

63. ROLE OF SOCIAL MEDIA IN SUSTAINING BUSINESS DURING CORONA VIRUS PANDEMIC

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ABSTRACT

Due to Corona Virus Pandemic (Covid-19), several countries across the world resorted to lockdowns in order to protect their people from getting infected from the virus. But these lockdowns confined millions of citizens to their homes restricting their mobility. Restricted mobilization resulted in shutting down businesses and ceasing almost all economic activities. According to the International Monetary Fund (IMF), the global economy is expected to shrink by over 3 per cent in 2020, the steepest slowdown since the Great Depression of the 1930s. Another analysis by International Monetary Fund reveals that demand in the manufacturing sector has gone down in many countries of the world that further resulted in unemployment. During the lockdown, an estimated 14 crore (140 million) people lost employment while salaries were cut for many others. More than 45 per cent of households across the nation have reported an income drop as compared to the previous year. Thus, Covid-19/ Crona virus outbreak has presented new and significant downside risks to the global economic outlook. In the case of India too, some economists revealed that during lockdown there is a job loss of 40 million people (MRD report) in the country, that's too in the

unorganized sectors. Moreover, with the advent of the lockdown most of the sector shifted their functioning online or work from home in order to sustain their working. During shutdown it is also observed that the digital world got a push, sale of mobile phones and related gadgets increased. The small as well as big traders, businessmen started using apps like watsepp, Face book, Twitter, YouTube, and Instagram, PayTM etc more frequently. Undoubtedly, social media has helped in sustaining economy and business during the Corona Virus Pandemic. The present research work is an effort to look upon the role of social media in sustaining business during lockdown. Data were collected empirically again with the help of social media. Results revealed that impacts of lockdown were different on different types of businesses.

KEYWORDS

Pandemic, lockdown, Covid-19, Unorganized sectors, Instagram.

INTRODUCTION

India is the world's fourth-largest economy by nominal GDP and the world's sixth-largest consumer market where more than 60% of its GDP is driven by domestic private consumption. The service sector makes up more than 55% of its GDP

and employs around 27% of the Indian workforce (Singh and Singh). The other 17% of GDP is contributed by manufacturing sector that absorbs 12% of workforce (Federation of Indian Chambers of Commerce & Industry, 2020). However, the outbreak of corona virus pandemic came as an utter shock to the humanity. Its sudden eruption put a break to the fast moving train of development. Implementation of lockdowns by all major global economies to prevent the spread of virus proved lethal to the businesses worldwide. Both demand and supply lines have badly been hampered by the lockdowns. Surveys conducted by various national and international agencies revealed that corona-virus pandemic is expected to cost \$1 Trillion to the world economy in the present scenario. All the major stock markets of the world witnessed almost 26% decline in their points, creating more panic amongst the investors thus making them to withdraw their money from the market.

The Government of India announced twenty one day countrywide lockdown in the last week of March to prevent the virus spread which was later increased many times. Strict implementation of this lockdown caused a big toll on Indian business. Almost every business activity came to a halt leading to significant loss to the businesses. A vast number of workforces in India are employed in unorganized sector. Due to social distancing, self-isolations and other safety norms every business has suffered and lead to significant increase in the rate of unemployment. According to CMIE Data, more than 122 million people in India lost their jobs in the month of April, 2020 and around 75% of them were small traders and wage-labourers (The Hindu, 2020). Another survey conducted by FICCI in collaboration with Indian Angel Network on 250 new start-ups reveals that 12% of start-ups stopped working

completely and 60% of start-ups are operating with disruptions where as 43% of them have cut the salaries of their employees by 20-40% over the period of April-June 2020. Production of goods stopped immediately as there was complete shutdown of industry in the month of April and May (National Statistic Office, Government of India). On the whole, the worst victim of Covid-19 pandemic in Indian business is Medium, Small and Micro enterprises (MSMEs). According to a survey conducted by "All India manufacturers association" 97 % MSMEs admitted that they are badly affected due to Corona Lockdown.

OBJECTIVE OF THE STUDY

The present research work focuses on the following questions of inquiry:

- What is the Business Scenario of Punjab?
- What is the spatial distribution of Industries in Punjab?
- What is the impact of Covid 19 on the business of Punjab?
- What is the role played by Social Media Platforms (Like Facebook, Instagram, Whats App etc.) in sustaining business during lockdown?
- What was the response of the customers towards the Social Media?

