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## **Impact of Pandemic on the Retail Industry of Gondia District**

**Dr. Ramlal Mansaram Gahane**

Jagat Arts, Commerce and Iniraben Hariharbhai Patel Science College, Goregaon, District - Gondia

### **Abstract :**

Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. It accounts for over 10% of the country's gross domestic product (GDP) and around eight% of the employment. India is the world's fifth-largest global destination in the retail space. The COVID-19 pandemic had impacted across the globe and also on the Gondi District. The retail industry has fulfilled the demands of customers of Gondia district. This paper focuses on the various impact of pandemic on the retail industry.

*Keywords : retail industry, pandemic, economy*

### **Introduction :**

As entire countries come under quarantine orders and consumers around the world start to shun human contact, retailers are scrambling to adapt. They recognize the global response to the novel COVID-19 virus will have a significant impact on their business. They understand the situation is changing daily. And they know they have little time to respond.

Over the two years, we have been talking with all our retail sector clients about the impact this pandemic may have on their business. More importantly, perhaps, we have been helping them think through how to prepare for the longer-term implications and remediate the shorter-term shocks.

Our conversations suggest there are five key areas where retail execs should be focusing their attention in today's highly-fluid social, economic and health environment.

If we've learned anything from previous recessions, it's that they expose existing weaknesses, accelerate emerging trends, and force organizations to make structural changes faster than they had planned. This is particularly true in retail. During the great recession of 2008–2009, e-



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commerce grew, and brick-and-mortar retail declined. As the economic recovery took hold, that trend continued while off-price, discount, and emerging players succeeded by appealing to new consumer demands.

We expect a similar pattern to follow—albeit with new trends shaped by a pandemic-driven global recession. Of course, certain truths remain: Retailers struggling before COVID-19 will likely see their declines accelerate. Income disparities will drive continuing business toward off-brand and discount retailers, and online shopping will continue to accelerate.

But we also see several other potential trends shaping the COVID-19 era retail environment:

Product mix will likely change, and retailers will need to forge new partnerships to thrive.

Consumer-retailer interactions will be defined by health and safety expectations.

Demands for convenience will drive even more contactless transactions.

Retailers will depend meaningfully on the trust they have with consumers and other stakeholders.

What is clear: Retail orthodoxies will be challenged, and the industry will likely look much different than when we entered this crisis. For now, the picture may appear bleak. But retailers who grasp the challenge and join the gathering trends could well emerge stronger and provide a brighter future for employees, customers, and stakeholders alike.

### **Pandemic :**

A pandemic is an epidemic of an infectious disease that has spread across a large region, for instance multiple continents or worldwide, affecting a substantial number of individuals. A widespread endemic disease with a stable number of infected individuals is not a pandemic. Widespread endemic diseases with a stable number of infected individuals such as recurrences of seasonal influenza are generally excluded as they occur simultaneously in large regions of the globe rather than being spread worldwide.

The COVID-19 pandemic, also known as the coronavirus pandemic, is an ongoing global pandemic of coronavirus disease 2019 (COVID-19) caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The novel virus was first identified in the Chinese city of Wuhan



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in December 2019; a lockdown there and in other cities in surrounding Hubei failed to contain the outbreak. The World Health Organization (WHO) declared a Public Health Emergency of International Concern on 30 January 2020, and a pandemic on 11 March 2020. Multiple variants of the virus emerged, led by the Alpha, Beta, Gamma, Delta and Omicron variants. As of 19 December 2021, more than 274 million cases and 5.35 million deaths have been confirmed, making the pandemic one of the deadliest in history.

COVID-19 symptoms range from none to life-threatening. Severe illness is more likely in elderly patients and those with certain underlying medical conditions. COVID-19 is airborne, spread via air contaminated by microscopic particles. The risk of infection is highest among people in close proximity, but can occur over longer distances, particularly indoors in poorly ventilated areas. Transmission can also occur, albeit rarely, via contaminated surfaces or fluids. Infected persons can remain contagious for up to 20 days, and can spread the virus even without symptoms.

Vaccines have been approved and distributed in various countries. Mass vaccination campaigns began in December 2020. Other recommended preventive measures include social distancing, wearing face masks in public, ventilation/air-filtering, covering one's mouth when sneezing or coughing, hand washing, disinfecting surfaces, and quarantining those who have been exposed or are symptomatic. Treatments focus on addressing symptoms, but work is underway to develop antiviral medications. Governmental interventions include travel restrictions, lockdowns, business closures, workplace hazard controls, testing protocols, and tracing contacts of the infected.

