

Influence Of The Covid-19 Pandemic Coronavirus Of The World Economy: In Case Of Tourism And Internet Marketing

Jurabek Babaev

Abstract— The article discusses the impact of the coronavirus covid-19 pandemic on the global economy in the field of tourism and Internet marketing. the author stated that due to the epidemic of coronavirus infection that broke out in central China at the end of 2019, in January, the Chinese authorities announced unprecedented security measures: there are strict restrictions on movement throughout the country, public transport does not work, New Year's holidays for industry stretched out for three weeks. the supply of goods was called into question, and tourism activity in the world fell to zero. The author concluded approximately what will be the economic effect of the epidemic in the global economy, which will obviously amount to tens of billions of dollars in the world.

Index Terms— Covid-19, tourism, world economy, business, e-commerce, internet marketing.

1 INTRODUCTION

DESPITE the quarantine and other measures being taken, the number of new infections is increasing all over the world. The rupture of established economic ties, disruptions in the delivery and receipt of goods, as well as a decrease in the speed of response of their supply chains both locally and globally - the problem that arose because of the COVID-19 pandemic is now relevant for most companies in the world. Many low- and middle-income countries have recently been confronted with a large number of cases and introduced strict blocking rules that affect all aspects of the economy. The supply chain is the worst affected industry because of the pandemic. The situation with the corona virus affects almost all functional units - procurement, logistics, warehouses, finance, IT. Companies began to suspend levies with current suppliers; this immediately affected the functioning of supply chains. In the context of the pandemic, the supply chains of a number of industries, including agricultural products, have been challenged.

The aim of the study is to summarize the results of scientific publications and interviews from the different reliable sources and database (FAO, IFPRI, Science Direct) on the impact of the covid-19 pandemic on internet marketing and tourism. (see fig. 1)

Jurabek Babaev,
Ph.D student at Tashkent state university of economics, Tashkent,
Republic of Uzbekistan
E-mail: jurabek005@gmail.com

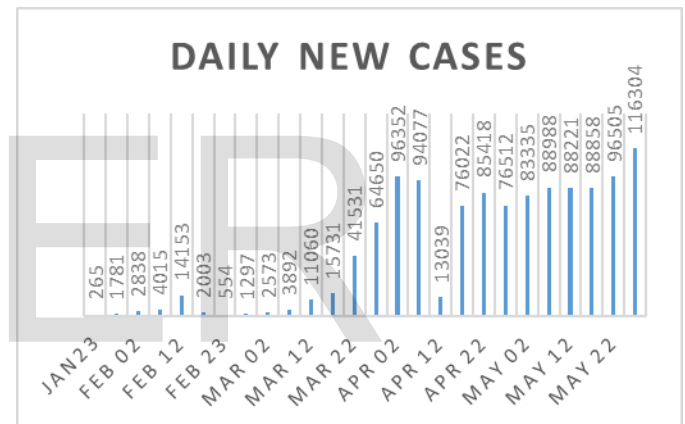


Fig. 1. World daily new cases of COVID-19 coronavirus pandemic [9]

The objectives of the study are:

- overview of major impacts of pandemic on supply chain management of agricultural products;
- review of publications and interviews to highlight the main problems arising in the field of supply chain management of agricultural products due to novel Covid-19 pandemic;
- determining the main proposed solutions according to reviewed publications.

A bibliographic method is used as a research methodological toolkit. At the first stage, the analysis of the content of publications, interviews related to impact of coronavirus to agricultural supply chain was performed. In this case, the search query used combinations of keywords, COVID-19 and agriculture. Then, the bibliographic database on the content of articles for the period 2019 to 2020, inclusive, was analyzed. There many reseaches about pandemia`a effect to World economy as well as Shashi R.C. [1], Aboah, J. W. [2], Cui J.Z. [3], Ivanov D. [4] and others.

Some local economists, as well as Khodiev B. Y. [5], Mustafakulov Sh. I., [6] and others proposed evaluation methodology for integrated assessment of production capacity manage-

Fig.1. World daily new cases of COVID-19 coronavirus

ment, which is based on qualitative and effective indicators of production capacity management. Methodology for assessment the efficiency of production capacities management at textile enterprises were investigated by B. O. Tursunov in other works [7], but they have not investigated problems of influence of the Covid-19 pandemic coronavirus of the world economy.

The ongoing coronavirus pandemic affects every area of our lives, and especially how we spend our money.

