

Statistical Analysis of Post-Covid Impact on Market Economy

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Abstract

The SARS-CoV-2 coronavirus is the source of the COVID-19 pandemic. In December 2019, Wuhan, China, reported finding the virus for the first time. The World Health Organization declared that this increases a global public health emergency in January 2020. The impacts of COVID-19 are significantly harming the technology industry, influencing the availability of raw materials, upsetting the electronic value chain, and increasing the danger of inflation for goods. On the plus side, the disruption has accelerated remote working and de-risking of the entire value chain. This article focuses on many industries that are most negatively impacted by the pandemic and the strategies for fighting against both the coronavirus and economic situation.

Keywords: COVID, pandemic, economy, market strategies, manufactures, industries.

1. Introduction

The broad family of viruses known as coronaviruses (CoV) is responsible for a variety of illnesses, from the common cold to more serious conditions like the Middle East Respiratory Syndrome (MERS)-CoV as well as Severe Acute Respiratory Syndrome (SARS)-CoV1. China's national authorities reported to the World Health Organization (WHO) a total of 44 people having pneumonia of unknown cause from December 31, 2019, to January 3, 2020. The first COVID-19 infection case to be confirmed in Kerala, India was a 20-year-old woman with one-day history of a dry cough and sore throat who visited the emergency room at the general hospital in Thrissur, Kerala, on January 27, 2020. There was no prior history of shortness of breath, rhinitis, or fever. She admitted that the COVID-19 epidemic scenario in

Wuhan city, China, was the reason she has returned to Kerala on January 23, 2020. Later in March 2020, a pandemic declaration was made [1].

Significant part of the economic recession was played by COVID-19. The financial deficit undoubtedly have a significant negative impact on the tourism and trade sectors, with daily increase in the billions of pounds. Significant losses have also occurred in other industries. The pandemic has caused severe financial hardship, particularly for the young, who are disproportionately represented in informal jobs. During the second wave of pandemic, India used local lockdowns to prevent a further loss of livelihood. Even while India's public health record (in respect of confirmed cases and confirmed deaths) wasn't the best, prior to the second wave, it was still superior to a number of the countries in the reference group. However, second wave has severely worsened India's situation [2].

The COVID shock is now being recovered from both the Indian and the world economies. Their rate of recovery is influenced not only by the severity of COVID's effects but also by how well they are able to handle the difficulties brought on by the economic consequences of the on-going geopolitical struggle. The coronavirus pandemic's effects on India have primarily disrupted economic activities and resulted in fatalities. Almost every industry has suffered as domestic consumption and exports have dramatically decreased, with some notable outliers where strong growth has been seen. Analysis of the effects and potential remedies for several important economic standards is explored in this article. If one examines actual Gross Domestic Product (GDP) figures, the sector products that can help in manufacturing and construction, or the actual off-take of goods like steel, electricity, cement, vehicles, and so on, it is evident that the Indian economy has lagged behind by a number of years.

2. Impact of COVID in Agriculture Sector

In order to prevent the spread of COVID-19, India implemented a full lockdown in March, which fell during the height of the harvest season for the Rabi crops, primarily in the north-west of the country, causing severe loss to the farmers. Even though there were some relaxations in the agricultural production during the lockdown, the farmers' main concerns were transportation obstacles, mobility issues, and a labour shortage caused by the reverse exodus of workers to their home countries [3]. The reverse labour created a labour shortage, which negatively impacted the intensively farmed north-western Indian plains' harvesting of

winter (November-March) crops including wheat and pulses. Food loss at the levels of production, marketing, distribution, and family consumption were all made worse by the lockdown brought on by COVID-19.

