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Post Covid Challenges and Coping Strategies for the Retail Industry in India: An Empirical Study

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Abstract

Coronavirus pandemic has forced the whole world to go under the grip of isolation orders. The retail industries are unfavorably impacted by Covid-19. Retail stores selling fundamental commodities have seen the demand for the items exceeding the supply due to the lack of manpower. The closing down of shops or shopping centers that don't sell needed products has delivered degrowth in income and a significant decrease in employment. Retailers working in sections like clothing, beauty, high-quality products, and home improvement confronted various difficulties due to the closing down of stores, workplaces, & manufacturing industries across the world to deal with the spread of Covid. Getting the better of this pandemic emergency and its outcome is basic as of now. The business world requirements to do what needs to be done of Covid disaster and should grasp it utilizing appropriate business techniques. This paper focuses on Covid challenges and survival methods for the retail business in India.

Keywords

COVID19, Retail, Digital Transformation, Supply Chain, Physical and Online Stores, Consumer Behavior, Global Markets

JEL Classifications: J11, F43

Introduction

During the pandemic emergency, the retail sector is adversely impacted by Covid-19. The retail sector is normally considered as a financial heavyweight because on normal across OECD (The Organization for Economic Co-activity and Development) nations around 1 out of 12 specialists are employed in the retail

sector and thus this sector contributes practically 5% of GDP in India. Nonetheless, because of the Covid-19 outbreak, the retail sector is confronting extreme disturbances. Since the retail sector is labor-intensive, the interruptions will have serious business outcomes (Rakshit, D., 2020).

Indian retailers are confronted with a large number of difficulties - "now", "next", and "beyond". We are presently in the "now" stage where most retailers are struggling with a complete pause in business. Indeed, even food & staple players and scientists, that deal with fundamental items, even though permitted to work currently, are confronting difficulties. These difficulties include overseeing customer interest, guaranteeing liquidity, inventory network disturbances, management of store activities to guarantee social distancing and appropriate cleanliness, administration issues, and guaranteeing the wellbeing and security of workers. While basics (individual consideration, food, drink, home consideration) would be the lesser affected, wellbeing and monetary concerns would diminish consumer confidence & their spending on non-essential products and high-ticket things (gadgets & jewelry). In the medium term, or the "next" stage, where the public authority begins facilitating limitations, retailers should focus on returning from the current circumstance. In the long haul "beyond" stage, they need to focus on changing to prevail in another business scene. The difficulties are to look after the buyers through their favored channels & to construct business versatility to work flawlessly during any future emergencies.

The effect of the COVID-19 emergency on the retail sector relies upon the combined impact of 3 attributes and it is in heterogeneous nature. To begin with, the impact of social distancing measures on individual retail organizations relies upon whether they are considered fundamental. Second, for retailers measures of lockdowns & social distancing had influenced more in terms of physical stores and more than online-based retailers. This may at last speed up the continuous shift from brick & mortar to online-based retailing. Third, the sector is portrayed by the coexistence of organizations with strikingly various abilities to address the emergency, connected to various liquidity positions and admittance to outside finance.

Literature Review

Jain, M. (2020) evaluated that coronavirus is a remarkable wellbeing crisis that is quickly changing how people as a whole carry on with their lives. It is additionally rendering critical modifications to retail & trade. Retailers are serving their networks at the forefront, where the wellbeing and security of workers & clients stay vital. Retailers should act now to address the extensive ramifications of COVID-19 on their organizations by putting liability at the core of the particular

task. Thus, it can be said that in this powerful season of philanthropic & social vulnerability, what we purchase, how we purchase, & when and where we purchase are going through a seismic shift.

Sharma, G. D., (2020) contended that the retailers are going to omnichannel to connect with clients. The merchants who had an omnichannel conveyance network rushed to adjust to the public authority forced lockdown circumstance through retailers having no or less presence in web-based channels invested in some opportunity to fabricate or incline it up. The associations like Pizza Hut, JCrew corporate store, Gold Gym, Hertz vehicle rental organization, & Aldo shoe firm are attempting to develop and sought financial protection during the pandemic emergency. Notwithstanding, the organizations with a solid computerized stage like Slack, Uber Eats, Amazon & Zoom procured numerous new clients with fast pace development rate. On the other hand, most of the organizations battled for holding clients and generating income.

