

Emerging Issues in the Indian Marketplace: Post COVID-19

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Abstract

India is the most popular democratic, the second most populated, the third-largest economy and the seventh- largest country by area in the world, has taken giant strides in the last few decades. But in between we cannot forget everyday issues which continue to pose hurdles in the process of our nation. As the corona virus infection is spreading and risking the lives of people globally, it has also created a deep economic distress. As some businesses struggle to stay afloat, most Indian companies have seen the revenue and profit impacted amid the Covid-19 pandemic, but the impact is different across sectors. The recent COVID-19 pandemic has proved to be a game-changer for the majority of us. It has changed the way we behave and perceive things. Many of our habits have changed. We are experiencing a new world altogether. This unexpected and adverse shift in habits and mindset has impacted the economies heavily. As the country eases lockdown in some parts even with a sufficient stimulus package, only partial uplifting of the lockdown is granted mid- May, so, there are still atleast 32 million jobs at risk in India as per a report by McKinsey & Company. The report says that the cost of stabilizing and protecting households companies and lenders could exceed \$130 billion. India's vision to convert this crisis into an opportunity is going to prove influential as we become more self-reliant. This paper speculates the Indian marketplace post COVID-19 and highlights the emerging issues along with management strategies related to marketing and operations in order to handle them.

Keywords: COVID-19, Global Marketplace, Economic System, Market stability, Pandemic

Introduction

The world is suffering from covid-19 pandemic. The originating center of this virus was Wuhan, a city of China. The virus was spread from Wuhan to the world. India is also one of the suffering countries. Due to covid-19 pandemic Indian government was forced to lockdown the nation that cause so many issues for almost all kind of sectors. Shutting down everything may cause the unexpected circumstances in every front. Adopting new management strategies can minimize the damage. The world came crashing down with the dropping GDPs, Stagnant growth, Locked Industries and The deserted streets, With no sign of Human life, The courtesy: Lockdown in several countries.

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With the world Economy jumping to its lowest and major Countries who have been the Exporters for nearly half of the essentials, have closed their boundaries. The time is spinning and the bad phase is coming to the scene. The Business world has been in a turbulence of unprecedented losses and the sight of Desolated roads and sealed industries due to the situation prevailing around the globe and in India, is Disheartening. The India being 5th largest Economy in the World and eagerly moving towards the Trillion number, The facing of such a dip in it's Economic Barometers will surely be heavy to heart. The Different sectors of the Economy have been under trial for various scenarios but never tested for such Shutdown phase.

The Primary Sector of The Indian Economy, Ranking Agriculture, The farmers at the top, the other Resource using jobs are towed behind, Few examples are Fishery, Forestry, Horticulture etc. The Agriculture alone bears above 70 % of the Indian Population and feeds them, though a meal a day being the average. The Global rampant have led the farmers go sell their products at lower rates, Below the support price and a lose of yield for farmers, due to non harvesting. Some likely to store their harvest, rather selling and others concern about missing out a meal. All these the result of Survey conducted by The Public Health Foundation of India(PHFI), Harvard T H Chan School of Public Health and the Centre for Sustainable Agriculture (CSA, Hyderabad), covering 1,429 agricultural households in 200 districts. Even with no ceremonies, and Public Gatherings the Floriculture is being vastly hit for the Monetary loss and the Crop. The Newspaper reports bring out the Farmers losing the blooming Fragrance to heat and the beautiful flowers dying with each passing day, Making their livelihood suffer for the worse.

Emerging Issues of Covid-19 in different sectors of Indian economy

Food Sector

The back bone of the food sector is a vast agricultural environment where India is the biggest producer of pulses, and the second biggest producer of rice, wheat, sugarcane, and fruits and vegetables. In a post COVID-19 world, the banner 'Maakehaathkakaana' has changed to 'GharkaKhaana' but at the bottom of the message lies the ultimate truth, i.e. freshly made meal with healthy food ingredients. Many schools of thoughts argue that the food behaviour might change aggressively. However, there is an element of life cycle attached to every product/behaviour we adopt in each passing phase ergo such behaviour is bound to either mature, decline or grow. So, the emerging issues are a new market space where products will have to be in the right place at the right moment. Now one can also connect this lifecycle to a BCG Matrix against its product and decide which behaviour would correspond to a Star, which will milk the business. and which products would decline towards the silent child or an innocent dog. For the retail food service market the Gen Y and