2.1 Post COVID effects

The agricultural industry experienced good growth following the pandemic (3.4% FY 2020-21 1st Quarter: April to June), but this growth was smaller than that of the previous quarter (5.9% FY 2019–20 4th Quarter: January to March), which saw a 2.5% point fall as a result of COVID–19. Despite a strong crop harvest and a relaxation of agriculture-related activity during the lockdown, the first quarter of FY 2020–21 saw significant growth in agriculture but not a major gain in farm revenue; instead, inflation of 2.3% was recorded [4].

3. Impact of COVID in IT sector

Since many businesses are now required to urge their staff to work from home due to worries about public health, the economy's decline is to blame for the substantial problems the IT industry is currently experiencing. This results in a significant loss of opportunity for many businesses with foreign dealers. Numerous opportunities in the IT sector emerged as a result of the coronavirus, such as the expanding need for fifth generation (5G) technology. The number of connections supporting the primed distant interactions rise as a result. Due of the epidemic, this has elevated to the top priority list for many organisations. [5] For the years 2019 and 2020, the IT sector will increase at a rate of about 10%.

3.1 Post COVID effects

After the Covid-19 outbreak, 73% of Indian enterprises are contemplating hybrid working arrangements, according to a poll by CBRE South Asia Pvt Ltd. This appears to be the rising trend, with more businesses largely choosing flexible working schedules. According to the poll, the flexible working method is a combination of four arrangements. These work schedules would contain 3 or more office days per week, an equal split of office and remote work, and remote work for three or more per week [6].

At the moment, COVID-19 pandemic have gripped the entire world and has severely damaged economies. The Indian IT sector is still displaying promising traits and is capable of overcoming this extraordinary calamity. IT sector has emerged as a huge economic force that

contributes significantly to both the Indian economy and the global economy. By 2025, India's digital economy is anticipated to be worth \$1 trillion.

4. Impact of COVID in manufacturing industries

The pandemic caused low-scale operations and eventually had a severe influence on production levels, which had a variety of effects on the manufacturing sector. The IIP also experienced a decline of 9.6%, indicating that the first and second waves also had an adverse effect on core manufacturing activity [7]. The main problems affecting the manufacturing industry are:

- Raw material shortage
- Liquidity crunch
- Labour shortage
- Weaker demand
- Capacity underutilization
- Special regulatory restrictions

4.1 Post COVID effects

The following steps are to overcome financial rate of manufacture industries:

- Reacting to Underserved Demand
- Supply Chain Logistics Improvement
- Dealing with Price Pressure

One of the world's major electronics markets are projected to reach \$400 billion by 2025. By 2025, the Indian Electronics Manufacturing Services (EMS) Industry is projected to increase by 6.5 times, from \$23.5 billion to \$152 billion. India is standing in the 2021 edition of the Innovation Index increased by four spots to 46th place (GII).

5. Impact of COVID in pharmaceutical industry

Since the Covid-19 pandemic began, the pharmaceutical business has grown, particularly in India, the world's top producer of generic medications. Due to the pandemic, the cost of raw materials sourced from China has recently increased. Due to the industry's high reliance on imports, interrupted supply chains, and labour shortages brought on by social exclusion,

generic medications are the most negatively affected. The pharmaceutical business is simultaneously having difficulties as a result of government-imposed restrictions on the export of essential medicines, machinery, and PPE kits in order to guarantee sufficient supplies for the nation. Things are becoming more difficult as a result of the rising demand for these treatments and their restricted accessibility. In such a situation, reducing the financial strain on pharmaceutical businesses, relaxing tax laws, and solving the labour shortage might make a difference. According to government statistics, the domestic pharmaceutical market revenue in India reached Rs. 1.4 lakh crores (equal to \$ 20.03 billion) in 2019. This is actually more than the Rs. 1.29 lakh crores from the previous year [8].

5.1 Post COVID effects

More than 200 countries throughout the world import Indian pharmaceutical items, with the US serving as the largest market. Pharmaceutical exports from India, which include pharmaceutical drugs, intermediates, bulk medications, biological, surgical supplies, and Ayush and herbal items, totalled US\$16.28 billion in financial year 2021. According to the estimates, Indian pharmaceutical companies provide 80% of the antiretroviral medications used worldwide to treat AIDS (Acquired Immune Deficiency Syndrome). By 2025, it is anticipated that the Indian market for medical devices will increase by US\$25 billion.

