

THE EFFECTS OF COVID-19 ON THE DIFFERENT SECTORS ACROSS THE GLOBE

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Abstract:

The COVID-19 pandemic was a one of its kind pandemics that shook the world, including various sectors such as healthcare, education, tourism, retail, and hospitality. This research paper aims to provide an analysis of the literature that has been published on the impact of COVID-19 covering the different sectors, using data and statistics from reputable sources like Statista. The paper begins with an introduction to the pandemic and its global impact, followed by a literature review of the effects on each sector. The review highlights the challenges faced by each sector, such as revenue losses, job cuts, and the shift towards online and digital platforms. The paper concludes by discussing the long-term implications of the pandemic on these sectors and the need for strategic planning to mitigate the effect.

The epidemic of Coronavirus has affected different sectors across the globe in various ways. While some sectors have experienced significant growth, others have been severely affected. This paper will examine the impact of Covid-19 on various sectors across the globe.

Introduction

A significant number of lives have been tragically lost as a result of the COVID-19 pandemic. The pandemic has tremendously influenced almost every aspect of human life. This study looked into the social and economic effects of the Corona pandemic on various industries, along with the environmental health implications and mitigation strategies. The latest pandemic information and subscription services were inaccessible to the elderly and disabled due to contemporary technology. Not an exception is the education industry. The theoretical notions were made up for online learning tools. However, this pandemic has a huge negative impact on practical learning.

Global economies were negatively impacted by COVID-19, which had a significant influence on all the sectors be it commercial, private or government. From March to December 2020, there were 84% fewer foreign visitors than during the same period the previous year. A slight recovery in the tourism sector, particularly in Mexico and the Caribbean, has been observed following the relaxing of COVID-19 vaccination requirements and limitations. In more globally integrated nations, there is a very high likelihood that travel restrictions will be put into place. However, due to the stress of the economic crisis, some states were not given the true data of the COVID-19 epidemic. Social globalisation has a lasting effect on how policies are carried out. Despite the detrimental effects on society and globalisation, COVID-19 offered a better setting for enhancing environmental health. Carbon emissions have significantly decreased as a result of human lifestyle changes. However, handling water and medical wastes, such as gloves, masks and other items, requires effective and efficient techniques (Kumar et al., 2021).

The article on “The Global Economic Outlook During the COVID-19 Pandemic: A Changed World” outlines that Covid-19 was not just any disease but a major pandemic that spread

across almost every part of the world effecting millions and millions of people. It effected individuals, businesses, economies at large and all this while the world seemed to be collapsing due to the death toll. The 2020s Global Economic Prospects gives a clear picture of how the pandemic has some immediate effects that have lasted for years. “Using market exchange rate weights, the baseline prediction projected a 5.2 percent decline in global GDP in 2020—the worst downturn in decades” (World Bank Group, 2020).

There were major long-term effects of the pandemic due to loss of life, jobs, financial stability, mental health and much more. The internal supply and trade networks were disintegrated which led to massive shortages in the supply of even basic necessities. It was predicted that due to the Deep Recession, by 2020, most nations will face a major power and economic loss, with the biggest percentage of nations since 1870 experiencing a decline in per capita GDP. To add to the global panic, “the pandemic and containment measures resulted in an unprecedented decline in oil demand and a spike in oil prices” (World Bank Group, 2020).

The above research reveals that pandemic had a lasting impact on all sectors across the globe. The paper further outlines the impact on every major sector and the way forward.

Impact of Covid-19 pandemic on various sectors

Impact on Healthcare Sector

The healthcare sector has been leading from the front in the fight against Covid-19. The pandemic has resulted in an increased demand for healthcare services, including testing, treatment, and vaccines. At the same time, the sector has faced numerous challenges, including shortages of medical equipment and personnel. The healthcare sector faced massive pressure in terms of discontentment amongst the population which resulted in low revenue. Despite the illness, people preferred staying home than visiting a doctor, which highly impacted the healthcare facilities. They faced huge losses as the elective procedures were postponed and patient inflow was extremely low. As of 2022, the global healthcare industry was expected to lose \$2.4 trillion in revenue in 2022 due to the pandemic. (Statista, 2022).

