

Entrepreneurs' Perspective in Coping with the New Normal: Basis for Business Model Development

Maria Cristina C. Azuelo¹, Ma. Reina A. Mabeza^{2*}, Mailyn Q. Alarcon³

¹Graduate School, Camarines Norte State College, Daet, Camarines Norte, Philippines

²College of Business and Public Administration-Business Administration Department

³College of Business and Public Administration-Hospitality Management Department,

^{2,3}Camarines Norte State College, Daet, Camarines Norte, Philippines;

* tinyrein1409@gmail.com

Abstract

This descriptive quantitative study was conducted to determine the entrepreneurs' perspective in coping with the new normal using weighted and average mean as statistical tools in analyzing the data. Findings revealed that the 22 restaurant owners had experienced challenges or business gaps in the new normal situation, which centered on the administrative, production, and financial aspects. Whereas, respondents' perspectives on the opportunity in the new normal situation are on working in flexibility, creating a more responsive business environment, and creating new needs as a break in restaurant business operations. To support the plight of the restaurant entrepreneurs, a business model named 3Ms Strategic Innovation Business Model is developed to reinvent and redesign its corporate strategies in response to the new normal situation. The study concluded that restaurant entrepreneurs in the province of Camarines Norte, Philippines need to adopt a business model suited to the new normal context in order to promote business growth, create competitive advantage, and generate value for their business, its customers, and other stakeholders, making them more empowered individuals in dealing with this crisis.

Keywords: business model, entrepreneurs, new normal, perspective, Philippines, and restaurant

Introduction

During the first quarter of 2020, the whole world was shuddered due to the spread of Corona Virus 2019, or so-called COVID-19 pandemic. To ensure the safety of every Filipino, the Philippine government imposed Enhanced Community Quarantine (ECQ) placing the nation in a state of health emergency, ordering everyone to stay at home and stopping all kinds of work, paralyzing the transport industry, as well as the closure of many businesses, thereby jeopardizing the entire state economy. The effect of the pandemic brought immeasurable impact not only on the lives of the people but also on the economy. It brought catastrophes such as the closure of countless businesses, social distancing, transition to online work, and loss of livelihood (Fabeil et al.,2020). The phenomenon intensifies economic and social stressors combined with restricted movement and social isolation, disrupts supply change, and decreases global demand for certain goods that have detrimental effects on many businesses.

The restaurant business was one of the hardly hit by the pandemic. According to the latest edition of PYMNTS.com (2020), the share of consumers dining at sit-down restaurants has declined to 85.2 percent since the pandemic began, dropping 52.3 percent in just 11 days from the onset of COVID-19. Restaurateurs faced multiple obstacles such as limited access to capital, lack of business assets, limited opportunities for advancing education and technical skills, trashing consumer markets, and inaccessible business opportunities. Restaurant owners find themselves in an unprecedented situation where they were compelled to make some difficult decisions that had massive fi-

nancial implications for their businesses causing severe sales loss. Even the gains made in the past decades are at risk of being rolled back, resulting in a sound economic crash, particularly the loss of their income and resources.

Prior to the pandemic, restaurant businesses in the province of Camarines Norte in the Philippines were experiencing high customer traffic and operated for extended hours with their competitive employees. Restaurants are an integral part of society's fabric, for social, cultural, and emotional reasons (Sharma et al., 2020a). They provided the best services and entirely different customer experiences to people who loved food, and those who came back as loyal customers. In short, restaurant businesses were operating in a business-as-usual mode before the pandemic. However, when the provincial government of Camarines Norte adhered to the nationwide mandate of the Inter-Agency Task Force for the Management of Emerging Infectious Diseases under Section 9 of Resolution No. 38 Series of 2020 which stated that ancillary establishments such as restaurants, cafés, and bars, spas, gyms and the like shall not be allowed to operate or to provide room service (IATF, 2020), the imposition affected the restaurant businesses as their dining operation has stopped overnight.

The first hurdle that most local restaurant owners faced is the temporary closure, the losses in their revenues which have even fallen to zero due to food spoilage. The uncertain feeling on how to sustain their employees' livelihood for they knew a significant number of them will be laid off. Moreover, restaurant owners do not have the financial means to endure such a prolonged downturn, especially those small independent owners. They were at a higher risk because of the existing disparities in their access to financial and non-financial resources (Fairlie, 2020; Sharma, 2020b) resulting in the possibility of a permanent business failure. The vagueness as to when customers would feel comfortable revisiting their restaurants, and how they would go in implementing the necessary safety measures to prevent the resurgence of the virus. Restaurant owners did not know how fast they could recover, what would be like to come out from this pandemic, and what the future holds for them in the new normal. Henceforth, the restaurant industry possibly could never return to what was normal before.

Considering the circumstances, this research study was conducted to find out restaurant owners' perspectives on the challenges and gaps they experienced in the new normal, as well as what opportunities they have considered for their survival and thriving in a more turbulent business environment in terms of creating customer new needs, building responsive business environment, working in flexibility and creating linkages and, engaging in technology and social media platform. Also, to develop a business model that will guide entrepreneurs and provide them with strategies on what they should do to adapt their organization to the new normal business environment. The study is significant since most of the local restaurant owners operating in the province belong to Small and Medium Enterprises (SMEs) which are considered to be an important source of income (Adam & Alarifi, 2021) for the province's economic growth and a strong partner in providing employment.

Methods

Research Design

The study used a descriptive quantitative research design to accurately and systematically describe the situation or phenomenon (McCombes, 2022) that restaurant owners are facing during the COVID-19 pandemic. It further described the coping mechanisms of restaurant owners and what techniques they develop to answer the challenges related to their real business situations under the new normal. The quantitative approach was also employed since the numerical results were used in describing the entrepreneurs' perspective in coping with the new normal situation.

