

# Research on the Impact of COVID-19 on All Walks of Life and Countermeasures

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**Abstract:** Since the sudden outbreak in 2019, COVID-19 has had a great impact on the whole social economy. By analyzing the specific reasons for the blow or promotion of all industries, This paper discuss the specific countermeasures to promote the future development of the industry. Research shows that the impact of the COVID-19 on tourism and catering industry is rapid and destructive. But it has a significant role in promoting the Internet industry. Today, when the epidemic situation is gradually stabilized and normalized, enterprise managers can no longer imagine returning to the normal operation mode, and should actively reform to adapt to the stable development of the overall environment. For some industries that are currently enjoying the dividends brought by the epidemic, they should be soberly aware of the strength of their products, analyze the actual growth rate brought by the epidemic and make plans for long-term development.

**Key words:** Tourism, Catering industry, Internet industry, manufacturing industry, COVID-19.

## 1. Introduction

According to the Global Economic Outlook in January 2021, the global economic growth rate in 2020 was - 3.5% [1]. China's GDP also showed negative growth of - 6.8% in the first quarter of 2020[2]. COVID-19 has almost revolutionized people's lifestyle. With normal travel greatly affected which was heavily regulated, online consumption, online entertainment and online office have become indispensable parts of people's lives. Under such a trend, the service industry relying on customers will inevitably face corresponding shocks and reforms. Promoting the stable development of the service industry under the current situation of epidemic normalization, and doing a good job in epidemic prevention and control and industrial stability has become an important issue facing the entire economy. In addition, this paper also discusses the impact on China's manufacturing industry, exposed problems and solutions. Therefore, based on the macro status survey of some industries, this paper studies the operation and management policies that can be implemented in the future of epidemic normalization and are more conducive to economic development.

## 2. Main body

### 2.1 Industries negatively affected

#### 2.1.1 Catering industry

First of all, the most direct interference brought by the COVID-19 epidemic is that it has greatly restricted the gathering of people going out. Therefore, the catering industry is the most obvious hit. According to the 2021 Annual Report on China's Food and Beverage Industry, the size of the food and beverage market increased from 2.9 trillion in 2014 to 4.7 trillion in 2019. However, after the epidemic in 2020, the size of the food and beverage market declined by 15.4% to 4.0 trillion. The impact of COVID-19 on the catering industry mainly includes the following aspects:

First of all, many customers are no longer willing to eat in restaurants because of doubts about the possibility of viruses in refrigerated food, since COVID-19 was detected on the outer package of frozen South American white shrimp imported from Ecuador by Xiamen and Dalian Customs on July 3, COVID-19 positive was detected on the imported cold chain food package for more than 30 times in China, involving 11 provinces and 3 cities. This will inevitably trigger related restaurant and regional control and mass panic.

Food storage and employees' wages are a large cost, but the lack of profitability makes many catering managers unable to support such costs. Use Harbin as an example, according to incomplete statistics, in 2020, about 25% of catering enterprises in Harbin will lose 50% of their income, about 40% will lose money, and about 20% will stop business or change their business [3].

### 2.1.2 Tourism

Tourism itself is a very unstable industry, which is largely affected by the natural and social environment, such as climate, earthquake, tsunami and even war. Criminal organizations will bring fundamental changes to the tourism market in a region [4]. The global spread of COVID-19 has put tremendous pressure on the global tourism industry.

The reasons for the impact on tourism:

① First of all, the national epidemic prevention policy stopped many high-speed trains and flights, so many passengers gave up their original itinerary due to the impact of COVID-19, China's railway passenger volume dropped rapidly in 2020. In 2020, the national railway passenger volume was 2.203 billion, a decrease of 1.457 billion from 2019, a year-on-year decrease of 39.8%. Among them, the national railway had 2.167 billion passengers, a decrease of 39.4% from 2019.

② Secondly, the impact of COVID-19 has caused a huge change in the psychological thinking of tourists. In order to be safe, people still need to wear masks to travel, not to mention tourist places with heavy traffic and difficult supervision. Some cities or scenic spots dominated by foreign tourists have been greatly impacted by this. Taking Beijing as an example, Beijing will receive 184 million tourists in 2020, a decrease of 42.9% over the previous year; the total tourism revenue will be 291.4 billion yuan, a decrease of 53.2% [5].