Healthcare product that has been sold in large scale during pandemic and post pandemic are shown in the below figure.

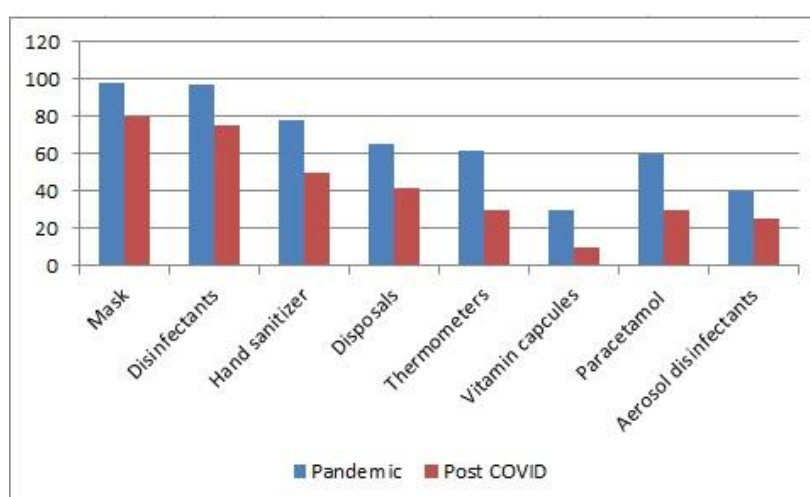


Figure 1. Health care products market sales pre and post COVID

6. Impact of COVID in tourism and aviation sector

The aviation industry and tourism account for roughly 2.4% and 9.2% of GDP, respectively. In FY 18-19, the tourism industry provided services to almost 43 million people. The first businesses that were seriously impacted by the pandemic were aviation and tourism. 38 million layoffs, or 70% of the workforce have occurred in these two businesses because of the significant cash flow problems that have existed since the beginning of the pandemic. The effects will be felt by both white-collar and blue-collar workers. IATO forecasts that these industries could lose up to 85 billion Rupees as a result of travel restrictions [9].

6.1 Post COVID effects

The tourism industry is one among the largest in the world. It ranks third in terms of export volume (after fuels and chemicals) and made about 7% of world commerce in 2019. One in ten employments is supported by tourism, and millions more people both in developing and established nations rely on it for their living. Investments in India's tourist industry are estimated to total US\$95 billion by 2028. From INR 170 billion (US\$2.81 billion) in 2019 to INR 368 billion (US\$5.85 billion) in 2028, the total government spending on travel and tourism in India is predicted [8].

7. Impact of Pandemic on various areas

The below table highlights the effects of pandemic on market economy and its strategies to overcome the same.

Table 1. Impact of pandemic on different fields [10-13].

Sector	Loss	Recuperation period	Challenges	Future scenario
Industrial production	High	Severe	Lower production. Reduction in the scale of operations.	Lot of job opportunities. Improve productivity on use-based classification.
Educational	Moderate	Long term	Schools and colleges	E-learning on better visualization of

sector			lockdown. Faculties are instructed to work from home. Education to run through online mode.	concepts and billion market value. Zoom market capitalization reached high revenue. Mobile internet of usage has become 85% high.
Unemployment	High	Long term	6.7% to 26 % rate of unemployment in India.	Job opportunities for work from home. Digital marketing reduces unemployment.
Oil, Gas and Chemicals	Moderate	Medium term	Long-term decline in GDP.	Net income for 2022 of 70%-85% profit compared with 2019.
Publishing industries	Moderate	Medium term	Stopped publishing due to lockdown and lack of labour. Faced a loss of 50%.	Postponed release brings revenue of 80% increase in profit. Online retailers- 400% increase in sales.
Automobile industry	High	Severe	Imports of Chinese parts are stopped. Shutdown of manufacturing plants.	Net income for 2022 of 70%-85% profit compared with 2019. Market sales raises on 70%.