Respondents

The total enumeration technique was used in determining the respondents of the study which was composed of 22 registered entrepreneurs or restaurant owners in Daet, Camarines Norte that were affected by the impact of the COVID-19 pandemic and started operating in the new normal. The list of respondents was taken from the provincial office of the Department of Trade and Industry (DTI).

Data Collection Technique

The researchers personally appeared in the respondents' places to conduct the personal interview using a researcher-made-structured-survey questionnaire that had passed through the rigorous review of the college research technical reviewer/evaluator and validated by five restaurant owners operating in other municipalities in the province of Camarines Norte. The first part of the survey questionnaire deals with the challenges or gaps experienced by the restaurant owners during the new normal, and the second part focused on entrepreneurs' perspectives on different opportunities that can be considered in coping with the challenges in the new normal situation. Substantiating the quantitative data gathered, a focused group discussion was conducted among the restaurant owners for them to freely give insights and shared their experiences during the lockdown until the assimilation in the new normal.

Data Analysis and Procedure

The data gathered was treated with the utmost confidentiality and used according to their purpose. A 5-point Likert scale measurement was used in measuring the level of experience regarding the different challenges as well as in defining the level of perception on different opportunities used in coping with the challenges in the new normal. The computation of Mean and Average Weighted Mean was used to analyse the gathered data.

Table 1. Likert scale measurement used to measure the challenges or gaps experienced by the entrepreneurs in the new normal

Likert Scale Measurement	Numerical Rating	Descriptive Rating
4.21-5.00	5	Very much experienced (<i>experience happens at all times</i>)
3.41-4.20	4	Highly experienced (<i>experience happens most of the time</i>)
2.61-3.40	3	Somewhat experienced (<i>experience happens in some cases</i>)
1.81-2.60	2	Less experienced (<i>experience happens rarely</i>)
1.00-1.80	1	Not experienced (<i>experience not happen</i>)

Table 2. Likert scale measurement used to perceive the perspective of entrepreneurs in coping mechanism in dealing with the new normal

Likert Scale Measurement	Numerical Rating	Descriptive Rating
4.21-5.00	5	Very much considered (<i>absolutely been thought of carefully</i>)
3.41-4.20	4	Much considered (<i>having been thought of to a greater extent</i>)
2.61-3.40	3	Considered (<i>having been thought of about carefully</i>)
1.81-2.60	2	Slightly considered (<i>having been thought of to a small degree</i>)
1.00-1.80	1	Not at all considered (<i>definitely not been thought of</i>)

After collating and analyzing the data gathered, it was presented in tabular form.

Ethics Protocols

In line with the research best practices and ethical considerations, the researchers provided the participants with free prior and informed consent (FPIC) form, which was accomplished by the respondents before the actual conduct of the survey interview and focused group discussion.

Results and Discussions

The study was conducted on February 22, 2021 up to August 22, 2021 at the Central Business District of Daet, Camarines Norte, the capital town of the province to the 22 restaurant owners/entrepreneurs as used interchangeably in this study. Most of the respondents are within the age bracket of 40 years old, married, finished a college degree, and have been in the restaurant operation for about 15 to 20 years. However, when COVID-19 spread globally, the food industry particularly, the restaurant business was one of the most affected sectors of the economy. Challenges were becoming inherent tests to its operations and a gap in the market it served started to uncover commencing at the time of the new normal situation, hence this study.

Challenges and gaps experienced by the restaurant owners/entrepreneurs during the new normal in terms of administrative, financial, consumer market, production, and technological aspects during the new normal.

Table 3. Challenges/gaps in terms of Administrative aspect

ADMINISTRATIVE ASPECT	Weighted Mean	Rank	Adjectival Rating
Strict implementation of health protocols	4.73	1	VME
Difficulty of staff retention	4.18	3	HE
Shorter operation hours of business and/or trading	4.64	2	VME
Complexity in developing strategy for dining out experience or switching to take out only	4.05	4	HE
Increase competition among food stores with drive-through lanes	3.91	5	HE
Total Weighted Mean	4.30	Very much experienced	

Legend: 4.21-5.00 5 Very much experienced 3.41-4.20 4 Highly experienced 2.61-3.40 3 Somewhat experienced 1.81-2.60 2 Less experienced 1.00-1.80 1 Not experienced

Results in Table 3 show that in terms of the administrative aspect, the very much experienced challenges by the restaurant owners/entrepreneurs in the new normal is the strict implementation of health protocols with a mean of 4.73 and followed by the shorter hours of operation with a mean of 4.18. On the other hand, the least challenge/gap that entrepreneurs experienced in the new normal is the increase in competition among food stores. In general, entrepreneurs very much experienced the different gaps related to the administrative aspect of business operations with a total weighted mean of 4.30.

The result implied that strict implementation of health protocols is very much experienced by many of the respondents. This is because adapting to the new normal is not an easy process adopted by any business organization. The need to implement health protocols from the physical operation

like restructuring the physical outlook of the restaurant in order to ensure social distancing inside the business premises is imperative. Ensuring the implementation of the protocols in the policy specifically on the employees' manual and business operations warranting that all the staff is following the protocol, as well as making sure the availability of the safety kits at all times is a test for the business owners. It is essential to follow this mandate since this is a requirement of the government, safeguarding the health of everybody particularly in delivering services to customers. The result of the study is similar to the analysis of Kaufman et al., (2020) emphasizing that restaurants and the governing authorities have profoundly deliberated alternative plans for the reopening of business in the new normal scenario. Noticeable features of plans include the six-foot-oft-cited rule to enable physical or social distancing using transparent fiberglass panels as physical barriers to establishing table separation, limiting the number of customers at every table, and promoting an outdoor setting.