Talan, G., (2020) identified that the pandemic has changed purchaser conduct, constraining retailers to adjust to another ordinary that is portrayed by digitalization & adaptability. With the redefinition of the job of actual stores, a scaling back of store networks has happened. The cycle which was at that point in progress before the pandemic - has now intensely sped up. The scholarly investigations on post Covid19 in retail have featured three fundamental drives such as changes in purchaser conduct, the significance of adjusting the inventory network & the redefinition of retail showcasing procedures and deals spaces.

Shabbir, M. S. (2020) identified the challenges of Online deals. During the Covid-19 circumstance, e retailers took a high speed and, in this pace, they offered a lot to the customers. The customers were not able to go out due to lockdown and this was a golden change for the web-based retailers. Covid and post covid business scenario is well characterized with online and offline trade-off. Here there is a need for organizations to keep a blend be omni present at both the platforms so that be best efforts of employees can be put-in the human asset office also ought to group/recognize/enlist representatives with e-business abilities.

Sulaiman, M. A. B. A. (2020) explained about developing substantial progression arranging strategies in a retail association. This arranging expands the accessibility of competent staff individuals who are ready to expect the job & these staffs bear the obligation as and when the jobs become accessible. The reason for having substantial arranging is to assist with building the profession of the current representatives & guarantee prepared substitution of staff in retail organizations especially when the Covid-19 cases are expanding consistently. Thus, it also fosters an association to address future issues that help worker advancement and is expected to help the organizations in overseeing or holding inward ability.

Ahmed, M. N. (2020) exhibited focus on training front-line retail deals workforce what is happening is turning unstable consistently, every second since there is no substantial immunization accessible in any area of the planet. The human asset office can focus on preparing the staff on sterile issues to moderate the gamble of spreading the danger Covid-19. The human management board should advance an environment of peace for the wellbeing of clients, workers & each partner while participating in the initiative to answer with reliable, opportune, emphatic, precise, clear correspondence with all levels of the association.

Rakshit, D., (2020) confirmed that every association needs to get the current outer climate, for which they need to direct PESTEL (Political, Economic, Social, Technological, environmental, and Legal) examination. Dissecting the world of politics will give data about the regulatory choices and measures taken by both the focal and state legislatures. This will assist the business with profiting from the advantages given by the public authority which might alleviate their business activities in this strife. For example, the public authority has broadened the due dates for documenting returns, diminished the TDS rate, additionally gave 3 months ban on advance reimbursement, etc. Evaluating the financial climate will illuminate what is going on in the nation, buying force of the customer, change in their taste and inclinations, instability popular and supply, and so on. Social perspectives will give data about the interest of the general public. As of now, social separation, security measures, sanitization has become extremely pertinent. Innovation-related changes should be appropriately evaluated to ride on the mechanical wave by updating and advancing items if not the business can lose the market. As of now, this has turned into a vital issue that each business needs to think about first. The current natural condition is additionally critical to know as specific changes have occurred because of the total lockdown of the majority of the nations all over the world. The legitimate climate ought to likewise be appropriately investigated to know the lawfulness of the business.

Ghobakhloo, M. (2018) identified that innovation is one of the imperative viewpoints which organizations need to focus on. As of now, every business should focus on digitalization since social separation is an excellent issue today. This situation appears to give a brief look at the future situation where computerized would turn into the core of each collaboration and correspondence. Emergency periods frequently go about as impetuses for new mechanical turns of events and developments. Computerized innovation can assist organizations with reducing the impact of Covid. From on-premises frameworks, the substances need to switch over to hybrid cloud administrations. Client experience ought to be improved by utilizing innovation, monetary and functional-based programming should be redesigned, a more malleable and dynamic workplace should be made. Man-made

consciousness ought to be taken on by the business to lessen the impact of this fiasco.

Business must re-survey their stocking methodologies considering the gamble related to the store network, unpredictability sought after, and supply, liquidity, and perishability. Organizations should focus on zero-base planning by beginning from nothing and including just those uses which are fundamental to endure what is going on. Firms need to reevaluate their plan of action, restore their systems, focus on their center business region, revise their arrangements & approaches, attempt to investigate new business sectors, embrace new deals channels, and track down more chances to develop.