### 2.1.3 Manufacturing industry

As a major manufacturing country in the world, China's manufacturing operation is facing great obstacles due to the COVID-19 epidemic. The manufacturing industry has encountered many restrictions on the transportation of raw materials, the normal operation of factories, and the sales of products. These negative impacts have seriously weakened manufacturing enterprises. From January to February 2020, the purchasing manager index of China's manufacturing industry dropped from 50% to 35.7% [6], indicating that the demand of the manufacturing industry is poor against the background of COVID-19.

① First of all, let's talk about output sales. During the COVID-19 epidemic, the market demand of China's manufacturing industry decreased significantly. In February 2020, the index of new orders in the manufacturing industry was 29.3%, 22.1 percentage points lower than that in January 2020 [6]. The important reason for the reduction of market demand is that the income level of consumers has decreased. The chaos caused by COVID-19 will predictably lead to this phenomenon. Secondly, based on the transportation restrictions mentioned above, many products have been successfully manufactured but are still unsalable.

② The problem of transportation also appears in the purchase of raw materials. In the manufacturing industry, several companies often form a complete processing industry chain [7]. However, in the case of transportation difficulties and unclear market demand, the purchase volume of raw materials will inevitably change, thus changing the entire industrial chain. According to incomplete statistics, more than half of the chemical enterprises in Laiwu District of Shandong Province said that their production and sales volume with cooperative enterprises had decreased.

③ In the process of enterprise operation, manufacturing industry with large number of employees and intensive work has been greatly affected by epidemic prevention control policies. Many employees are unable to work normally, which not only affects the output, but more importantly, the absence of some highly trained workers will even affect the entire production process. Epidemic prevention measures, including strengthening access management, meal management, work supervision, and collective nucleic acid testing, are huge external costs for private enterprises for

profit. It also led to the decline of workers' production efficiency, and eventually extended the construction period or even suspended the operation.

## **2.2 Industries positively affected**

### **2.2.1 Online conference software**

But there are also enterprises that can gain growth in the epidemic, such as Internet companies. One of the most popular is the online conference project. Take Tencent conference as an example. It was officially launched in December 2019, and then experienced an increase in passenger traffic brought by the outbreak of COVID-19 in 2020. In January 2020, there were 770000 active users in Tencent conference month, 77.43 million in the same period and 30.64 million in WeChat. By March 2020, Tencent's monthly active users will reach 58.32 million. This is a leap forward growth.

The popularity of online meetings is largely due to the serious obstacles to the normal operation of enterprises and schools, and many communication-based activities cannot be carried out normally [8]. In this case, the free opening of Tencent Conference caters to the very common needs of the people. A large number of primary and secondary schools have chosen to use Tencent Conference for online teaching, which has contributed to the successful rise of Tencent Conference.

① Tencent's free and open assistance to the public during the COVID-19 epidemic has won social support, and the company will certainly develop new ways of making profits. Tencent conference is divided into personal version and enterprise version. As a free product, the personal version supports online conference for up to 300 people, which can meet the teaching requirements of all primary and secondary schools to a large extent. The enterprise version supports up to 2000 people online at the same time, and can be purchased from one month. This is a reasonable response to the rapidly expanding and diversified audience under the COVID-19 epidemic. Otherwise, when the product [9].

② Secondly, based on the diversity of audiences, Tencent Conference must provide convenient, fast and even intimate services if it wants to seize users. Tencent Conference has one button access to audio and video, screen sharing, chat, document transmission and other functions. As well as establishing contact with WeChat, which has already had a great impact, users do not need to download Tencent meetings, as long as they use WeChat, they can open temporary pages to participate in meetings. These arrangements have lowered the threshold for Tencent meetings and attracted a large number of users. And among similar products, Tencent Conference has abundant background and energy, and almost no news about Tencent Conference failures has ever appeared. The quality level is also an important reason for Tencent Conference's enduring, because word of mouth is the best way to promote.

③ Finally, in terms of publicity and advertising, Tencent has spent a lot of publicity on the Internet, and almost no offline publicity. It has a great influence on the people who widely use the Internet at home due to the epidemic. Tencent not only publicized its products through WeChat and QQ, but also distributed a large number of advertisements on major websites. It publicized through some well-known We Media, which has a high publicity efficiency.