This has implications not only for marketing, advertising, and e-commerce, but also for a number of other sectors, such as travel, entertainment, and consumer goods.

Travel companies are cutting advertising costs. Analyst experts predict that this will greatly affect the revenue of Google and Facebook from advertising.

II. INTERNET MARKETING PERSPECTIVES OF GOOGLE AND FACEBOOK

According to their research, Google expects a 15% decrease in annual advertising revenue during the first quarter, as people put off booking tickets until the end of the epidemic. By the end of the second quarter, Google's revenue decline could reach 20%, depending on how long the pandemic will last and what its scale will be.

Google and Facebook are likely to get hit by other industries that suffered when consumer behavior changed with the spread of the virus. Analysts say it's already obvious that advertising spending has declined in sectors such as entertainment, retail, and consumer goods.

Add all this to what is happening in the tourism industry and get a decrease in revenue of 30-45% of the total advertising income of Facebook.

In addition, continued uncertainty can lead marketers in other areas to rethink their advertising costs. This only increases the projected decline in revenue for Facebook and Google and paints an even darker overall picture of their revenue in the coming quarters.

In a study conducted from March 12 to 14, respondents from the affected regions described how their lifestyles, opinions, and reactions changed because of the pandemic.

As retail stores close, e-commerce is booming. According to the study, 50% of Chinese and 31% of Italian consumers "buy more often on the Internet" instead of buying in an ordinary store. Other countries have also seen an increase in the use of e-commerce: Vietnam (57%), India (55%) and Russia (27%).

In the UK, only 18% of respondents said they began to use online stores more often, and almost half of them said that the habit of buying on the Internet was before.

On March 24, Facebook talked about how the pandemic led to increased use of its messenger application.

According to Facebook, the total volume of messages over the past month has grown by more than 50% in the countries affected by the virus most.

Voice and video calls doubled in Messenger and WhatsApp.

In Italy, from the beginning of the crisis, people spent 70% more time on the Facebook application.

Instagram and Facebook Live views doubled in a week.

Italy's messaging also increased by more than 50%.

Group calls (three or more participants) increased by more than 1000% over the past month.

Despite this, Facebook said that the pandemic negatively affects its business, especially its advertising platform. This is confirmed by the forecast that Facebook advertising revenue in 2020 will amount to \$ 67.8 billion, which is \$ 15.7 billion less than in the previous forecast.

Recent research shows changes in human behavior during a pandemic. The global survey, conducted from March 16 to 20, involved more than 13,000 respondents, 95% of whom spend more time on media available at home. Not surprisingly, the number of news releases has grown markedly: 2 out of 3 people in the world spend more time on media.

In 13 countries participating in the survey:

- more than 50% look more at streaming services,
- 45% spend more time on messaging services,
- almost 45% spend more time on social networks,
- more than 10% also participate in the process themselves: they remove video content and download it.

The report notes that views on advertising are polarized. When asked whether brands should advertise as usual:

- over a third agree
- just over a quarter disagree
- just over a third are not sure.

Generation Z people (38%), men (39%), and the higher-income group (39%) are more likely to agree that advertising should continue as usual.

The tourism industry was one of the first and most acutely felt the influence of the spread of coronavirus infection in the world.

Closing the borders, first external and then internal, not only reduced the revenue of tourism companies to zero, but also led to significant losses in some cases.

The seasonal nature of the business, as well as the low margin (about 5-15%), led to the fact that many companies in the country were in danger of bankruptcy. And this applies not only to tourism organizations, but also hotels, transport companies serving the sector.[8]

According to the Organization for Economic Cooperation and Development (OECD), the number of tourists in the world this year may be reduced by 40-70 percent.

III. E-COMMERCE GROWTH

Many consumers buy goods in reserve - online or in supermarkets. The UK is accused of the "thirsty" (89%) shortage of food and other necessities, as in France (87%) and Australia (86%). At the same time, China (46%) and India (40%) cite problems with supply logistics - despite the fact that Asians are more actively buying in reserve than in Europe and the United States.

The forecast, published March 24, suggests retail sales in the UK will plummet in 2020. According to the forecast, total retail sales in the UK this year will decrease by 12.6 billion pounds. The most affected are clothing and footwear compa-

nies: sales will fall by 20.6% - to 11.1 billion pounds. The UK food market, on the contrary, will grow in 2020 by 7.1% - this is 6.8 billion pounds higher than the projected annual expenditures of the population.