The pandemic triggered severe social and economic disruption around the world, including the largest global recession since the Great Depression.[6] Widespread supply shortages were caused by panic buying, supply chain disruption, and food shortages. The resultant near-global lockdowns saw an unprecedented decrease in the emission of pollutants. Numerous educational institutions and public areas were partially or fully closed, and many events were cancelled or



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postponed. Misinformation circulated through social media and mass media, and political tensions intensified. The pandemic has raised issues of racial and geographic discrimination, health equity, and the balance between public health imperatives and individual rights.

The COVID-19 pandemic has led to a dramatic loss of human life worldwide and presents an unprecedented challenge to public health, food systems and the world of work. The economic and social disruption caused by the pandemic is devastating: tens of millions of people are at risk of falling into extreme poverty, while the number of undernourished people, currently estimated at nearly 690 million, could increase by up to 132 million by the end of the year.

Millions of enterprises face an existential threat. Nearly half of the world's 3.3 billion global workforce are at risk of losing their livelihoods. Informal economy workers are particularly vulnerable because the majority lack social protection and access to quality health care and have lost access to productive assets. Without the means to earn an income during lockdowns, many are unable to feed themselves and their families. For most, no income means no food, or, at best, less food and less nutritious food.

The pandemic has been affecting the entire retail system and has laid bare its fragility. Border closures, trade restrictions and confinement measures have been preventing farmers from accessing markets, including for buying inputs and selling their produce, and agricultural workers from harvesting crops, thus disrupting domestic and international food supply chains and reducing access to healthy, safe and diverse diets. The pandemic has decimated jobs and placed millions of livelihoods at risk. As breadwinners lose jobs, fall ill and die, the food security and nutrition of millions of women and men are under threat, with those in low-income countries, particularly the most marginalized populations, which include small-scale farmers and indigenous peoples, being hardest hit.



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### **Retail Industry :**

The changes in the external environment surrounding the retail industry greatly altered conventional wisdom and just might create a new structure and circumstances (a “new normal”), which will have a wide range of impacts on politics, economy, and our lifestyles, including the digital technologies that support them. After the Japanese government announced a state of emergency, essential retail business which handle food and daily necessities received a business continuity request from the government, but many other types of retail business were forced to close. The impacts on the economy have been hard enough that some say it will take about two years to recover. The retail industry, in particular, has been severely affected since the government asked people to quarantine themselves, which greatly restricted face-to-face service in stores. Our lifestyles as consumers have also been forced to change dramatically. Staying at home and not going out to the store made online purchasing spread widely among those who had not used it before. And due to the change in workstyles resulting from people being forced to work remotely from home, life via online channels has become normal. The digital technology that supports the online lifestyle has been popular for some time, but its spread has accelerated explosively since the onset of the pandemic.

The drastic changes in the external environment caused by COVID-19 have had various effects on the business of the retail industry. The crisis has created stark contrasts in business performance between types of business operations.

Due to the government's request for essential business continuity, retail businesses that handle food and daily necessities such as supermarkets, drugs stores, and convenience stores (excluding stores located in office districts) have remained in good condition as consumers wait in long lines at cash registers to buy products, many of which have even sold out. On the other hand, retailers of shopping goods and luxury items deemed nonessential, such as apparel and home appliances, have stagnated.

Next, we would like to focus on the changes in the business processes of the retail industry that were particularly affected by COVID-19. In retail businesses handling food and daily necessities, some examples of quick action taken include the application of floor stickers to indicate



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appropriate social distancing positions for customers waiting in check-out lines. Vinyl curtains were also installed at cashier check-out counters, in part to protect employees. In addition, actions such as disinfection of shopping carts and individual packaging of products to prevent droplet infection have been added to everyday routines in response to customer demand for safety, which have added to employee fatigue. Some tried to induce customers to use electronic commerce (EC) by placing orders online for in-store pick-up. The aim was to disperse in-store customer visits, but the capacity of pre-order systems was too small to achieve the anticipated outcome.

Even before the COVID-19 crisis began, our report The next consumer recession found that retail was facing several financial issues that could make it difficult to weather a recession. Many retailers faced challenges already: increasing debt burdens, moderating revenue growth, compressing margins, increasing SG&A, and slowing asset turnover. Not surprisingly, we are starting to see these issues force several retailers to file for bankruptcy in recent weeks. But across retail, we are seeing significant weaknesses in the foundation: the technology and process architecture of retailers, often vulnerable to sudden shocks, are now completely exposed. Even many retailers that had been making incremental moves toward transformation have not been able to cope with the halt in store traffic, demand on digital, and shocks to the supply chain.