The impact of Covid-19 was deeply studied by researchers, and it was anticipated that the worldeconomy will witness a decline by -3% in 2020. These statistics revealed that the decline would be worse than the 2008-2009 financial crisis that had shook the world. The researchers further predicted that once the pandemic subsides, by the end of 2020, the global economy would once again pick momentum and rise by 5.8% in 2021 based on the policy regulations put in place to accelerate the economy at large. It is essential that effective policies are formulated for all sectors including the healthcare sector, to ensure that the long-term welfare of people is kept in mind. Policy makers need to ensure that the policies formulated are at par with the monetary, fiscal and financial market measures. This will ensure that the impacted families are well supported along with domestic firms as the impact of such pandemics can be highly intense and long-term. Strong multilateral collaboration is also necessary on a global scale to combat the pandemic's consequences, including assisting financially strapped nations dealing with simultaneous health and funding crises and directing aid to nations with poor healthcare systems (IMF, 2020).

Impact on Education Sector

The education sector has been one of the most affected by the COVID-19 pandemic. Schools and universities around the world have had to shut down temporarily, and students faced a transition to online learning. The shift to online learning has created numerous challenges, including access to technology and reliable internet connections. The pandemic has also led to significant disruptions to academic calendars, with many institutions delaying or cancelling in-person classes.

The global e-learning market is expected to reach \$543 billion by 2026, up from \$258 billion in 2020, due to the continued shift to online learning. (Statista, 2022). In 2021, the pandemic caused school closures in 194 countries, affecting 1.6 billion learners. (UNESCO, 2021)

Impact on Tourism Sector

The COVID-19 pandemic has indeed presented unprecedented challenges to the tourism and hospitality industries worldwide. The highly contagious nature of the virus has resulted in widespread travel restrictions, lockdowns, and social distancing measures, which have significantly impacted the sector. The pandemic's impact on the tourism sector is expected to continue for an extended period, with many countries imposing travel restrictions and social distancing measures.

As of 2022, the global tourism industry was expected to lose \$2.4 trillion in revenue due to COVID-19 (Statista, 2022). International tourist arrivals decreased by 81% in 2021 compared to the pre-pandemic year of 2019. (UNWTO, 2021)

Kaushal & Srivastava (2021) did an extensive study on the topic and outlined that there were two main challenges that the tourism industry faced. The first one was the difficulties that the tourism industry faced during the lockdown and the second one was the learnings and outcomes for the industry. The industry could succeed basis on the additional skills that the employees presented during the time. It was important how employees behaved in a particular environment and managed the critical situations during the pandemic. The employees who were able to showcase multitasking skills, helped the tourism sector to flourish. Those who exhibited crisis management and technological skills were able to sustain their jobs in the industry. Thus, the managers need to be more prone to the changing norms and ensure that the employees who can exhibit additional skills are hired. The impact of Covid-19 on the tourism industry has helped the industry be prepared for the evolving environment.

Impact on Retail Sector

The retail sector was equally affected by the Covid-19 pandemic, with many stores and shopping centers closing temporarily or permanently. The pandemic has had a significant decline in consumer demand for non-essential goods and services, resulting in reduced revenue for retailers. The shift towards online shopping has accelerated due to the pandemic, with many consumers opting to purchase goods online rather than in-store. The pandemic was suspected to have an ongoing impact on the retailers which would lead to several struggles for those trying to make it through the tough market conditions.

Data suggests that “the United States, e-commerce sales increased by 25% in 2021 compared to the previous year due to the pandemic”. (Statista, 2022). “In 2021, the global retail industry experienced a \$1.7 trillion loss in revenue due to Covid-19”. (Statista, 2022)

Impact on Hospitality Sector

The hospitality industry was the worst hit by the pandemic as numerous hotels, food outlets, fancy stores, bars came to a stand still and were forced to shut down. There was a wave of fear and mistrust amongst the population which led to a low to zero demand of hospitality services during the time. Pandemic also resulted in a new work culture wherein work from home became the new normal which further led to the downfall of the hospitality industry with several renowned hotels, restaurants, bars, etc., closing permanently or temporarily.