### **2.2.2 Game and live broadcast industry.**

In essence, they are popular because people's travel is limited and they transfer time to indoor activities, Taking the average daily use time of mobile games during the 2020 Spring Festival holiday as an example, the average daily use time of King Glory was 194 minutes, far more than 111 minutes last year, an increase of 75.1%; the data of Peace Elite and Happy Xiaoxiaole also increased by 24.6% and 47.1% respectively compared with last year [10]. Taking the live broadcast of Douyu as an example, on May 10, 2020, according to the data officially released by LPL, the highest number of simultaneous viewers in the first week of LPL spring games increased by 70% compared with 2019, The average number of times on the first Sunday people watched games also increased by 70% [10].

### 3. Suggestion

#### ① For tourism

At present, the COVID-19 epidemic has become normal, people no longer have a particularly great risk of going out under good control measures, and many tourists reappear in the scenic spot. In order to manage these tourists well, the tourism industry has made many innovations. For example, convenient public nucleic acid testing points are generally set near tourist attractions, and tourist attractions will also limit the flow of tourists and check their health conditions, so as to reduce the infection risk caused by the COVID-19 epidemic as far as possible. In addition, online booking and preferential policies have also been greatly upgraded. After the withering period of tourism, people will also have higher tourism demand than before. At this time, appropriate preferential policies can also stimulate consumption enthusiasm.

In crisis response, the planning of tourism enterprises should include the implementation of emergency plans and long-term income mitigation. Because of the sudden outbreak of the epidemic, many tourism companies have invested a lot of costs to prepare for the next peak tourism season in advance [5], but they have no loss because of the unpredicted epidemic. At this time, the role of the government is particularly critical. The government should implement appropriate credit and financial subsidy policies at the first time, relax the tax for some tourism companies that cannot make ends meet, and postpone or reduce the tax. The second is to use the media and the Internet to communicate the risk details of various places to the public in a timely manner, and keep an eye on the epidemic situation in the scenic area, so as to ease the public's anxiety as much as possible, so that the tourism industry can return to the track of normal operation.

#### ② For the catering industry

With the normalization of the COVID-19, online consumption has become a living habit of more and more people, and the takeaway industry has also ushered in prosperity. When the rent and labor costs are gradually becoming a huge burden, reducing the expenditure of the meal or even closing the meal, instead of concentrating the funds on the meal production and delivery is a more profitable operation mode.

The closure of the epidemic to the catering industry can still be broken through the Internet. At the moment when short videos are very popular, there is a effective method that is promoting online popularity and take this opportunity to launch services such as discounts and group buying, which can effectively improve the popularity and harvest customers from other provinces and cities [11].

#### ③ For the manufacturing industry

In order to produce normally in the normal epidemic situation, epidemic prevention is a must, and employees must be guaranteed their health before starting work.

Under the new market demand, the output of the factory should also be adjusted, and the arrangement of employees and the reasonable change of production with the cooperative enterprise should be the primary conditions for the normal resumption of work. On this basis, cost reduction is also necessary for most small and medium-sized enterprises.

#### ④ For the Internet product industry

The epidemic situation has brought opportunities to the Internet industry. As the leader of the online office industry, Tencent Conference has a large market share. It should be aware of its responsibilities to users, actively listen to users' opinions, and further stabilize and improve the use of products.

E-sports and live broadcasting industry should also optimize network stability and game balance. In the current era when users are more active, the controversial phenomenon of minors indulging in games and indiscriminate consumption is bound to become more serious. Measures such as real name authentication and limiting game duration are still insufficient. This is also one of the problems that must be solved for the long-term stability of the e-sports industry. On the other hand, the E-sports industry has been relatively perfect today, but it is still not an industry that is familiar to the public,

so more efforts should be made to cultivate E-sports talents and develop core intellectual property games.

In addition, in essence, most Internet products are popular because people have limited travel time and can transfer time to indoor activities. Therefore, in the future when the epidemic situation gradually subsides, it can be predicted that the use rate of these products will decline. All walks of life should be prepared for this, so as to avoid the capital shortage caused by the decline of profits.

#### 4. Conclusion

At the beginning of the COVID-19 epidemic, many service industries had no time to deal with it and suffered a sudden impact, which greatly weakened them. Today, when the epidemic situation is gradually stabilized and normalized, enterprise managers can no longer imagine returning to the normal operation mode, and should actively reform to adapt to the stable development of the overall environment. For some industries that are currently enjoying the dividends brought by the epidemic, they should be soberly aware of the strength of their products, analyze the actual growth rate brought by the epidemic and make plans for long-term development.

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