


**EFFECTS OF COVID 19 ON SERVICE SECTOR**
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**Abstract:**

*Service sector has emerged as the growing sector of the Indian economy. For any country there are main 3 sectors such as industrial sector, service sector and agricultural sector. The service sector growth fell for the second time in December due to spike in costs and COVID 19 cases, in addition to global traveling got banned. The COVID 19 has worst impacted each and every sector of the market so as the service sector. Every pandemic brings change in the consumer's choices and preferences which could highly impact the markets. This paper tries to measure the impact that service sector has due to this pandemic, by using questionnaire based surveys, interviews and pre published statistics. This paper tries to see the changes in the costumers inclination towards the service sector and how it has impacted on the growth of the service sector , thus influencing the gross domestic product of India. A strong and better economic recovery from the COVID-19 pandemic requires governments to make the services sector a key element in their policy mix.*

**Introduction**

Service sector has emerged as the ascendant sector in the Indian economy. The world is horrified by this outbreak of the pandemic which has emerged from china, the scientists have termed it as severe acute respiratory syndrome – Corona virus disease 2019. The virus spread across 196 countries within no time many of the counties and imposed lockdown in order to contain the disease. Each and every sector had a huge impact of this dreadful virus. Every pandemic brings change in technology, socio economic factors and human behaviour .For any country like India the economy of the county constitutes of three main pillars the industrial sector, service sector and agricultural sector. The service sector can be explained as an intangible economic activity that can neither be stored nor result in any ownerships , but plays as a very crucial role in the countries economy. The service sector has a very significant impact on the India's economy by its contribution of 55 percent of the total economy.

**Objectives of the study -**

1. To highlight the impact of coronavirus on the service sector of the Indian economy .
2. To analyse the impact of change in consumers behaviour on service sector.

**Following are some service sectors which got affected due to corona virus pandemic –**
**• RESTAURANTS AND HOTELS –**

Food is one of the most important and primary component of life. India is one of the food loving country of the world. India is also divided into various regions and every region has their own special cuisines. Approximately 1.42 crores of people are employed in the restaurants business direly on a permanent basis and there are many more people who are employed in daily basis . At present 5 percent GST is charged on the restraint and hotel services. NRAI Foods

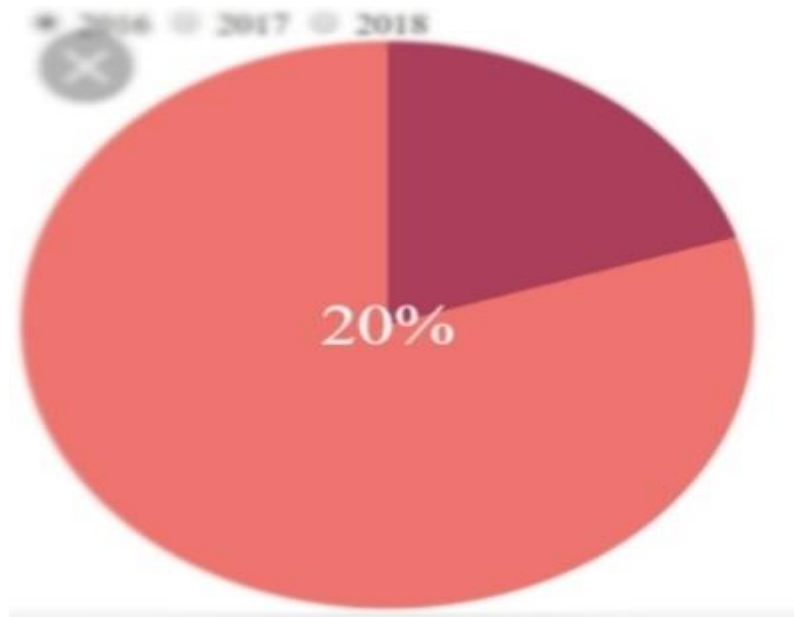


Service Report 2019 the total tax collected only from this Restaurant and hotel industry is 1800 crore rupees when there was survey conducted whether public want to have food in restaurants amid of the pandemic.