Moreover, a shorter hour of operation denotes limitations in the operations, thus limiting the number of customers served affecting revenue for the business. The present scenario in most instances has an effect on the financial flow of the business, considering that there is a slowdown in sales and revenue. Although the government allowed them to restart operations to balance the situation, earning revenue or sales over public safety. Lahindah et al., (2020) perceived that entrepreneurs must prepare to re-opening their business after facing the outbreak of the phenomenon which have not yet entirely disappeared. A similar result of the present study perceived that in doing so, restaurateurs should exert effort to sustain business performance by being oriented to innovation, creativity, and entrepreneurship. Product and process innovation are consequently forms of strategies that could support business progress.

Table 4. Challenges or gaps in terms of Financial aspect

FINANCIAL ASPECT	Weighted		Adjectival
Decreased revenue from sales	4.55	1	VME
Limited access to capitalization	3.55	3	HE
Risk and critical effect to cash flow	4.09	2	HE
Limited access to a financial institution	2.77	4	SE
Delay or non-payment of wages and other finan-	2.55	5	LE
Total Weighted Mean	3.50	Highly experienced	

Legend: 4.21-5.00 5 Very much experienced 3.41-4.20 4 Highly experienced 2.61-3.40 3 Somewhat experienced

1.81-2.60 2 Less experienced

1.00-1.80 1 Not experienced

The data in Table 4 revealed that respondents very much experienced the challenge/gaps of decreased revenue from sales with a mean of 4.55, it was followed by financial risk and critical effects to cash flow with a mean of 4.09. While the challenges least experienced by the entrepreneurs are the delay or non-payment of wages and other financial obligations with a 2.55 mean. Generally, results denoted that challenges related to financial aspects were highly experienced by the entrepreneurs during the new normal reflecting a total weighted mean of 3.50.

This inferred that restaurants are one the most harshly affected by the onset of COVID-19. Almost all of the respondents experienced the same gaps in the financial aspect of their operation as the impact of the pandemic brought a decrease in their revenue, as well as risk and critical effect on their cash flow. The order of work stoppage and the implementation of a nationwide health emergency resulting in people staying at home and shifting to an online buying process contributed to

lowering revenue for the restaurant owners. Added to circumstances, customers are becoming more sensitive as they cut spending and allot money to the most significant things needed as the pandemic affected the entire global economic system. The study of Farrell et al., (2020) in the United States on the small business financial outcomes during the COVID-19 pandemic, supported the findings of the current study in the sense that both results provided an estimate of the impact during the initial weeks after a national emergency was declared, and as many businesses temporarily closed affecting revenues remained materially lower. The financial impact across the arena on the commissary food service system may have a special impact on the restaurant-owned businesses, becoming more financially fragile, with lower revenues and fewer cash liquidity. Accordingly, small restaurant businesses are more prone to adverse shocks, especially if they are also operating in industries that are severely impacted by the pandemic.

Furthermore, respondents also point out that delay or non-payment of wages and other financial obligations related to the business operation is also a gap in their business operation. Paying the salary of employees on time is mandated by law, but more than ever, it is a humane action, hence salary of the employees and staff was prioritized in the list of operating expenses. The result of the study was strengthened by Navarro et al., (2020) explanation that the employment relationship at the time of the ECQ largely governed by Philippine Labor Advisory No. 09 Series of 2020 (the “COVID-19 Flexi-Work Advisory”) issued by the Department of Labor and Employment (DOLE) on 4 March 2020, which stated that employees are paid based on their hours worked. Employees who devote time and show effort to accomplish their work based on the agreed flexible working arrangements are entitled to the payment of their salaries and other benefits being implemented by the employer (Sanderson, 2020).

Table 5. Challenges or gaps in terms of Consumer/Market aspect

CONSUMER/ MARKET ASPECT	Weighted	Rank	Adjectival
Changes in consumer’s buying behavior	3.91	1	HE
Decrease in consumer’s purchasing power	3.68	2	HE
Consumer’s price sensitivity over quality of food	3.50	3	HE
Bogus/uncertain customer online food ordering	1.77	5	NE
Tedious/tiresome diversification of products offering	2.91	4	SE
Total Weighted Mean	3.15	Somewhat experienced	

Legend: 4.21-5.00 5 Very much experienced 3.41-4.20 4 Highly experienced 2.61-3.40 3 Somewhat experienced 1.81-2.60 2 Less experienced 1.00-1.80 1 Not experienced

Table 5 shows that with regards to the consumer aspect, changes in consumer buying behavior is the topmost challenge/gap experienced with a weighted mean of 3.90, followed by a decrease in consumer purchasing power and consumer price sensitivity over the quality of food with a weighted mean of 3.68 and 3.50 respectively. Whereas, the challenge of having a bogus/uncertain customer in online food ordering is the least business gap that respondents faced in the new normal situation. From an overall perspective, the consumer/market aspect is a challenge that somewhat experienced by the respondents in the new normal gaining a total weighted mean of 3.15.

The results denote that changes in consumer buying behavior are the highly challenging experience of entrepreneurs at the beginning of the new normal. Consumers are becoming more conscious and doing purchases into the most significant primary household needs. Furthermore, most

restaurant customers shifted to digital food ordering and start embracing digital commerce, as well as online food delivery. With people staying more time in their homes, the inclination to new interests like home cooking has become common and highly relevant to the lives of many customers, becoming more mindful of the economic impact brought by the pandemic. Wright and Blackburn (2020) explained consumers' behavior amidst COVID-19, showing that the pandemic outbreak has slowed the pace and changed the daily lives of many people. This is having a profound impact on the way businesses view personal hygiene, health, and economics, and the way businesses engage with the communities and society at large. The equal impact of COVID-19 on the health and economy is of great concern from the consumers' perspective. There is a rise in conscious consumption wherein consumers are more careful with the things they buy, try to eliminate food waste, are cost-conscious, and purchase sustainable products. There are always embryonic changes in consumer behavior, and these changes transformed the business world meaningfully (Wertz, 2021) all because of the pandemic.