Gold	Moderate	Medium term	<p>People are not spending money on luxury items.</p> <p>Citizens to delay wedding.</p> <p>Huge loss due to lock down.</p>	Old prices rose by 28% gold reserves prices.
Food and beverages	High	Long term	<p>Consumptions outside the home are decreased</p> <p>Food items imports and exports are restricted</p>	Marketing campaigns and product launches for nutrition
Textiles	High	Long term	<p>Spending on discretionary items is anticipated to stay low.</p> <p>Exporters' recovery is slower.</p> <p>Loss of income slows the market economy.</p>	<p>National garments production -80% increase rate.</p> <p>Online textile economy increased.</p> <p>E-retailers catch the complete market business.</p>
Media	High	Long term	<p>High media audiences are the consequence of social distance.</p>	<p>One of India's fastest-growing ad markets right now is AVOD.</p> <p>Blending of content</p>

			Advertising revenue increase.	and ads increases revenue.
Banking	High	Severe	According to the Reserve Bank of India (RBI), Non-Performing Assets (NPAs) increase to 10.2–10.5%.	The results of the surveys will determine the stage of recuperation.
Global beauty Industry	High	Long term	Moving to the production of sanitizers and cleaning products. Restricted imports and exports. Less production.	Increasing their market economy by e-commerce sites. Promotion through ads.

- Medium term –upto 6 months
- Long term-6-12 months
- Severe- more than 12 months

The below figure illustrates the statistical analysis on loss of economy in market due to COVID breakdown.

7.1 Positives over the negative impact of COVID:

- There are various lists of enterprises that performed well in India in 2020 utilizing digital marketing and are expected to expand quickly.
- Bitcoin increase.
- 100 billion more hours of video game content were broadcasted.
- Technologies like Zoom saw 200% increase rate.
- The amount of digital content increased by 120%.