Z has already shown and proven a heightened sense of responsibility and hygiene towards what and how they consume by rejecting much of unhealthy food consumption behaviours of Indians such as quantity over quality, no respect for presentation, and compromised ingredients used in food preparation. The leniency has been more towards renowned brand names where the consumer feels assured of the quality and source of the material as well. Therefore, demand is bound to increase for the agro processed food section now more than ever because of their invested interest towards what people consume. If we take a deeper look towards ingredients of processed food, there are fruits, vegetables, dairy, livestock, meat, etc which are all perishable items. In order to meet, capture these emerging opportunities and issues a healthy supply chain management is of prime importance with an integration of total quality management principles augmented with coronavirus proof techniques. Healthy eating and healthy living are the new normal about which most organizations are speaking irrespective of their earlier brand beliefs and notions.

Once implemented the food environment will be looking to serve a consumer base that is extremely health and virus free conscious, and moving towards healthy ingredients. Studies in past have shown that transitional factors such as awareness about water hygiene gave birth to quality-conscious customers who made the bottled water market a multi-million-dollar industry therefore the F&B industry would also do well to adopt such global standards of quality and safety to earn more consumer trust.

Travel& Tourism Industry

Post COVID-19 the travel and tourism industry have major concerns and issues. This sector faces widespread financial breakdown due to restrictions on travel and tourist inflow. The fear of the virus looms on the minds of people.

Road travel in India, is managed largely by the unorganised private players where profitability depends on the quantity of tourists or travellers in each luxury coaches, sleeper buses etc.. In the post COVID-19 world, the frequent sanitisation of the vehicles, crew along with social distancing norms have played havoc with profitability of this sector as no funds are available. The new cost of operations in India are higher since very few operators implemented SOPs in pre COVID-19 situation. In post COVID-19 India, a greater number of buses or even double decker buses based on a product modification strategy can cover a fraction of the operating cost as a temporary measure if adopted collectively.

The Indian aviation sector cut down on operating time by collecting all disposables during the flight. However, with added sanitization time for aircrafts before each flight has created issues of route management and scheduling. The increased time for passenger checking at the airports post COVID-19 has led to lesser aircrafts operations and frequent cancellations. The industry already lost its major funding due to prolonged ban on travel. It now needs neo techniques of demand equalization combined with lean processes and longer routes with more transit destinations. This may cover more destinations before the

scheduled sanitization of the aircraft which means a higher turnover of passengers per flight.

Hospitality Industry

Post COVID-19, the hospitality sector has undergone a major setback. Most of official tours are restricted or avoided with tourists and travellers deferring till routine surfaces. The luxury hospitality will require new sanitization measures where fogging machines will be required for vehicles, halls, lobbies, rooms toilets and other open contact areas. Sanitizers, masks and wipes for guests will be required at each entry point. In addition to this thermal temperature monitoring has to be done before entering the lobby. Housekeeping amenities and mini-bar items shall be supplied only on request. Fewer dining options where in room dining will be encouraged instead of a buffet system. However, these steps are bound to decrease the stay experience exponentially which calls for a damage control approach by the industry. Hence hotels should manage their loyalty programmes more effectively and efficiently. In addition, a push selling strategy along with exclusive offers for loyal and potential guests has to be adopted so that they are phased into the new normal. The sector has to adapt to the mindset of the new skeptical but cash rich guest which will help them to get the guest's foot on the door. Word of Mouth Marketing can only happen if guests have positive memories to talk about. A top executive of a food delivery startup has claimed that 30-50% of the restaurants may permanently shut down in India. Leaving behind a huge vacuum. The only ones surviving, are the branded ones.