Paul, A. (2020) identified that in light of the inward & outer examination, the substances should utilize SWOT investigation to accurately recognize their strength, weaknesses, opportunities, and threats. Strength describes what an undertaking dominates at and what is interestingly contrasted with its rivals. Whether it has a gifted labor force, better ability or innovation, faithful client base, sufficient capital, solid brand picture, better gear, optimal area, etc.

Shortcomings will assist an association with recognizing its interior shortcoming for sure it needs, for e.g., insufficient capital, lack of talented laborers, high obligation pressure, asset limits, deficient inventory network, powerless brand, and so on. These hinder a substance from working at its ideal level so the association should foster these regions to stay serious. Amazing open doors show the promising outside factors which could bring about specific upper hands for an endeavor. In this manner, potential open doors should not entirely be set in stone as they will assist an association with extending its business. In light of the current situation, the interest in new items can be distinguished. For instance, requests can ascend for security improving items like sanitizer, veils, sanitizers, hand washes, gloves, and so on. Dangers allude to that large number of outside factors that represent a gamble to the substance or its probability of development and thriving. Consequently, the dangers that have emerged because of the pandemic flare-up ought to be perceived. The adjustment of client conduct, new contenders, inventory network disturbance, change in the administrative climate, and so forth ought to be surveyed. Organizations need to limit their dangers by utilizing their assets and should attempt to wipe out their shortcomings by using the valuable open doors distinguished.

Deshmukh, S. G, (2020) discussed about coronavirus and the arrangement of lockdown approach. It arose in mid-2020 as a gigantic shock to these organizations' stockpile chains. Out of nowhere, shoppers needed to remain at home, so firms needed to convey their items to them as opposed to serving them in their cafés and stores. A few foods industry firms "turned" by turning

undoubtedly somewhat to web-based business to arrive at customers, and e-acquisition to arrive at processors and ranchers. Some food industry firms that went into the COVID-19 period previously represent considerable authority in online business or having it as a feature of their portfolio; some didn't. Unexpectedly, there were increased obstructions to obtaining halfway contributions from ranchers and first-stage processors, for example, flour plants. Therefore, industries were prepared to increase their internet business and conveyance, yet many were not prepared to do all of that themselves, and many couldn't make it happen.

Haleem, A. (2020) talked about redesigning the plastic waste administration area, prompting fundamental individual conduct & social institutional changes. The essential comprehensive and feasible plastic waste administration can be accomplished when both per-sonar conduct and social institutional changes happen slowly and at the same time. Thus, building a fitting institutional system alongside strategy-level headings will assist with working with the necessary change.

Objective of the Study

To study post covid challenges and coping strategies for the retail industry in India

Methodology

The study is empirical. 160 respondents participated in the study. The data was collected from them through a structured questionnaire. Mean and t-test application was done to identify the results. The method of sampling was convenience sampling.

Finding of the Study

Table 1 displays the level of the Respondents, Senior Level Employees are 34.75%, Mid-level employees are 36.17%, and Entrepreneurs are 37.50%. With reference to business segment, Formal Retailing sectors are 57.50%, Informal Retailing sectors are 42.50%. Looking at the business sector Food is 26.87%, Clothing & Textiles is 16.87%, Consumer Durables is 21.87%, Jewelry is 11.87%, Footwear is 14.37% and Others is 8.12%.

Table 2 displays the Mean values for the statement for studying "post covid challenges and coping strategies for the retail industry in India", looking at the mean scores, the highest mean score is gained by the statement "The realignment of buying needs, individual ways of life, and working practices constrained on every one of us by the COVID-19 pandemic might address a seismic change in the retail

business”, the mean score of 4.49,” next statement is “Strategies need to be created to manage inventory stuck in closed stores and ports that should be moved to clear a path for next season’s product” has the mean score of 4.45. Post covid outbreak was also found to be responsible for operational development as shown in the statement “Retailers should put liability at the core of their tasks and act now to address the implications of COVID-19 on their organizations” having the mean value of 4.32.

