharis, 2008). Events bring people together at a specific time and place to create shared experiences, whether for art, sports, tourism, or professional gatherings like seminars and conferences (Silvers, 2004; Eckerstein, 2002; Argan, 2007). According to Berridge (2007), events are unique moments that stand out from daily life, producing measurable effects, whether public or private, commercial or charitable, festive or commemorative.

The industry includes subfields such as conventions, expositions, fairs, festivals, hallmark events, hospitality, incentive travel, meetings, conferences, retail events, reunions, social life-cycle events, sports events, and tourism (Goldblatt, 2005). Managing these events involves coordinating funds, staff, marketing, security, and numerous logistical tasks (Tassiopoulos, 2005).

Event management involves setting objectives, assigning roles, owning tools and processes, and handling events effectively, focusing on interdepartmental communication (Bhe et al., 2004). Over the past decade, event management and marketing have grown significantly in the tourism and leisure sectors, highlighting the need for trained professionals (Arcadia & Reid, 2005). However, the event center industry faced significant challenges in 2019, particularly during the pandemic, which disrupted operations (Akriti, 2019).

### *Event Center Industry During COVID-19*

COVID-19, a virus causing widespread infection, led many countries to impose travel restrictions and movement bans. These measures have heavily affected small and medium businesses, particularly micro businesses. Entrepreneurs face cancellations, closures, and reduced income due to the shutdown of supporting sectors like retail and transportation (Fabeil, 2020).

The event center industry, which relies on large gatherings, has been significantly impacted. Madray (2020) reports massive losses due to cancellations and postponements. Goldblatt and Seung-won Lee (2021) note that economic downturns severely affect the event business, necessitating strategic planning for recovery. The industry's profit margins shrank due to reduced sponsorship, higher costs, and decreased revenue. Effective strategies included increased marketing, cost control, and leveraging technology to secure sponsorships and target clients.

Maffioli (2020) highlights the unprecedented global spread of COVID-19, contrasting it with previous outbreaks like H1N1, Ebola, and Zika. As the world's second-largest economy, China facilitated the virus's rapid spread, significantly impacting global commerce.

Khan and Faisal (2020) found that Wuhan's lockdown policy halted various activities, affecting students, workers, transportation, and investment. Baldwin and Tomiura (2020) and Baldwin and Mauro (2020) observed that the pandemic's spread had a detrimental impact on global business exchanges and economic value chains, especially in major economies like China, the US, Germany, Italy, Japan, and South Korea. Koshle et al. (2020) identified significant losses in the Indian trade sector due to economic slowdowns and policy implications.

The event sector faced severe disruptions due to travel prohibitions and gathering restrictions (Littlefield, 2020). While canceling events was necessary for safety, it devastated the industry. Adin Moore (2020) and others adapted by innovatively using their event planning skills (Littlefield, 2020). Yudiyanana et al. (2019) emphasize the role of technology in improving efficiency and customer service in event management.

Rutherford et al. (2019) explain that pandemics cause economic instability through direct, long-term, and indirect costs. The event industry saw a rise in webinars and virtual events to survive. Russell (2020) expresses optimism for the industry's revival, expecting a return to normalcy with live and virtual meetings coexisting.

Choudhary (2020) highlights the significant economic impact of the pandemic on various sectors, with the event industry being one of the most brutal hits. Ogbeide (2020) notes the adverse effects on hotel performance and the broader tourism sector, emphasizing the need for virtual and hybrid event strategies. Nissar Reshi (2020) suggests businesses adopt long-term strategies to endure the crisis, including cutting unnecessary spending and furloughing staff. Flores (2021) reports that SMEs were disproportionately affected, forcing them to adopt new strategies like e-commerce and diversification.

In the Philippines, Shinozaki et al. (2021) found that strict lockdowns caused massive economic losses, with MSMEs facing steep declines in demand and revenue. Shapiro (2020) recommended halting large gatherings to prevent further spread, noting the severe economic impact on the US economy, including significant job losses and reduced travel-related revenue. This has led to widespread event cancellations and financial and health risks for future events, impacting local economies and industries reliant on exhibitions and tourism.