The hospitality sector has been one of the hardest hit by the COVID-19 pandemic, with many hotels, restaurants, and bars closing temporarily or permanently. The pandemic led to a decline in consumer demand for hospitality services, resulting in reduced revenue for businesses in the sector. The shift towards remote working and social distancing measures has also impacted the hospitality sector, with many businesses struggling to adapt to the changing market conditions.

In 2021, hotel occupancy rates in the United States increased by 19% compared to the previous year but were still below pre-pandemic levels. (Statista, 2022). In the United Kingdom, the number of jobs in the hospitality sector was 23% lower in June 2021 compared to the pre-pandemic year of 2019. (Statista, 2022).

Impact on the Event Management Industry

M Gajjar & J Parmar (2020) in their study explain how the global epidemic COVID-19 affects the Indian event management industry. Event management is crucial to the socioeconomic advancement of any nation. It is one of the most important sources of employment for both urban and rural populations. It has been accepted for more than 20 years that the event and activation industries have grown enormously. The second-largest wedding market after the USA, weddings are a significant industry in India and may be categorised under social events. It is predicted that the market will be worth \$40–50 billion. It may be claimed that event tourism, including MICE tourism, is mostly linked to business travel and is fast growing throughout India. By 2021, it was predicted that this industry will surpass Rs. 10,000 crores which faced significant obstacles and is anticipated to suffer a loss of Rs. 1 lakh trillion, according to the Leading Association and Experts. Thus, the Corona Virus Disease 2019 pandemic has had a significant negative impact on the world economy.

The Indian economy is expected to grow at a very low rate, according to the Federation of Indian Chambers of Commerce and Industry and an international cooperative audit body. The government and support from local organisations are expected to help the industry rise above the crisis, which either directly or indirectly affects the event business. It is difficult to accurately assess the loss because the event industry collaborates with and works under numerous departments and organisations, including tourism, transportation, hospitality, entertainment, marketing, MICE, food and beverage. The pandemic effect has left a lasting impression on people's mindset in terms of travel anxiety and public gathering anxiety.

Madray (2020) in his study reveals that COVID-19 has an effect on both national and international economy, in addition to having an effect on human health. “The \$1000 billion event planning and management industry is one of the most severely impacted by this pandemic since it caters to individuals who come in large numbers to celebrate an occasion.” The study demonstrates the various effects of COVID-19 on the event management sector. To move forward with their businesses in the post covid world the event sector has been

exploring alternatives and focused on providing experiences that help the people explore freely beyond the covid inhibitions. Strict protocols were put in place to help people feel safe in their stays and journeys to new places. Technology played a critical role to help connect people through virtual events and seminars. Artists gained momentum in their work through virtual concerts in collaboration with the event industry. Social media initiatives drew huge people attention and helped them feel connected with the events of the world.

However, it's important to note that virtual events may not fully compensate for the revenue generated by in-person events. The live experience and the associated economic benefits, such as travel, accommodation, and local spending, are difficult to replicate in a virtual setting. The monetary support from small and big sponsors became important for the survival of the industry.

Government and private institutions stepped in to offer support through grants, collaborations, loans, etc., that helped the industry a great deal. To add to the support sponsors also pitched in a mutual gain collaboration to drive the sector and keep the people engaged and entertained.

As the situation evolves, it is important for the event management sector to continue exploring new strategies and adapting to the changing landscape. Hybrid events, which combine virtual and in-person elements, are becoming increasingly popular as a way to bridge the gap between physical and virtual experiences. The industry will continue to rely on the support of sponsors, governments, and creative approaches to ensure its recovery and long-term sustainability.

Impact on IOT (Internet of Things) Technology

Beyond health care, it has been discovered that the COVID-19 epidemic also had an effect on the Internet of Things industry. IoT devices and gadgets are used to track people's health data, movement, growth rate etc. This helps in solving health related issues along with helping in other areas such as keeping a record of an individual's tracking history. "Mobile devices can be used to track down the impacted person's contacts by looking at their travel history's geo-map. This will stop the spread and return the economy to its pre-crisis state. These crucial circumstances demand strong and effective governance in the fields of health, business, government, and larger society due to the uncertainties of a new recession and economic crisis" (M. et al., 2020).