DATA BASE

Both primary and secondary data was collected for the present research work. Secondary data has been collected through various reports from Government of India, news paper/magazine articles, research papers and survey reports etc. Primary data was collected from different districts of Punjab through structured questionnaire which was prepared using Google form. Apart from structured questionnaire, interviews were also conducted through various social media platforms like watsepp video, phone calls etc. data were collected during the months of April, May and June, 2020.

INTRODUCTION OF THE STUDY AREA

Punjab, the land of five rivers, is located at the north-western part of India and is one of the most prosperous states of the country. Punjab is bounded on the west by Pakistan, on the north by Jammu and Kashmir, on the northeast by Himachal Pradesh and on the south by Haryana and Rajasthan. It is the 20th largest Indian state by area and comprises a total area of 50,362 square kilometres, which is around 1.54% of the total geographical area of the country. It is located between 29°30'N to 32°32'N latitude and 73° 55' E to 76° 50' E longitudes. It is the 16th largest state by population, comprising 22 districts. The state has made considerable economic progress after Independence and contributes nearly two thirds to the total production of food grains and a third of milk production in the country. It is the leading producer of wheat, thereby contributing to the national food security (<https://punjab.gov.in/know-punjab/>). Even though Punjabis account for less than 2.5% of the Indian population, they are one of the most prosperous races in India. Their per capita income is twice the national average The state's GSDP (in Rs) increased at a Compound Annual Growth Rate of 10.30 per cent between 2011-12 and 2020-21 reaching Rs 6.44 lakh crore (Meena,2020).

Paper is divided into following sections:

1. Business profile of Punjab
2. Impact of shut down (due to Corona Virus pandemic) on the Business of Punjab
3. Role of Social Media in Sustaining Business during Corona Virus Pandemic
4. Suggestions

1. BUSINESS PROFILE OF PUNJAB

Agriculture is the mainstay of Punjab's economy. However, the state is ranked amongst the top states of India for offering best infrastructure for setting up of any business.

The largest industrial towns of Punjab known as industrial hubs are Ludhiana, Amritsar and Jalandhar located on the National Highway 1 which provides them easy connectivity with the national capital New Delhi and other parts of the country. The other main towns, where industry has developed, are - Mohali, Patiala, Mandi Gobindgarh, Batala, Phagwara and Malerkotla. Hoshiarpur and Kapurthala are also important industrial towns of Punjab. Agro food processing, textiles, sports, auto parts, are the major types of industries working in Punjab. Apart from this tourism, handicrafts, service sector are the other emerging corners in the business map of Punjab. Simultaneously there is a big pool of small scale retailers, wholesalers, shopkeepers, vendors who contribute significantly in the Punjab business. Table1 gives a description of industrial towns of the city with their industries.

Table 1
Distribution of industries in Punjab

Name of industry	Name of city
Hosiery and Readymade Garments, Textile and Yarn Industry, Cycle and Cycle Parts, Sewing Machine Manufacturers, Diesel Engine and Parts	Ludhiana
Sports Goods, Sanitary Fittings, Leather and Rubber Industry, Printing Industry	Jalandhar
Packing Material and Machinery, Textile Printing	Amritsar

Name of industry	Name of city
Information Technology, Pharmaceuticals	Mohali
Diesel Engine and Parts	Phagwara,
Steel Rolling Mills	Mandi Gobindgarh
Combine Harvester	Patiala
Agriculture Implements, Electronic goods,Rice mills	Kapurthala
Paint and varnish,suger, Agriculture	
Implements,paper and paper boards	Hoshiarpur
Agriculture Implements,rice mills,soap and chemical products	Gurdaspur
Milk products, Agriculture Implements	Moga
Cotton spinning, Agriculture Implements	Mansa
Cotton seed oil,rice bran oil, Agriculture Implements	Faridkot
Cotton ginning and processing, Pharmaceuticals	Bathinda
Cotton ginning and processing, Agriculture Implements	Ferozpur
Source: Singh, 2014	