### ***Crisis Management in the Event Center Industry***

Crisis management involves strategies to handle sudden, significant crises that require swift decisions to minimize harm to an organization. According to Posey (2020), crises can arise from unexpected events or unanticipated consequences of previous concerns, impacting an organization's health, safety, finances, or reputation. The COVID-19 pandemic is a prime example, posing severe financial, health, and safety risks.

Pearson and Clair (1998) describe a crisis as threatening an organization's survival with unknown causes and effects, requiring rapid decisions that could lead to significant changes. As defined by Pearson and Clair (1998), crisis management is the deliberate effort to prevent or address such crises.

In the Philippines, Pabalan et al. (2021) highlight that the COVID-19 pandemic extends beyond a health issue, affecting daily routines, religious gatherings, and economic conditions. Local businesses, both small and medium-sized ones, have suffered significant losses, resulting in layoffs and closures. This crisis has highlighted the importance of ethical leadership and compassion. Business leaders must navigate their own challenges and the needs of their employees and communities. The pandemic has underscored the need for ethical practices and cultural sensitivity in business, emphasizing the role of compassion and community support during times of crisis.

## Research Problem

This study aimed to investigate the challenges and interventions of the event center industry in Nueva Ecija.

Specifically, it sought to answer the following questions:

1. What are the challenges and difficulties encountered by the event centers during the COVID-19 pandemic?
2. What are the actions/interventions of the event center respondents on the challenges and difficulties they encountered?

## METHODOLOGY

The descriptive research method was utilized in this study, employing survey techniques to gather data. A descriptive research design was deemed appropriate as the study aimed to elucidate the challenges and interventions experienced by the event center industry in Nueva Ecija. The respondents included managers, staff, and employees from eight selected event centers within the province. Purposive sampling was employed to determine the sample, with inclusion criteria encompassing the following: (1) event centers that continued operations during the COVID-19 pandemic, (2) a minimum of three years in operation, (3) registered businesses, and (4) willingness to participate in the study. This approach, therefore, ensured that all the insights gathered were relevant and representative of the experiences of players within the industry during this pandemic.

Data collection was approached with structured questionnaires that covered various aspects of the challenges and interventions faced by the event centers. Questions were designed to capture quantitative data regarding the frequency and severity of the issues encountered, along with information on the implemented strategies' effectiveness. This way, there would be a complete analysis of the operational difficulties in event centers and measures toward mitigating them.

The study's findings gave a good insight into how the event center industry in Nueva Ecija fared with the unprecedented disruptions brought about by the COVID-19 pandemic. It captured the significant challenges an industry faced during this period—declining profits, transportation problems, loss of customers, and liquidity issues—thereby shedding light on the multi-faceted impact of the pandemic on the industry. In addition, the study looked into some interventions on how cost reduction, fine-tuning marketing strategies, incentives to customers, and technology integration may be applied efficaciously. The research deepens the present understanding of how the event centers, in particular, have shown their resilience and adaptability to crisis. The findings give stakeholders relevant recommendations on maintaining operational sustainability and strategic planning that will sustain them against future shocks.

## RESULTS

### *Challenges and Difficulties Encountered by the Event Center during Covid-19*

Table 1 provides an overview of the challenges and difficulties encountered by the event center during the COVID-19 pandemic. Each indicator represents a specific challenge, with its frequency and rank indicating how prevalent or severe each issue was perceived.

**Table 1 Challenges and Difficulties Encountered by the Event Center during Covid-19**

Indicators	Frequency	Rank
The company's profit has declined	34	1
Cash receipts are insufficient to pay costs and expenses	20	8
Cash inflows are far below what is expected	23	5
Struggled to carry out average operating expenditures	25	4
Payment of accounts payable	15	9
Losing of customers –	28	3
Transportation-related problem	30	2
Unable to maintain the operating cost due to a shortage of cash	22	7
Struggled to open line credit to obtain source materials to meet future demand	25	6
Safety and Security	27	5
Cut shifts of employees	14	10

*\*Multiple responses*

The event center faced many challenges and difficulties during the COVID-19 pandemic, with the most pressing issue being a significant decline in profit, as indicated by its highest frequency of 34 and rank of 1. This decline directly resulted from reduced revenue streams and increased operational costs. Transportation-related problems ranked second with a frequency of 30, suggesting that logistical issues were a significant obstacle, likely disrupting the movement of goods, staff, and customers. Losing customers was the third most reported challenge, with a frequency of 28, highlighting the impact of the pandemic on customer retention and engagement.