Fig.2. Information about sticking up on food in Europe, North America and Asia

Mobile apps for grocery shopping receive a record number of downloads daily in the US. On Sunday, March 15, the peak of downloads came. For example, in March the average number of downloads of the Instacart application increased by 218% compared to February. In March, Instacart claimed that total sales for the first week of March increased tenfold compared with the previous week.

The Walmart Grocery application is one of the projects of the Walmart supermarket chain. The number of downloads of the application increased by 160% over the same period. Earlier, the company stated that it intends to close this project and transfer its functions to a single Walmart application by the summer.

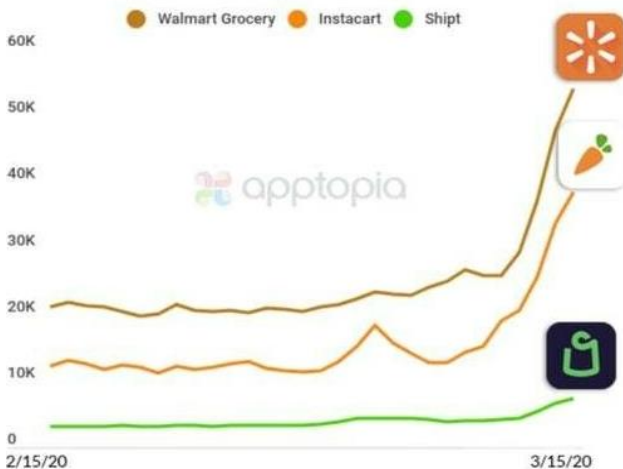


Fig.3. Daily app downloads for grocery shopping, USA.

Target, an American retail giant, has seen an increase in downloads of its mobile apps: Shipt (124%) and Target (98%), when customers were just starting to buy essential goods from home.

This trend is not even going to fade. New data showed that product sales in UK supermarkets for the week ending March 14 increased by more than 22% compared to the same period in 2019. This is 467 million pounds more than last year.

Compared with the same period last year, spending on certain categories of goods is growing:

- household items and pet care products - by 65%,
- products of long-term storage - by 62%,
- frozen foods - by 33%,
- beer, wine and spirits - 11%.

Regarding the sales of individual products:

- sales of drugs for children increased by 228% for the week ending March 14, compared with the previous week,
- The largest weekly increase was in milk of long-term storage - by 181%.

According to the March forecast, industry experts revised the forecast for rising advertising costs in China due to a pandemic - it is 3.9% year on year, which is much lower than the previous estimate of 6.9%.

Of course, there are other reasons: a decline in retail sales and output (which, over the years, has, on the contrary, only grown). However, even the projected growth of 3.9% is higher than in 2019 (despite the pandemic). This is mainly due to the sharp increase in spending on mobile advertising, which is expected to grow by 17.6%.

Estimates of advertising costs have been revised for other regions of the world (the last forecast before that was published in June 2019):

- for the Asia-Pacific region, the estimate fell by 0.7%,
- in the UK - a decrease of 0.6% (although it may be associated more with Brexit than with coronavirus),
- Meanwhile, it is expected that in 2020 and 2021 advertising costs in Spain, Italy and Germany will generally be reduced. Italy is expected to suffer more: last year a national ban on gambling advertising was introduced, and this year an outbreak of the epidemic.

In a new study dated March 24, there are changes in the advertising images that brands use on social networks:

Analysts analyzed more than 1,100 brands and advertisers working on Facebook and Instagram and found that the use of images of social interaction (such as hugging or shaking hands) decreased by 27.4%.

Since March 12, the use of advertising images of people washing their hands or faces and the image of splashing water or cleaning has grown 6 times.

Since March 12, the number of headlines and advertising texts mentioning the topics "Sports and Fitness" has increased 4 times (from 5.7% to 21% of all ads).

Digital goods (such as smartphones or televisions) appear in 39% of social media ads.

Data released by NASDAQ on March 8 predict that year-on-year Netflix subscription growth for the US and Canada markets will reach more than double the previous forecast of 1.6% and approach 3.8%.

The study also predicts that international subscriptions will

grow to 30.9% year on year compared with previous estimates of 29.9%.

Streaming services are potentially one of the few sectors that can withstand or even benefit from a pandemic. It will be interesting to see how people staying at home will affect major providers such as Netflix, Prime Video, Now TV and Hulu as soon as enough data is collected.