Education Sector

Digital education has experienced new growth in these periods. The education sector has stood up to the tides of change better than any sector has during the COVID-19 crisis. The credit for steady learning continuum goes to the institutions who were able to accord SOPs for online platforms for lectures, class presentations and even examinations. COVID-19 pandemic has transformed the centuries-old, chalk-talk teaching model into e-learning models that created a stress for low-income private and many government schools for not having access to e-learning solutions. The students, in addition to the missed opportunities for learning, no longer have access to healthy meals during this time and are subject to economic and social stress. This disruption in the delivery of education is billion dollars wake up call for relevant business houses in the field of education. The publishing houses have to adopt a solutions delivery strategy to deliver inclusive learning solutions, for the most excluded. With an exponential increase of mobile internet users in India, technology has enabled omnipresence and personalization of education through all corners in the country. This can change the schooling system and increase the effectiveness of learning and teaching, giving students and teachers multiple options to choose from. The sector should capitalize by enhancing their digital twins and use of broadcast media for e.g.: Institute specific radio channels or a personalised d2h channel.

Pharmaceutical Industry

Pharmacy is largely an unorganized sector in India. In a way pharma sector has capitalised on the power of the influencer exponentially before any other major sector. Post COVID-19 the sector observed a large over the counter sales of N95 masks, PPE kits and Sanitizers. However, this does not capture the lion's share in the market. In a pre COVID-19 era India has enjoyed a longstanding generic medicine leadership, both in domestic and global market. The impact of COVID-19 has created emerging issues.

This includes India's global standing in the pharma industry where it is seen to fulfil volume demands of generic medicine to countries like UK, USA, Japan and the European Nations where the active primary ingredient (API) is imported from China in order to attain a cost advantage. The cost of linkage with China and import dependencies account for more than 70% of the market. The fermentation route is already a captured market of China. A large dependency on the Chinese market creates resentment in a market which has reduced face value of Chinese good in light of COVID-19 Wuhan origin. The supply chain disruption is a major concern as the drugs related to cardiovascular health, diabetes, and tuberculosis are majorly dependent on the APIs supplied by China.

The first and foremost strategy to fight the root cause of the emerging issue in the pharma sector is managing the foreign direct investments to set up primary institutions with two goals, API manufacturing and R&D in order to capitalise on the existing demand from foreign markets. Secondly the management of the export drug market through Special Economic Zones (SEZs) policy is essential at this juncture. India is itself a consumer of many drugs being a diabetes and tuberculosis capital. This will give any private player a proactive advantage over others if the above management strategies are adopted. Rome was not built in a day, and therefore in lieu of an "Aatmanirbhar Bharat" these strategies can make India a robust drug manufacturer for the world. However, the recent ban and upliftment of ban on hydroxychloroquine drug export has sent a poor message to the international pharma community. Such flux in policies can be remedied using bilateral trade agreements by keeping the WTO in loop.

Fashion and Automobile sector

Apart from the sectors highlighted there are other sectors that have emerging issues and will require multi-pronged strategy to recuperate from the stress that COVID-19 has dented upon them. Fashion clothing sector has to wake up to augmented reality strategies by giving up trial rooms and adopting micro sanitisation strategies. The automobile sector has been bogged down since pre COVID-19 due to BS IV and BS VI norms. In the post COVID-19 world the stress on virus free travel can be a demand booster for use of individual vehicles and doing away with car-pooling and cabs. Moreover, the strategies for each sector have to be spread in immediate, midterm and long term so that a smooth post COVID-19 transition is achieved.

Conclusion

In this ongoing pandemic scenario, where no one knows when will this end there's eyes and heart full of fears which are thinking about how this recession and financial collapses will go and how will the economies will manage and survive in such a condition. This is a time which calls for resilient and strong leadership & faith in healthcare, business, and government. Government is trying their best by taking immediate measures to control the situation by announcing relief packages to be implemented and adjusted for those that may fall through the cracks. Economists are doing medium and longer term planning which is needed for economies to be rebalanced and re-energized from the economic slowdown. It's difficult to predict that when this pandemic is going to end. Till now no country has been successful to prepare vaccine for this. Scientists are trying to make vaccine worldwide. No treatment is possible but the social distancing will help to control the spread of corona virus. Working together with proper social distancing and precautions using mask, gloves and sanitizer can help the government and all different sectors to continue to provide high quality care while minimizing risk to ourselves and the public at large. We have been forced to adopt digitalization in our everyday life. These new habits have created new business opportunities but at the cost of huge economic losses. Enterprises had to adopt new normals and smartly diversify their operations. Other industries like workspace, real estate have also been impacted. In these adverse times, the role of decision-makers to implement smart and sustainable business models is very important.

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