Table 6. Challenges or gaps in terms of the Production aspect

PRODUCTION ASPECT	Weighted Mean	Rank	Adjectival Rating
Insufficient material supply chain	3.59	3	HE
Possibility of spoilage affecting food quality and hygiene	3.09	4	SE
Shifting food innovation and menu streamlining from different variations	3.05	5	SE
Changes in production practices restructuring to ensure food safety.	3.77	2	HE
Rigid sanitation management and use of personal protective equipment.	4.41	1	VME
Total Weighted Mean	3.58	Somewhat experienced	

Legend: 4.21-5.00 5 Very much experienced 3.41-4.20 4 Highly experienced 2.61-3.40 3 Somewhat experienced 1.81-2.60 2 Less experienced 1.00-1.80 1 Not experienced

Data in Table 6 reflect that rigid sanitation management and use of personal protective equipment are the challenges very much experienced by the respondents with a mean of 4.41, changes and restructuring in production practices to ensure food safety is another gap that restaurant entrepreneurs experienced having a weighted mean of 3.77. On the contrary, shifting food innovation and menu streamlining from different variations is a minor business gap experienced by entrepreneurs with a weighted mean of 3.05. Generally, entrepreneurs somewhat experienced the listed challenges/gaps with a total weighted mean of 3.58 with regards to production.

The result determined the challenges when it comes to the production aspect of the business which focused mainly on the implementation of rigid sanitation management and the use of personal protective equipment. Although practicing safety and ensuring sanitation in the entire physical condition of the restaurant is imperative, at some point it was a tedious task for the employees as they have to conduct it, again and again, affecting time for other work to be done. Also, the supplies

needed for health and sanitation are limited, thus restaurateurs resorted to making their own improvised sanitation and cleaning tools for their business. Moreover, the supply of personal protective equipment like masks and gloves is inadequate which became the reason for its cost to surge, affecting the financial standing of the restaurant business. Prior to the pandemic, employees are not acquainted with using PPEs, hence some find it uncomfortable and restricted their comfort and movement, while for others, it brought difficulty in breathing and visualization, as well as the manner of communication. In the worst scenario, wearing PPE elevates the risk of heat and dehydration which create psychological stress for the workers including symptoms of claustrophobia, and panic attacks (Chemscape, 2019).

Conversely, the least challenge or gaps experienced by the entrepreneurs relative to the aspect of production in the new normal is the shifting of food innovation and menu streamlining from different variations. The majority of restaurant owners did not implement modifications to their menus. According to the respondents, it is not advisable to apply some menu innovation at this time of pandemic because they cannot guarantee whether customers will visit their place considering the stay-at-home and social distancing guidelines imposed by the government, thus limiting the time customers to actually visit the restaurant, whilst impacting customer’s purchases as well as the business itself.

Table 7. Challenges or gaps in terms of Technological aspect

TECHNOLOGICAL ASPECT	Weighted Mean	Rank	Adjectival Rating
Limited knowledge on the use of social media	2.59	3	LE
Low awareness of text message marketing	2.23	5	LE
Inadequate access to customer’s contact information like emails, messenger, or Facebook account	2.64	2	SE
Unreliable network for online selling and order placement	2.82	1	SE
Unacceptable impact of persuasive marketing with the use of the website to the customers	2.27	4	LE
Total Weighted Mean	2.51	Less experienced	

Legend: 4.21-5.00 5 Very much experienced 3.41-4.20 4 Highly experienced 2.61-3.40 3 Somewhat experienced 1.81-2.60 2 Less experienced 1.00-1.80 1 Not experienced

Results revealed in Table 7 that an unreliable network for online selling and order placement is the challenge that some cases experienced by the restaurant owners with a weighted mean of 2.82, followed by inadequate access to customers’ contact information as somewhat experienced with a weighted mean of 2.64. On the contrary, low awareness of text message marketing is the gap rarely experienced with a mean of 2.23. In general, the gaps related to the technological aspects are less experienced by the business owners, with a total weighted mean of 2.51.

The outcome of the study revealed that unreliable networks or poor internet connectivity are the challenges encountered by restaurant owners, particularly in dealing with the new business proc-

ess of online selling, and accepting/placing customer orders. The unpredictability of internet connection turned out to be a test to the operation of most restaurant businesses, especially amidst the pandemic wherein there is a need to adopt a new business process. Obtaining reliable sources of the internet offers an opportunity to beat the daunting effect of the pandemic, and to invent new ways of conducting business that will lead to its transformation. Redesigning business competitiveness with smart cutting-edge technology can create and sustain strategic approaches and develop long-term growth and market leadership for small restaurant businesses.

Amiri (2019) emphasized in her study that over the past decades, digital technology has conquered the daily life of many people from all aspects. It visualizes how people and businesses will work together and putting on the right technological solution can be both favorable for the business and for its customers. The result of the present study is with similarity in a way that it discusses various digital solutions for restaurants in order to cope with their present situation. The combination of technological solutions and traditional tools is used in many restaurants. The intent to investment in technology is high among many restaurant owners, though significant amounts of technological packages/systems and lack of knowledge are considered the biggest barriers to adapting technology into the restaurant business.

Entrepreneurs perspective in terms of opportunities considered in the new normal situation with regards to (1) creating new needs, (2) building responsive environment (3) work in flexibility (4) creating linkages and (5) engaging in technology or social media application

Table 8. Opportunities considered in Creating New Needs

Indicators	Weighted Mean	Rank	Adjectival Rating
Innovating product and service offerings that suit to new normal customer needs	4.23	2	VMC
Accelerating digital options like online ordering and home delivery options	4.55	1	VMC
Making a venue for virtual dining and chatting (enhance customer experience)	3.50	3	MC
Intensifying drive-through operations	3.41	4.5	MC
Turning kitchens into make meal kits	3.41	4.5	MC
Total Weighted Mean	3.82	Moderately considered	

*Legend: 4.21-5.00 5 Very much considered 3.41-4.20 4 Much considered
2.61-3.40 3 Considered 1.81-2.60 2 Slightly considered
1.00-1.80 1 Not considered*

Table 8 unveils the opportunities of accelerating digital options like boosting online ordering and home delivery options with a weighted mean of 4.55. Innovating product and service offerings that suit new normal customer needs having a weighted mean of 4.23 is the second opportunity that was considered by the restaurant owners. Meanwhile intensifying drive-through operations, and turning kitchens into make meal kits, obtained the same weighted mean of 3.41 as the least considered opportunities.