Additionally, the center struggled to carry out average operating expenditures, with a frequency of 25 and a rank of 4, indicating severe financial strain. Safety and security concerns were also significant, as evidenced by their frequency of 27 and shared rank of 5, reflecting the heightened need for health protocols during the pandemic. The inability to secure lines of credit for obtaining source materials (frequency of 25, rank of 6) and maintaining operating costs due to cash shortages (frequency of 22, rank of 7) further compounded the financial difficulties, affecting current operations and future preparedness.

Cash flow issues were pervasive, with cash inflows far below expectations (frequency of 23, rank of 5) and cash receipts insufficient to cover costs and expenses (frequency of 20, rank of 8). This financial instability is underscored by the challenges in paying accounts payable, which had a frequency of 15 and a rank of 9. Lastly, the necessity to cut employee shifts, though the least frequently mentioned challenge with a frequency of 14 and rank of 10, still indicates the drastic measures taken to reduce operational costs.

**Interventions of the Event Center on the Challenges and Difficulties During the Covid-19**

Table 2 presents the actions and interventions taken by an event center to address challenges and difficulties during the COVID-19 pandemic. It lists ten different strategies, their implementation frequency, and their respective ranks based on the frequency.

**Table 2 Actions/ Interventions on the Challenges and Difficulties of Event Center During Covid 19**

<b>Indicators</b>	<b>Frequency</b>	<b>Rank</b>
Continuous market research	19	8
Revisiting and updating the business plan regularly	20	6
Used social media platforms to advertise various products and services	28	4
Keep a close eye on inventory and stock management	17	10
Offering lowered prices	25	5
Offering amenities, discounts, and reward points.	30	3
Refining marketing strategy and producing actionable results	32	2
Reduced utility costs and other operating costs	33	1
Integrate technology deployment with change management.	20	7
Strong desire to succeed and a strong sense of commitment	18	9

*\*Multiple responses*

The event center applied various measures and interventions to outmaneuver the challenges and struggles following the COVID-19 pandemic. The most frequently mentioned measure, at a frequency of 33 and ranking at position one, was reducing utility and other operating costs. This underlines how cost reduction was a pivotal move to ensure financial survival. The second most frequent action was fine-tuning the marketing strategy to generate actionable results, with a frequency of 32, indicating proactive measures to attract and retain customers despite disruptions from the pandemic.

Offering amenities, discounts, and reward points was the third-ranked primary strategy in the quest for incentives toward customer engagement and loyalty, with a frequency of 30. The fourth-ranked significant intervention was using social media platforms to advertise products and services to customers at a frequency of 28, hence the resort to digital marketing at a time when physical interactions were minimal. Price reduction was another common tactic applied to appeal to price-sensitive clients, with a frequency of 25 and ranking at position 5. It ensured that at regular intervals, probably monthly, the business plan would be reviewed for any changes in the environment and thus make the center flexible and responsive to changes in the environment. Bringing technology deployment in line with change management, also with a frequency of 20 but ranking seventh, indicates a focus on using technology to drive business process streamlining for greater efficiency.

It also entailed constant market research about the market trends and the customers' needs, hence ranking 8 with a frequency of 19, to assist in making informed decisions. A strong desire for success and a sense



of commitment, with rank nine and frequency 18, underscored the resilience of the center and the responsibility to surmount challenges. Although ranking the least frequently at 17, inventory and stock management still occupied the tenth position, which was critical in keeping a close eye on stocks to prevent shortages of necessary supplies.

## DISCUSSION

The challenge ranking indicates how serious each challenge was to the event center during the pandemic. At the top is profit reduction, a direct consequence of reduced revenues and increased operations costs. The second ranking of transportation-related problems suggests that even basic logistics were grossly affected, which must have trickled down to affect overall operations.

Ranked third is the loss of customers, which represents the critical impact of reduced patronage on the event center's stream of revenues. Concerns about safety and security and struggling with operational costs reflect increased operational burdens that an event center must bear while trying to comply with health guidelines while remaining financially viable.

The challenges related to cash flow, such as cash inflows below expectations, insufficient cash receipts, and the inability to maintain operating costs, all point to severe liquidity issues. These issues likely forced the center to prioritize expenses and delay payments, as seen with the difficulties in managing accounts payable.