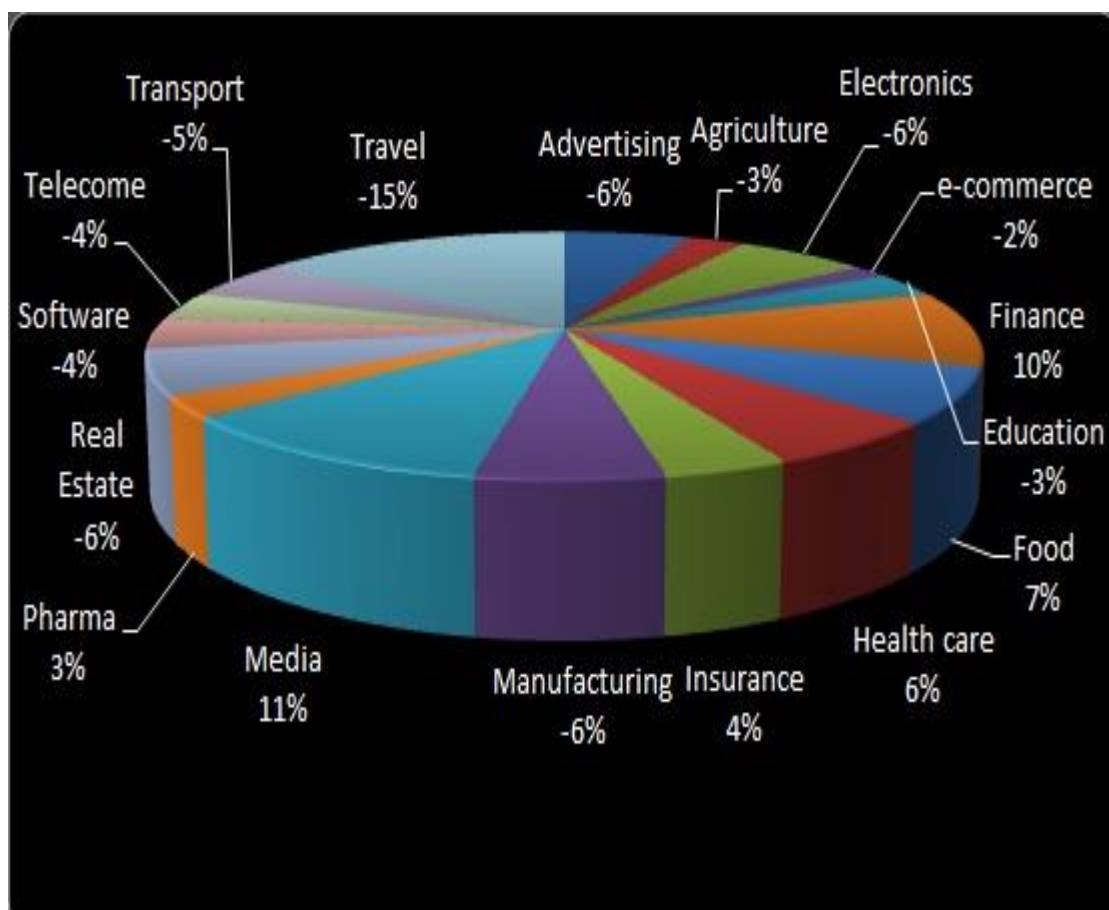


Figure 2. Market statistic of various sector that hit Indian economy during pandemic

8. Conclusion

Most international interactions are anticipated to experience significant changes in the economic environment following COVID-19. India needs to establish its proper place in the emerging global economic system. India should be given every opportunity to draw in investment so that it can play a significant part in global supply chains. India's foreign exchange reserves decreased significantly by US\$48.7 billion between the end of October 2021 and May 13, 2022. Up to 2028, India is anticipated to have the fastest rate of growth in the medium term. Its rate of growth is anticipated to be significantly higher than both China's and the global average. Overall, this survey analyses on a framework of different sectors and its market strategies towards the Indian economic growth.

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Author's Biography

Mr.R.Sathyanarayanan has teaching experience for five years in Madras University affiliated colleges and Jain (Deemed-to-be-University) in Bengaluru. He has experience in the Industry for four years. He was the Assistant Professor of the Department of Corporate Secretaryship (Shift-II) in Dwaraka Doss Goverdhan Doss Vaishnav College, Chennai. He worked as a member in NAAC 5 criterion – sub criterion – 5.1.3 – Capability and Skill Enhancement activities includes Soft Skills, Language and Communicative Skills, Life Skills (Yoga, Physical Fitness, Health and Hygiene), Awareness of trends in Technology. He is also an Alumni Member of Loyola College, Chennai, where he completed his M.Phil. (Commerce). He is Preparing Question Papers and Scheme of Valuation under the Disciplines of Management and Commerce for Central Universities, State Universities, Deemed-to-be-Universities and Degree Colleges. He is currently pursuing his Ph. D. in Department of Commerce, Annamalai University, Chidambaram. His broad area of Research and specialization is Human Resource Management. Totally he has published 11 papers under the broad spectrum of Human Resource Management, in which 3 papers are published in the UGC-CARE Listed Journal such as Journal of Emerging Technologies and Innovative Research in the year 2019 with 5.87 Impact Factor and Journal of Education, Rabindra Bharti University in December 2021, 1 paper in the SCOPUS listed Journal in 'Journal of Positive School Psychology' in May 2022 and remaining 7 papers have been published in the International, National Conferences, Guru Nanak Journal of Multi-Disciplinary Research, Shanlax International Journal of Arts, Science and Humanities, ESN Publications and Business Studies Journals in the peer reviewed journal with ISSN Numbers.