The COVID

their business, others are exploring the opportunities and possibilities in the new normal. With the

-19 crisis

sudden change in the business perspective and customer consumption patterns, restaurateurs are required to change their business perspective and start to create new needs for the customers by integrating technology which is likely to be part of the future. The entrepreneurs are required to carefully assess the new trends, and study the behavior and perception of the customers. Since customers are presumptuous to a stress-free experience of dining out, the need for the respondents to re-shape the restaurant business operation with new trends and innovation is the key to their revival. The result of the study is similar to Vig and Agarwal (2021) stating that innovative approaches, technological and digital interventions, and keen attention to the consumers' and employees' health and safety are of bit advantage for the restaurant business landscape.

Table 9. Opportunities considered in Building Responsive Business Environment

Indicators	Weighted Mean	Rank	Adjectival Rating
Shifting fine-dining to fast-casual function	3.86	4.5	VMP
Renovating the infrastructure/physical outlook of the business	3.86	4.5	VMP
Adopting and implementing safety practices like social distancing among the staff and customers	4.68	1.5	VMP
Limiting or capping dining room capacities of customer	4.45	3	VMP
Ensuring pleasant and warm welcome to the customers	4.68	1.5	VMP
Total Weighted Mean	4.31	Very much perceived	
<i>Legend: 4.21-5.00 5 Very much considered 3.41-4.20 4 Much considered 2.61-3.40 3 Considered 1.81-2.60 2 Slightly considered 1.00-1.80 1 Not considered</i>			

Table 9 shows that entrepreneurs considered different opportunities in the new normal which include adopting or implementing safety practices among the staff and ensuring a pleasant and warm welcome to the customers, both having a weighted mean of 4.68. Limiting or capping dining room capacity is another way of building a responsive environment with a mean of 4.45, while the least opportunity that entrepreneurs considered is the shifting of fine-dining to fast-casual function and renovating the physical outlook of the business, which both obtained a weighted mean of 3.86.

The study inferred the perspective of the restaurant entrepreneurs in the midst of the pandemic who are still seeing an opportunity for their business to thrive, altering traditional business strategies, and adopting a modern strategy in order to build a responsive business environment, more particularly in securing safety and health condition of the customers and the employees. The study of Dulgerler (2015), points out that the current situation of the global market is becoming more unstable and the only way for organizations to overcome competition and still be competitive is by enabling them to adapt to the fast-changing business conditions. This is an important approach that restaurant owners need to adopt in their business landscape. In order to compete in an unpredictable market, restaurant businesses need to reshape themselves and reconsider organizational competence. They have to leverage their operation in the new normal from fine dining to fast-casual function, from the ambiance that exudes a more elegant and formal atmosphere before, modifying it into a

friendlier and more informal approach and applying expeditious transaction. Restaurateurs must plan and evaluate operational capabilities, analyze both external and internal environments to be able to identify competitive advantages, and focus on making management approaches more adaptable and responsive to the new normal.

Table 10. Opportunities considered in Working in Flexibility

Indicators	Weighted Mean	Rank	Adjectival Rating
Modifying approach based on the preference and the demand of each situation	4.00	4	MC
Expanding opportunity as to work and life balance	3.82	5	MC
Adapting diversity in the workplace	4.45	3	VMC
Becoming more responsive to change	4.68	1.5	VMC
Exercising good management decision	4.68	1.5	VMC
Total Weighted Mean	4.33	Very much considered	

*Legend: 4.21-5.00 5 Very much considered 3.41-4.20 4 Much considered
2.61-3.40 3 Considered*

1.81-2.60 2 Slightly considered

1.00-1.80 1 Not considered

Data in Table 10 explained that working with flexibility is an opportunity in the new normal that is very much considered by restaurant owners. This includes becoming more responsive to change and exercising good management decisions with a mean of 4.68. On the other hand, expanding opportunities as to work and life balance is moderately considered an opportunity by the respondents with a weighted mean of 3.82.

Table 11. Opportunities considered in Creating Linkages

Indicators	Weighted Mean	Rank	Adjectival Rating
Building strong connection and collaboration among distributors to ensure continuity of supply of products/raw materials	4.73	1	VMC
Developing acquaintance with the local farmers as suppliers of local products	3.59	3	MC
Joining local and national restaurant business organization and/or to different type of business association.	3.36	4.5	C
Collaborating with government and other local legislative body (DTI-DOLE-LGU Public Enterprise)	3.86	2	MC
Accessing financial and non-government organizations for reliable financial sources	3.36	4.5	C
Total Weighted Mean	3.78	Much considered	

*Legend: 4.21-5.00 5 Very much considered 3.41-4.20 4 Much considered
2.61-3.40 3 Considered*

1.81-2.60 2 Slightly considered

1.00-1.80 1 Not considered

Since businesses moved into the new normal, it needs to assess their equilibrium between what has been worked before and what needs to perform in order to become successful in the new normal. As business faced the challenges brought by COVID-19 pandemic, it needs to become responsive to the changes, adopts work in a flexible manner as well as integrate well-balanced and enhanced management decision. Restaurant owners should start interlinking agility in their practices most particularly in decision-making and the execution of plans. The findings of the study in some ways are dissimilar from the conducted study at the University of South Carolina, wherein the previous study explained that restaurant industry specialist is known for being diligent, so it is not new to see establishments big and small of re-thinking their strategy as pandemic regulations terminate normal operations. On the other hand, the result of the present study emphasized that some restaurant owners adopt changes and become more responsive to changes in their processes. Many have dramatically altered the dine-in style quickly into a take-out, drive-thru, or home delivery service (DiPietro, 2020) approach in order to withstand the test of the pandemic and still be able to maintain cash flow in their operations.