Impact on Print Media

According to the World Association of Newspapers and News Publishers, Indian publications were apparently fighting for customers and suffering significant losses. Exclusion from the physical and social world has an influence on direct advertising sales as well. Many rumours and misleading claims regarding the Coronavirus were uploaded on the internet as a result of newspaper companies suffering considerably from distribution to promotion.

The dread of being stopped by police caused delivery people for newspapers or street sellers to remain inside. According to Saching Kalbag's (2020) tweet, strict laws intended to curb the spread of the hazardous Coronavirus made it difficult for newspapers to be distributed alongside their distributors, which resulted in Hindustan Times not being physically present in Mumbai. The halt in the lockdown's propagation was mostly caused by the suspension of newspaper distribution. As a result, there was a disruption to all national publications.

Since a huge number of legally registered newspaper editors did not have a reliable printing machine and produced their publications themselves, regional media outlets were entirely shut down at that time. Despite the fact that people were obtaining content via digital and internet-based resources that were available online.

Due to the decline in traffic, print media was suffering, thus the Indian federal government declared and included them on the list of essential services. The Ministry of Information and Broadcasting also provided strategies for ensuring the pandemic-proof functioning of print and digital media.

Newspaper firms were already having a difficult time because of too high production costs before the outbreak. Small and medium sized media organisations struggle to physically print newspapers because of a lack of financing. Print used to be a significant source of advertising in the country, but huge profit margins indicate that digital forums may overtake it by 2020. The Generation Y preferred looking for material and information on digital devices like tablets, laptops, and smartphones as the epidemic gained momentum. India's newsprint industry had trouble keeping readers for both daily paper editions and online news websites. According to Yash Porwal (2020), the national government's raised custom fee and the high cost of manufacturing were putting pressure on India's newsprint business.

The psychological effects of the epidemic on people were just a further blow for the newspaper industry as the future of the sector was already in doubt. The ability to cope well with difficulties, adversity, and uncertainty is a quality known as mental resilience (Connor & Davidson, 2003). Lockdown, social alienation, and physical remoteness have all dramatically increased loneliness, despair, suicide ideation, and other mental health difficulties (e.g., Killgore et al., 2020). People are struggling to manage their worries of getting sick and dying, and this worry is pushing stress levels over the point at which it becomes difficult for them to remain flexible in their thinking (Chen & Bonanno, 2020; Wan, 2020).

The COVID-19 outbreak brought forth a completely new level of challenges, doubt, and terror for the populace. Along with the sharply growing mortality toll, there was a toll on the population's emotions, behaviours, and psychological health. Prevention strategies including confinement, isolation from society, and social distance had an influence on the population's conduct and led to psychiatric diseases. Dread, worry, despair, and thoughts of committing suicide were only a few of the mental and emotional disorders brought on by the epidemic and the protective measures put in place. These concerns turned into excuses for individuals to refuse newspapers delivered to their home. The report details the different psychological variables that impacted newspaper reading and distribution in India.

Conclusion

COVID-19 will always be remembered as one of the worst nightmares for mankind. While most of the sectors faced huge setbacks, there were also some that could make profits out of the situation, for instance the healthcare sector was at a rise due to the huge need of medical facilities during the time. However, the impact of the pandemic will continue to impact the world for an extended period and businesses are trying to overcome these. Several institutions were also completely shut down which was a major setback for the people. Governments on the other end extended support in terms of both new policy formulations and financial support to help the economical slowdown and also help people overcome the major monetary losses.

Job cuts, losses and major shifts towards digital media were some of the major challenges that people had to face during the pandemic. One major outcome of the pandemic was that people today have adapted to the digital and social media platforms and have adapted this as an integral part of their lives. The long term impact of the pandemic shutdown is that today governments and policy makers focus on developing futuristic and adaptive strategies for any such future calamities.

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