2. Impact of shut down due to Covid-19 pandemic on the Business of Punjab

India went into a lockdown on March 25, 2020 to prevent and control the spread of corona virus. The Constant fear of the pandemic has affected the public's mental well being and confidence; many have lost their incomes and have postponed their purchasing decisions. The sales have dipped as low as 10 per cent as compared to the sales before Corona virus. People are just buying essential items. There is no demand for non-essential items like hardware and other industrial products. Corona virus is haunting people and they are not coming out of their houses (Sehgal, 2020). Corona virus pandemic lead to the forceful implementation of lockdown hence broke the required continuity of business cycles. The contraction in economic activity and people's purchasing power, increased restrictions on the movement of workers and goods, and huge uncertainty have disturbed entire production

and supply chains and the demand cycle. All this have badly affected the state's economic activities. The state lost about Rs 1,200-1,700 crore of GDP per day during the initial days of lockdown (Mondal, April 23, 2020 and Business today, 2020). Almost all the industries in Punjab have been hit because of shrinking demand caused by corona virus and because of cancellation of orders from European and other markets (Economic times, 2020). Every industry be it Bicycle, Garment, Auto parts, Hand Tools have been hit hard due to pandemic. There is steep decline in demand of the products, leading factories to slow down their productions as well as to cut on the salaries of their employees and in certain cases shedding of the employees too. The lockdown has economically devastated several small-scale industries in the state, such as Jalandhar's leather trade. The three-month lockdown actually locked people's business. Before the lockdown, the raw hides were sold for Rs 500 per piece which is now sold as

Rs 40 per piece (Arora, 2020). Ludhiana and Amritsar, which are the thriving textile business hubs of the state, are on toes as the opening of these segments is facing total uncertainty. The collective turnover of the textile industry in Amritsar is between 7,000 crore-8,000 crore annually. The shutdown has its huge cascading impact on the trade. The complete closure of the wholesale and retail markets has dismayed the clothing sector, which is facing a bleak and uncertain future. The industry has already suffered a loss of not less than 2,000 crore. The light engineering goods industries in Ludhiana have slowed down their production capacities in view of the drop in demand. There is no customer for bicycles in the market as a whopping 50 per cent drop in sales is experienced by these units (Vasudeva, 2020). Similarly, other industries of the state such as Consumer electronics and appliances makers are facing financial slowdown as companies are forced to suspend manufacturing operations to contain the spread of the infectious corona virus. Analysts say the electronics sector was already grappling with supply constraints for the last two months and now will be impacted more due to a shutdown of manufacturing units in China. The travel & tourism sector and hospitality industry are facing one of the worst crises ever due to corona virus, impacting all segments – inbound, outbound domestic and international travel. The contagious nature of the virus has forced the Government to put severe travel restrictions in cities, including visa cancellations and border shutdowns which may force the industry into exponential slowdown. A survey conducted to assess the shopping trend after the relaxation of the corona virus lockdown on Indians in April 2020, revealed that a majority of respondents would go to the

nearby stores or markets to purchase items. In contrast, only 26 percent decided to use the e-commerce sites for purchasing items beyond the essentials list (Jaganmohan, 2020) indicating that people seems to have postponed their non-essential purchase. According to another survey about visiting restaurants after the lockdown relaxation in India in May 2020, about half of the respondents had the fear of catching the virus from the restaurant and also did not want to spend on eating out (Jaganmohan2). The most adverse impact of lockdown is 'returning migration' from Punjab to their home states. Nearly 80% of migrant labour has returned to their state during lock down. Most of the industries in the state are labour-intensive industries. Neither is it feasible for industrial units to start operations without sufficient work do not force nor do they have the facility to provide shelter to the workforce. However, it is also felt that the impact of Covid-19 would result in more unemployment rather than labour shortage (FP Staff 2020 and First Post, 2020).

3. ROLE OF SOCIAL MEDIA IN SUSTAINING BUSINESS DURING CORONA VIRUS PANDEMIC

Under such challenging circumstances social media emerged as a saviour to many businesses. Both big and small entrepreneurs used social media to reach their customers and to provide them with the required products and services. The covid-19 pandemic is changing the way we consumed media and entertainment (M&E) earlier. With people confined to their homes, social media emerged as a supportive friend. According to the results of a survey conducted during the first week lockdown, the rate of social media consumption had gone up by almost 75 percent compared to the week preceding the lockdown. Overall,

it was seen that people spent more time browsing the internet, whereas radio and out of home billboard media consumption had drastically dropped in the measured time period (Keelery, 2020).