It is shown in Table 11 that creating linkages is a perspective opportunity most restaurateurs considered in meeting the atmosphere of the new normal. Building strong connections and collaboration among distributors to ensure continuity of supply of products or raw materials needed in the production process is the topmost opportunity, obtaining a weighted mean of 4.73. Collaborating with the government and other local legislative bodies is another opportunity in the new normal having a weighted mean of 3.86, while the least perceived opportunity is joining local and national restaurant business organizations as well as accessing financial and non-government organizations for reliable financial sources obtaining both a weighted mean of 3.36. In general, the results showed that the concept of creating linkages, having a total weighted mean of 3.78 and analyzed as much perceived is an opportunity considered by restaurant owners in facing the new normal condition.

In light of recent challenges in the food supply chain brought about by the pandemic, there is considerable concern about food production, processing, distribution, and demand (Aday & Aday, 2020). Building strong connections and collaboration among the supply chain to ensure continuity of supply of products/raw materials is the most significant perspective given or to be undertaken by the entrepreneurs. Further, the government should stretch out a clear strategy for the furtherance of the supply chain, as well as subsidies and timely support, and clear-cut programs (FAO, 2020) to the small-medium restaurant owners which are considered the one vital source of the growing economy. The findings of the study were related to Galanakis' (2020) analysis which emphasized that a new period of time is formed by the presence of the crisis known to be the COVID-19 pandemic. Everyone is still trying to figure out the circumstances for society, the economy, and, subsequently, food systems. The food sector has to face many challenges such as ensuring food supply, safety, and security. There is undoubtedly a need to avoid business-as-usual practices, think outside the box, and increase efforts to develop sustainable and modern food systems and the utilization and development of new and large food supply chains based on people's needs. Likewise, the study proposes focusing on key logistics bottlenecks addressing trade policies to keep the supply chain moving and implementing fiscal measures in the case that food prices jump up. Further government intervention and necessary programs to ensure the availability of supplies are indispensable approaches to facing the challenge of the new normal.

Table 12. Opportunities considered in Engaging to Technology/Social Media Application

Indicators	Weighted Mean	Rank	Adjectival Rating
Expanding home delivery options through online selling	4.18	1	MC
Building out of contactless operations via online ordering and payment	4.00	2.5	MC
Intensifying virtual connection and social networking in the form FB, IG, Tweeter, Messenger, and other platform	4.00	2.5	MC
Promoting pick up incentives (like adding an item free of charge to encourage pick up strategy)	3.50	5	MC
Innovating through total digitalization in operation	3.86	4	MC
Total Weighted Mean	3.91	Much Considered	

Legend: 4.21-5.00 5 Very much considered 3.41-4.20 4 Much considered 2.61-3.40 3 Considered 1.81-2.60 2 Slightly considered 1.00-1.80 1 Not considered

In terms of engaging in technology and social media applications, Table 12 shows that the most considered opportunity of the respondents is expanding home delivery options through online selling with a weighted mean of 4.18, whereas, building up contactless operations via online ordering and payment, and intensifying virtual connection and social networking in the form of FB, IG, Tweeter, Messenger are other perceived opportunities, with a mean of both 4.0. Meanwhile, the least opportunity is promoting pick-up incentives (like adding an item free of charge to encourage pick-up strategy) with a mean of 3.50 analyzed as much considered. In general, the results inferred that technology and social media application is much-considered opportunity for continuing or handling business operation in the new normal.

At the height of the pandemic employing technology in the business process is a fundamental transformation needed to reposition the entire business design, rethink the role, and identify changes to the organizational dynamics of how work is to be done. With almost all of the restaurant owners temporarily closed because of the impact of COVID-19, many took the food business to an online platform and begins to expand home delivery options to generate substantial economic benefits (Abbu et al., 2021). These technological strategies promote contactless operations. It helps customers stay in their homes and be free from the hazard that the virus may spread. In the context of a pandemic and the ensuing economic crisis, it is essential for restaurant owners to increase their virtual connection and social networking to emphasize the lesson that digitalization improves things that have not happened before. According to Lau (2020), the fundamental role of digitalization and communication technologies is to facilitate business transactions and communicate relevant information to decision-makers, especially during this time of the pandemic. The content of a technological system should be personalized, complete, relevant, and easy to understand. During this period of uncertainty, restaurateurs have an opportunity to invest in technology and process improvements, operations are to be revised to adapt to the delivery services scheme, and promote contactless services to gain a competitive advantage in the long run. From the positive point of view of the respon-

dents, the pandemic serves to be the catalyst that forces the restaurant business to be more technologically savvy and adopt business operations suited to the new normal condition.

Formulation of Strategic Innovation Business Model for Restaurateurs/ Entrepreneurs

The formulated business model was named 3Ms Strategic Innovation Business Model. It contained three gears that represent the aspect of Management, Methods, and Market. The onset of the pandemic brought immeasurable damage to the growth and profitability of restaurant businesses. The need to shift the business landscape is necessary and should start from its core function of management. Making their business differ from other food businesses lies in the leadership of the restaurant owners, its success and failure depend on how they will adopt a new form of management suited to a new normal. Restaurant owners have to embrace transformational leadership. Adopting the four I's component of transformational leadership will help restaurateurs to stimulate positive change in their organizations. Since transformational leadership is more of moral commitment than output and profitability, this ethics-based formula can guide restaurant entrepreneurs in empowering their people, putting a collective value, objectives, and high standard of service in fulfilling their customer needs.