As we can see in the above pie chart 75 percent of the public don't want to continue having food in the restaurants as a precautionary act for preventing the Covid-19. This is a very declining sign for the restraint industry and also the country's economy since if people don't prefer to have food in the restaurants the government will be losing the income from this sector in terms of tax. This pandemic made huge impact on restaurants and hotels and also human life. People got fear in their mindset about this disease.

- **TRANSPORT SERVICES –**

Transport industry contribute to a greatest extent to the country's economy. The rail, road, and water ways are busy round the clock. The Indian road ways are the 2<sup>nd</sup> top busiest road ways in the world. Due to Covid-19 a global pandemic all transport activities except those are essential as per requirement of circumstances, have been stopped. For few months, and the unlock has brought relaxations and given freedom for travelling anywhere within the country. The public transport like rails, metros, buses and flights have not seen a recovery even after the lockdown. Again there was a survey conducted about travelling and transport.



As we can see in the pie chart only 20% of people prefer public transport other all 80% prefer their private vehicles for travelling. Due to pandemic people are afraid of travelling in public transport because there is a lot of rush and people don't maintain distance and just make places very crowded.

- **EDUCATION –**

The education is the sword for the battle called life. Education plays a vital role in development of country as well as the economy. The education sector has a great effect and even rapid recovery by adapting various technologies and conduction online and digital classes. Though there are many challenges, but thriving to come out of this and hoping a very rapid recovery of this sector.



SR NO	PARTICULARS	CHARACTERISTICS	PERCENTAGE
1	Satisfaction from online lectures	Strongly agree	13
		Agree	30
		Neutral	16
		Disagree	18
		Strongly disagree	34

**Source : the data is collected from student respondents**

As this data was taken from students (34%) strongly disagree to the statement that they are satisfied and able to control the class in the same way as they use to do before Covid 19 in offline class. (30%) agree to it. (13%) of them are strongly agree, (16%) are neutral. (18%) of them disagree to this statement. It states that most of the students are comfortable in offline mode of education as they find convenient for learning. Finally it's the students who are the customers for the education if we take in a business perspective. The students are not much satisfied with the online sessions but there is no other option except online classes.

- **RECREATION SECTORS –**

The recreation sector which includes the movie theatres, gaming zones ..... etc. The recreation has a huge craze in India, due to which there is large establishment has been made. As a measure of containing the disease the theatres and the recreational centres have been closed till date. Many people don't prefer to go at this places as at this places there are lots of people gathering so there may no social distancing followed by public.

- **PERSONAL AND SOCIAL SERVICES –**

The social and personal services includes the parlors, salons, carpenters, plumbers, electricians, lawyers, medical care etc..... in this category only the health care is at its break-even point neither profit nor loss. Remaining services are facing a decline and had a very huge impact. because all these services need the intervention of human capital. the customers have a fear of spreading of the virus through these service providers. 64 percent of respondents.

- **E COMMERCE –**



Keeping in view of current pandemic the consumers mostly preferring the online mode of shopping, if we analyse the data most of the people are preferring online shopping for each and every need and want such as vegetable, fruits, milk, groceries, clothing, electronics etc..... 48 percent are using online shopping on a regular basis, 43 percent



of the people are using it for first time and only 9 percent of respondents are still preferring offline mode of shopping. Online shopping has become most faster and easiest mode of getting things. And there are various platform of online shopping such as Amazon, flipkart, ebay, etc.

#### Top retail e-commerce websites in pandemic -

SR NO	RETAIL WEBSITES	MILLIONS
1.	Amazon.com	4059 M
2.	EBay.com	1227 M
3.	Samsung.com	648 M
4.	Walmart.com	614 M
5.	Apollo.com	562 M

Source: Andrienko , 2020

#### • CONCLUSION –

The corona virus disease 2019, has an intensive effect on the Indian service sector. various reports given by many esteemed organisations there has been severe effect on Indian service sector there by economy of the country . Implementing some techniques and suggestions the service sector can recover itself within a short period of time.

#### • SUGGESTIONS –

The service sectors which is a major pillar of Indian economy can retrieve by implementing few measures . The use of UV sanitizer can give a boost for the restaurant business following few preventive measures such as following social distance , using mask , and the staff using personal protection equipment's can boost the travel sector same with the case of the service providers , showing medial reports of Covid negative and using the PPE kits can bring trust in the customers and boost the business.

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