Table1. Respondent’s Details

Variable	No. of respondents	Percentage
Respondents		
Senior Level Employees	49	34.75%
Mid-level employees	51	36.17%
Entrepreneurs	60	37.50%
Total	160	100%
Business Segment		
Formal Retailing sectors	92	57.50%
Informal Retailing sectors	68	42.50%
Total	160	100%
Business sector		
Food	43	26.87%
Clothing & Textiles	27	16.87%
Consumer Durables	35	21.87%
Jewelry	19	11.87%
Footwear	23	14.37%
Others	13	08.12%
Total	160	100%

Another concern of post covid outbreak is employees concerns, “Retail’s labor force leaves the business defenseless against worker security concerns and labor force management challenges” the mean score is 4.30, the statement “Retailers are serving their networks on the frontline, where the wellbeing and security of clients, representatives, and stakeholders stay at the top priority” shows the mean value of 4.22, mean value of 4.20 is scored by the statement “Oversee monetary effects of the stores and office terminations”. “Scale web-based business tasks and change focus to computerized customer encounters and stock levels, as buyers go to the internet requesting home conveyance” mean score is 4.12. The statement “Influence new network devices and approaches to attempting to help corporate staff working from a distance” shows the mean value of 4.11. The last two statements are in the lowest range, “Adopt strategic planning with chain networks for worldwide value chain network disturbances which may affect assembling and logistics operations” mean value of 3.68, the statement “Retailers initiated with new technologies for customers by going into 'individual contactless' conveyance of products, either straightforwardly to the home or for curbside

pickup” has the mean value of 3.55. The T-value of every statement in the context of the post covid challenges and coping strategies for the retail industry in India is significant because t-value statements are found to be significant & a positive value is also less than 0.05.

Table 2. Post covid challenges and coping strategies for the retail industry in India

Serial No.	Statement of Survey	Mean Value	t-Value	Sig.
1.	The realignment of buying needs, individual ways of life, and working practices constrained on every one of us by the COVID-19 pandemic might address a seismic change in the retail business.	4.49	12.743	0.000
2.	Retailers should put liability at the core of their tasks and act now to address the implications of COVID-19 on their organizations.	4.32	9.927	0.000
3.	Oversee monetary effects of the stores and office terminations.	4.20	8.264	0.000
4.	Influence new network devices and approaches to attempting to help corporate staff working from a distance.	4.11	6.151	0.040
5.	Scale web-based business tasks and change focus to computerized customer encounters and stock levels, as buyers go to the internet requesting home conveyance.	4.12	6.561	0.000
6.	Strategies need to be created to manage inventory stuck in closed stores and ports that should be moved to clear a path for next season’s product.	4.45	11.337	0.000
7.	Adopt strategic planning with chain networks for worldwide value chain network disturbances which may affect assembling and logistics operations.	3.68	2.232	0.014
8.	Retail's labor force leaves the business defenseless against worker security concerns and labor force management challenges.	4.30	10.971	0.000
9.	Retailers initiated with new technologies for customers by going into 'individual contactless' conveyance of products, either straightforwardly to the home or for curbside pickup.	3.55	0.653	0.258
10.	Retailers are serving their networks on the frontline, where the wellbeing and security of clients, representatives, and stakeholders stay at the top priority.	4.22	9.457	0.000

Conclusion

Covid-19 pandemic has created a fear of the unknown in all individuals. Every retail organization is adversely impacted due to lockdown and quarantine orders. The pandemic outbreak has ignited a worldwide wellbeing crisis alongside

social and financial emergency releasing a phenomenal breakdown of the monetary exercises and business activities. It has serious repercussions all over the world in terms of business. This paper highlights the methods for surviving that are essential for a business to adapt to the current circumstance. To deal with the emergency, Indian retailers should devise systems for the "now", "next" & "beyond". Retailers also need help from their workers more than before as they can have the tangible support of workers, just with the involvement of human assets. Hence, each industry should prepare for the challenges and uncertainties that are emerging due to Covid during this current pandemic situation. By being proactive they should develop strategies to battle the impact of Covid to support during this difficulty. Therefore, this study has explained the possible impacts of Covid on the various areas of the Indian economy & the reason why India is one of the developing economies all over the world that can be benefitted from this emergency period.

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