A survey was conducted by the authors to study the 'Impact of shut down on the Business of Punjab and also to access the role of Social Media in Sustaining Business' during this period. Primary data was collected randomly from different districts of Punjab through structured questionnaire. Information was gathered from people involved in some sort of business, ranging from small stores located in residential area to small/medium/large industrial units. Data was collected from total 150 respondents. Results clearly indicate (Appendix-1) the rising discontentment amongst the businessmen (both small and big) due to loss of income and returns during lockdown. Major findings of the survey are as followings:

- Majority of business in the country as well in the state of Punjab locked down or blocked and went in great loss during Lockdown period and still feeling the heat of it.
- However, business of essential goods and services (groceries, medicines, health care) earned good profits during lockdown.
- Small and medium stores especially those located situated near the residential areas earned good profits because of their easy accessibility.
- Of all the businessmen surveyed for the present research work 57% were of less than 40 years of age, 26% in the age of 41 years to 50 years and 14% in the category of 51 years to 60 years.
- As far as education is concerned majority of the businessmen (40.66%) were educated up to 12th standard, 38% were graduates while 20.66% businessmen were post graduates or above.

- To substantiate the thrust of the study researchers tried to include distinct business owners in this research work. 18% participants owned a departmental store, 24.4% owned a bakery, 30.4% were from the business of clothing, 15.2% owned a grocery store while rest of the 12% included traders from the field of medicine, saloons, restaurants, factory owners or owners of factory outlets etc.

- Almost 83% of businessmen admitted that they suffered significant losses in their business since lockdown while 11.33% businessmen said they earned profits and 6 % had no impact on their business. Businessmen who earned profit were the suppliers of essential services like groceries, health care, medicines etc.

- Businessmen those owned stores near residential areas were positively impacted in lockdown period. During interview they revealed that demand of essential grocery increased and they earned profit.

- 64 % said that their Business were also blocked and started after 2 months of Lockdown period while 28 % said it was started after 1 month. 8% businessmen whose business never stopped in the lockdown were also either grocery shops or essential item vendors such as vegetable, fruit and milk and milk products suppliers.

- Social media emerged as a significant tool for business promotion during Corona lockdown. Many businessmen used social media to reach their customers and also got average to good response for their social media posts. Both small and big businessmen realized the potential of social media as a potential marketing tool.

- 62% of businessmen admitted that social media has the potential of promoting one's business.

- 34% of businessmen actually used social media to promote their business during lockdown.

- Although phone calls were the most popular tool to reach the customers but whats app and Instagram also made their mark. However, 35% businessmen find whats app as more convenient and user friendly than phone call and instagram.

- 68% of businessmen admitted that they received average response towards their business for their social media advertisements while 67% businessmen said that they received orders through their facebook and whats app connections.

- 43% businessmen said that social media helped them in sustaining their business during lockdown either completely or partially.

SUGGESTIONS

√ As there was massive drop in demand for industrial products due to corona virus scare, there is an urgent need of relief in the shape of deferment of payment of the goods and services tax, cut in the bank interest rate and immediate release of the tax refund to stay afloat in the time of crisis.

√ Industrial workers, Labourers, people with small business must be provided direct and indirect monetary benefits. For workers in the informalised sectors, particularly migrant labourers, Governments must explore social policy measures and employment opportunities that can protect them from hunger and extreme poverty and must provide them direct and indirect monetary benefits so they come back to their work places.

√ There is a need to expand the public sector, regulate the private sector and give work/employment to those willing to work.

√ Furthermore, the companies have to explore newer distribution channels such as 'direct focus on a consumer' route. But shoring up the customer relationship while focusing

on the bottom line will be more challenges for a state like Punjab.

√ Although social media has emerged as a dormant contraption for business marketing but still a lot of awareness need to spread amongst the masses about its use and benefits.

√ Social media has revolutionized the process of customer and sender interaction.

√ Businessmen can keep a separate budget for social media advertising to promote their products.

√ There is lack of confidence amongst the customers that's why orders are less in comparison to the posts so proper advertisement is needed in this regard.

√ There is a need is to build the trust of both vendors and customers on various social media platforms.

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