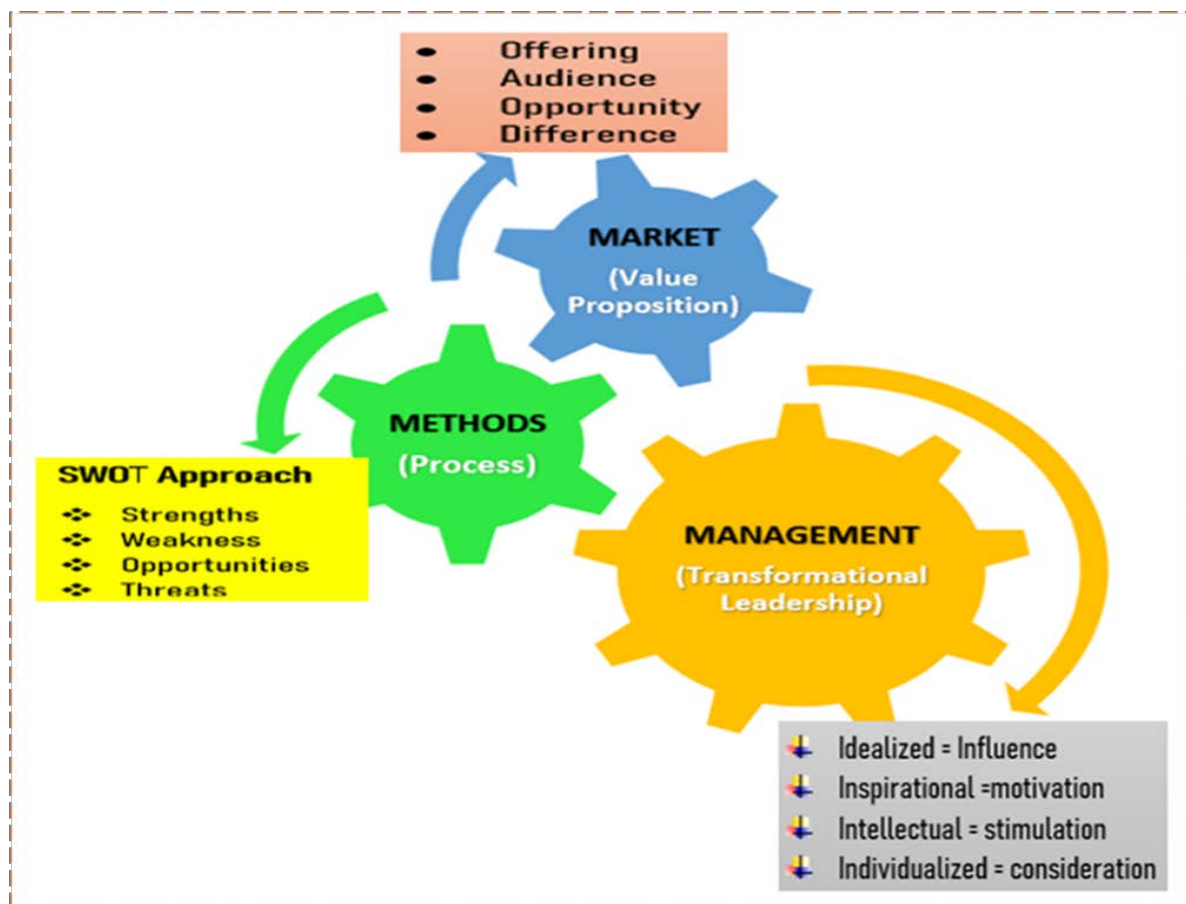


Figure 1. 3Ms Strategic Innovation Business Model

As there was a massive change happening in many businesses, the restaurant sector similarly needs to revise its business landscape in order to reflect the changing business environments and market demands. It is a prerequisite of mapping their business in the new normal, identifying what it is doing right and in what aspect their organization needs changes. Applying analytical tools like

SWOT helps restaurant owners to develop the soundest methodology that helps them build strategic approaches, improving operations and keeping their business relevant to the market.

The last component of the business model is the market or the customers. Since the customer is the reason for their existence, the restaurant business has to provide the best offering to their clients, or the so-called value proposition. It is easy to understand and communicate with their customer, explaining how their business fills the need of their customers, its added value, and the reason why their restaurant business is different and better from the other food business. They have to emphasize the reason why their business is best suited and how they will meet client satisfaction. The value proposition must create an opportunity to direct their business to customer appeals/attention and become the strongest decision-making stimulant.

Presented in Figure 1 is the formulated business model strategic innovation framework for the study. This output will be implemented as extension activities of the institution to the restaurant owners/entrepreneurs in the province.

Conclusion

Based on the foregoing findings of the study, the researchers concluded that restaurant owners have faced considerable challenges and gaps related to their business operation during the beginning of the new normal condition. The gap that is very much experienced is in the administrative and management aspect. The restaurant owners'/entrepreneurs' perspectives in coping with the new normal focused on the concept of working in flexibility and building a more responsive business environment as the top opportunities considered in the new normal. On the other hand, other opportunities like creating new needs, creating linkages, and engaging in technology or social media application are other viewpoints considered or having been thought of to a greater extent by the restaurateurs to confront the gaps or challenges in the time of uncertainty. Further, it was concluded that the need to formulate and implement a new business model is important to help respondents in re-defining entrepreneurial perspective and build a more equal, inclusive, and sustainable economy, making the entrepreneurs more empowered individuals in coming out with the crisis.

Acknowledgement

The researchers would like to thank Camarines Norte State College for the financial grant and support provided to them from the start of the study until the completion of the manuscript. The authors would also like to thank everyone who contributed their expertise to the study's success.