As people stay at home and economies close down due to the COVID-19 pandemic, several well-known brands across numerous industries are likely to file for bankruptcy. In his research paper titled "Effects of COVID-19 on Business and Research," Donthu (2020) emphasized that the COVID-19 pandemic serves as a stark reminder that pandemics, like other infrequently occurring disasters, have happened in the past and will continue to happen in the future. We should be ready to lessen the impact of deadly viruses on society, even if we cannot stop them from spreading. At this point, the epidemic is harming economies worldwide and does not appear to spare any nation. This affects not only the economy but all of society, and dramatic changes in how businesses and consumers behave have been recorded.

The COVID-19 epidemic poses one of the biggest problems to modern public transport worldwide, according to the Tirachini report from 2020. This is because demand and revenues have dropped to a historic level. We need to have a thorough understanding of how the global epidemic affects vehicle miles traveled, freight movement, and human mobility to help manage transportation during the COVID-19 crisis and make plans for the future before another pandemic of this kind occurs, according to Zhang's 2021 paper, "Quantifying the impact of COVID-19 on non-motorized transportation: A Bayesian structural time series model". Since data on bicycle and pedestrian counts are available, it is possible to quantify the causal influence of COVID-19 on non-motorized travel patterns in this instance.

The event center employed a comprehensive set of interventions to navigate the difficulties posed by the COVID-19 pandemic. These actions focused on cost reduction, enhanced marketing strategies, customer incentives, technological integration, and continuous market analysis, all aimed at maintaining operations and fostering resilience during unprecedented disruption.

Results indicate that in response to the COVID-19 pandemic, utilities have implemented a heightened emphasis on cost control, and the companies, as a group, reduced operations and maintenance, given the considerable uncertainty surrounding the health and related economic impacts COVID-19 will have in the upcoming fall and winter months. According to Sperduto (2020), we anticipate that the heightened emphasis by utilities on cost control will continue for the foreseeable future.

Furthermore, as the meet-and-greet function of a business, marketing's primary responsibility is to find, interact with, and turn consumers into valuable assets that generate steady revenue streams (Moorman et al., 2020). This position has changed as a result of COVID-19. Marketers have had to reconsider their approaches in an era of homebound consumers, social isolation, and an unpredictable environment that has pushed many businesses into crisis management.

Similarly, Emily Heaslip (2020) states that offering discounts to clients during COVID-19 allows you to take advantage of them. Offering a discount to encourage long-term purchasing is a smart move right now. Encourage them to lock in a one-year membership now at a discounted price if it fits the company plan. Companies might begin to offer membership discounts once the virus has cleared up. If you are a store owner, take the time to provide free or heavily discounted delivery for online orders.

## CONCLUSIONS AND RECOMMENDATIONS

The most critical problems faced by the event center during COVID-19 were colossal profit loss, transportation issues, and loss of customers. Other significant challenges were liquidity crises, maintaining operational expenses, and safety and security matters. These were matched with various measures: cost-cutting, enhanced marketing strategies, customer incentives, and tech integration. Those were the measures to reduce financial stress, retain customers, and ensure long-term survivability.

In other words, the very proactive attitude that the event center has adopted toward the setbacks from the pandemic establishes the need for adaptability, innovation, and strategic planning in crisis management. The constant revisiting and updating of the business plan and constant carrying out of market research kept the center responsive to the dynamic conditions. In addition, advertisement through social media and provision of facilities, discounts, and reward points were some tools that kept the customers engaged.

With these results, several recommendations can be advanced. First, the center should continue its value creation strategy, emphasizing cost efficiency, primarily by reducing utility and operating costs. This can be complemented by continuously fine-tuning marketing strategies to ensure they yield relevant results and the intended target is effectively reached. The center should also maintain its customer incentive strategy through discounting and rewards to attract customers and ensure customer loyalty.

This shall further be integrated with technology deployment and change management to increase operational efficiency and smoothen all processes. Next, the periodic updating of the business plan and its continuous market research will keep the center adaptable and fully informed about the latest market trends and customer needs. Last but not least, a sense of commitment and an urge to succeed must be taught in the organization to transcend the challenges ahead and sustain long-term growth.

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