No matter the retailer, one cannot overstate the damage done when stores are closed for months at a time. Each regular customer represents a relationship that took years to develop and nurture and losing that continuity is a risk to any retailer's position in the marketplace. The same is true with other stakeholders. Long-time employees, for example, have mastered what it takes to represent the brand over several years. Retailers are now having to create workforce flexibility, tools for secure collaboration, and positioning around furloughs, all while sustaining morale and keeping employees healthy. Even retailers who are faring well in the pandemic should take account of the damage done up and down their value chain and begin to develop strategies to restore what has been lost. What took years and even decades to build was severely damaged, if not destroyed, in a matter of weeks.



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### **Impact of Pandemic on Retail Industry :**

To best understand the impact of the current recession on retail, consider this: It's very different than nearly all recessions that have come before it. The United States has experienced 22 business cycles since the beginning of the 20th century. All but three found their origins in financial markets. The "typical" business cycle has involved the overexpansion of credit, underpricing of risk, and eventual bursting of financial market bubbles.

By contrast, the COVID-19 recession was triggered by a sudden shutdown of consumer activity. People simply stopped eating out, traveling, and leaving the home. Roughly 40 million workers were furloughed or laid off as demand shut off and factories and offices were idled to prevent the spread of the virus. Some sectors, such as health care—which had proven virtually immune to recessions in the past—have shrunk as people have canceled doctor's appointments and suspended plans for elective medical care.

Even consumers with jobs have stopped spending. Retail sales plunged 20 percent from February to April, with very large declines in categories like clothing and accessory stores (down 89 percent) and department stores (down 45 percent). The personal saving rate jumped to 33 percent in March from 8 percent in February. That's likely the result of households with employed members cutting back on spending because there wasn't anything to spend money on and because many households had good reason to wish to increase their savings in an uncertain time—rising saving rates are typical at the beginning of recessions.

During the first months of the COVID-19 crisis, there has been an acceleration of digital retail: Those retailers with strong platforms and sophisticated data analysis have succeeded in connecting with consumers and offering them additional services and value. Consumers are willing to embrace and explore new digital experiences due to public health concerns—telemedicine, online learning, virtual payments, and online grocery ordering and delivery. As the convenience of these experiences increases, we expect these trends to accelerate.

Before COVID-19, the convenience trend was being rewritten by players outside of the industry, putting pressure on the retail industry to adjust to reshaping consumer expectations. As the crisis



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hit, retailers have had to rapidly roll out conveniences such as buy online, pick up in-store (BOPIS), curbside pickup, and delivery. Those that have the systems in place to offer these conveniences have done comparatively better than others. Our Global State of the Consumer Tracker found from mid-April to mid-May that across age groups, the No. 1 reason customers chose BOPIS is because it is safer, followed by convenience.

However, for seniors, the second reason they were seeking out BOPIS was to support local stores and workers—an indication that perhaps the disruption that consumers have experienced is reprioritizing values. This could lead to an acceleration of new models of retail where health and sustainability become larger drivers. For example, as populations are experiencing cleaner air because of stay-at-home orders, will they be more interested in conscience consumption? As of mid-May, 39 percent of consumers said they plan on buying more locally sourced items, even if it costs more—a trend that increased since mid-April.

We also expect discounters to continue to benefit from ongoing trends. With the unemployment rate moving up rapidly (it stood at 14 percent in April) and one-third of those currently employed concerned about losing their job, many consumers are going to look to cut back and save wherever possible. These retailers may stand to pick up customers, similar to what we saw coming out of the Great Recession.

### **Conclusion :**

As retailers try to understand how to benefit from these accelerating trends while grappling with this crisis, let's take stock of how certain retail orthodoxies have been turned on their heads:

Direct interaction with shoppers, once the foundation of customer service, has been replaced by virtual or contactless touchpoints.

Returns processing—likely to increase amid more online sales—will require new safety standards to meet customer expectations.

Stores have turned into mini-fulfillment centers and pickup points.



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Supply chains are being restructured to fulfill specific orders to households rather than to large-format stores.

All of this calls for structural change in the industry. By challenging traditional orthodoxies, retailers can redefine the basic assumptions of the industry—how to build trust with stakeholders, how to operate stores in new ways, and how to structure their entire operations around new consumer expectations. In short, they can thrive in the new normal of retail.

The retail industry in Gondia district has fulfilled all the demands are requirement of people. The retail industry in Gondia district had improved and recorded growth as compared to other industries.

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