References

- Abbu, H.R., Fleischmann, D., and Gopalakrishna, P. (2021). The Digital Transformation of the Grocery Business - Driven by Consumers, Powered by Technology, and Accelerated by the COVID-19 Pandemic. <https://www.researchgate.net/publication/350450679>
- Aday, S., & Aday, MS. (2020). Impact of COVID-19 on the food supply chain. *Journal of Food Quality and Safety*, Volume 4, Issue 4, December 2020, Pages 167–180, Published: 24 August 2020. <https://academic.oup.com/fqs/article/4/4/167/5896496>
- Adam, N.A., Alarifi, G. (2021). Innovation practices for survival of small and medium enterprises (SMEs) in the COVID-19 times: the role of external support. *J Innov Entrep* 10, 15 (2021). <https://doi.org/10.1186/s13731-021-00156-6>
- Amiri, MH. (2019). An exploratory study of digital technology applications used in restaurants and cafes in Ankara. *DSpace Repository* <http://earsiv.canakaya.edu.tr:8080/handle/20.500.12416/4077>

- Chemscape (2019). The limitations of PPE as a hazard control method. <https://www.chemscape.com/blog/limitations-ppe-hazard-control-method>
- DiPietro, R. (2020). The “new normal” in the restaurant industry? https://www.sc.edu/study/colleges_schools/hrsm/about/news/2020/restaurant_industry_and_covid-19.php#.Yxo4PnZBy5c
- Dülgerler, M. (2015). Making better, more responsive organizations. Paper presented at PMI® Global Congress 2015—EMEA, London, England. Newtown Square, PA: Project Management Institute. <https://www.pmi.org/learning/library/making-better-more-responsive-organizations-9664>
- Fabeil, N., Pazim, K., Langgat, J. (2020). The Impact of COVID-19 Pandemic Crisis on Micro-Enterprises: Entrepreneurs’ Perspective on Business Continuity and Recovery Strategy. *Journal of Economics and Business*, Vol.3 No.2 (2020)
- Fairlie, Robert W., The Impact of COVID-19 on Small Business Owners: The First Three Months after Social-Distancing Restrictions (July 2020). NBER Working Paper No. w27462, Available at SSRN: <https://ssrn.com/abstract=3673693>
- FAO (Food and Agriculture Organization of the United Nations). (2020d). COVID-19 and small-holder producers’ access to markets. <http://www.fao.org/3/ca8657en/CA8657EN.pdf>
- Farrell, D., Wheat, C., and Mac, C. (2020). Small Business Financial Outcomes during the Onset of COVID-19. <https://www.jpmorganchase.com/institute/eseach/small-business/report-small-business-financial-outcomes-during-the-covid-19-pandemic#footnote-7>
- Galanakis, C.M. (2020). The Food Systems in the Era of the Coronavirus (COVID-19) Pandemic Crisis. *Journal of Foods Science* Vol. 9(4), 523; 10.3390/foods9040523. <https://www.mdpi.com/2304-8158/9/4/523/htm>
- IATF (2020). Resolution NO. 38. <https://www.officialgazette.gov.ph/downloads/2020/05may/20200522-IATF-RESOLUTION-NO-38.pdf>
- Kaufman, M.S., Goldberg, L.G., and Avery, J. (2020). Restaurant Revolution: How the Industry Is Fighting to Stay Alive. Business Research for Business Leaders, Harvard Business School. <https://hbswk.hbs.edu/item/restaurant-revolution-how-the-industry-is-fighting-to-stay-alive>
- Lahindah, L., Sudirman, I., Bahri, R & Rahmatillah, I. (2020). Facing the new normal by increasing company performance with orientation on innovation, entrepreneurship and creativity. *Journal of Management Science Letters*, 10(16), 4033-4038. DOI: 10.5267/j.msl.2020.7.006
- Lau, A (2020). New technologies used in COVID-19 for business survival: Insights from the Hotel Sector in China. *Information Technology Tourism* 22, 497–504 (2020). <https://doi.org/10.1007/s40558-020-00193-z>
- McCombes, S. (2022). Descriptive Research Design Definition, Methods & Examples Revised on May 5, 2022. Published on May 15, 2019. <https://www.scribbr.com/methodology/descriptive-research/>
- Navarro, A., Pomoy, R., Resurreccion, E. (2020). Distancing from confusion in Philippine labor law compliance during the covid-19 pandemic. <https://www.lexology.com/library/detail.aspx?g=68d8920b-91e4-4965-afea-f37efc55f646>
- PYMNTS.com (2020), CORONA VIRUS Restaurant Operators on Life Before, During And After COVID-19. <https://www.pymnts.com/news/b2b-payments/2020/msts-b2c-sellers-b2b-opportunity/>
- Sharma, A., Noone, B., Lee, S., Yu, C., Lin, M., Jung, I., Quadri-Felliti, D. (2020). Restaurants and foodservice businesses during COVID-19. SSRI Newsletter. Published June 18, 2020. PennState Social Science Research Institute.

- Sanderson, C. (2020). Rules on Employee Relations During COVID-19 Pandemic. <https://emplawphil.wordpress.com/2020/05/08/rules-on-employee-relations-during-covid-19-pandemic/>
- Vig, S. & Agarwal, R.N. (2021). Repercussions of COVID-19 on small restaurant entrepreneurs: The Indian context. *Journal of Strategic Change; Briefing in Entrepreneurial Finance* Volume 30, Issue2 Pages 145-152 March 2021. <https://onlinelibrary.wiley.com/doi/full/10.1002/jsc.2398>.
- Wertz, J. (2021). Changes In Consumer Behavior Brought On By The Pandemic <https://www.forbes.com/sites/jiawertz/2021/01/31/changes-in-consumer-behavior-brought-on-by-the-pandemic/?sh=75b2d48b559e>
- Wright, O., Blackburn, E. (2020). COVID-19: How consumer behavior will be changed. <https://www.accenture.com/us-en/insights/consumer-goods-services/coronavirus-consumer-behavior-research>