IV. GAME INDUSTRY

The platform for Steam games attracted a record number of users around the world in mid-March. According to SteamDB, on Sunday March 15, Steam was visited by 20.3 million users, setting a record for the number of online users at a time in its 16-year history.

Despite the fact that this record was set on the weekend, when gamers have more time for games, it is likely that the pandemic has affected the steady growth of online activity.

Counter-Strike: Global Offensive is a particularly popular game for over 8 years, available on the Steam platform, has also reached a record number of players who were online at the same time at the same time.

Over the past week, retailers have noticed an increase in the number of job applications, with most job applications coming from people in the hospitality industry, where there has recently been a reduction.

The daily frequency of job applications at retail has increased from 5,000 a day to more than 200,000 on one Friday, March 20. After supermarkets posted urgent hiring advertisements, another big leap occurred already on Saturday evening: more than 300 applicants a minute left applications (for comparison: 9 applicants a minute last week).

While hiring in the food sector is growing, there is a decline in other sectors. The data show that the number of job applications decreased by 73% in the field of recruiting, by 33% in the hotel business and by 23% in the healthcare sector (compared to the same week of 2019).

V. TOURISM IN USA

People canceled their reservations and "chose" not to travel, but this does not mean that they generally stopped thinking about traveling.

In fact, 55% of US residents who usually travel at least five times a year claim that they are "most likely" to buy tickets or tickets when they are at home during quarantine. This probability increases to 61% for those who often travel on business trips.

The intention to buy a ticket and the date of the trip itself are also related: 38% of consumers in the USA say that they will "never buy" non-refundable hotel or airplane bookings if the travel date is set for the next 1-4 weeks from the moment of booking. If the trip takes place 9 months after the purchase (approximately on New Year's Eve), a little more than 1/5 still refuse to make a non-refundable reservation. Most of them can be convinced by giving a discount of up to 50%.

This means that it will take some time for people to decide again on a "non-refundable" reservation. Travel companies

should look to the future and focus on regular customers (traveling on business or on vacation) - they are more likely to start looking for reservations without the possibility of a return than ordinary vacationers.

VI. TOURISM IN EUROPE

Many airports in the world, including London, have already introduced new rules for those who are currently forced to fly to another country or city.

They are based on existing government recommendations and include maintaining a distance of 2 meters (with the exception of people living together), sanitizers available throughout the airport building, as well as a more even distribution of passenger traffic across all terminals.

In the United States, the Transportation Safety Administration (TSA) urges passengers to wash their hands with soap and water for 20 seconds before and after the screening process.

At the international airport in Hong Kong, the device is currently being tested, which performs a complete disinfection in 40 seconds: it is able to destroy both bacteria and viruses on the skin and clothes.

In the same place, parallel testing of cleaning robots that travel around the halls and kill microbes with ultraviolet rays is now taking place. The same robots have already been tested in field hospitals.

Airports equipped with electronic kiosks for self check-in encourage passengers to actively use them to reduce interaction with other people.

At most airports, the new rules can be seen on posters and bulletin boards throughout the terminal building.

However, the process of going through all the procedures before the flight may take longer due to more stringent checks, says James Thornton, head of Intrepid Travel Agency.

"Just as putting all liquids and gadgets out of baggage has become the norm, the rules of social distance will become the norm," he says and adds: "Maybe immune passports will be introduced."

This year, several major airports announced the introduction of passenger temperature control to prevent the spread of coronavirus to other countries.

However, many experts doubted the effectiveness of this procedure, since it does not reveal asymptomatic carriers, so such checks will not be introduced everywhere.

A number of airlines went even further: Emirates offer their passengers an express blood test for the virus that causes Covid-19, before boarding the plane at the terminals of Dubai Airport. The test is ready in 10 minutes, as the airline claims.

Restaurants also think about how they better arrange their tables. The Portuguese hotel chain Vila Gale is already stocking up large numbers of sanitizers and is about to replace the buffet with a à la carte service only.

Athens's professor of medicine, Nikolaos Sipsas, agrees that the buffet is a big risk - just like the pools, bars and beaches.

"I think that the Greek beaches will be partially filled, that is, bathers will be, but not close to each other. This will not happen so that everyone lies on their heads on their towels,"

he believes.

Other European countries are discussing the creation of so-called "tourism corridors" - to bring together those areas or countries that are less affected by the Covid-19 pandemic.

Croatia, for example, has already announced that it can give residents of the Czech Republic and Slovakia special access to its beaches this summer.

There are also first scenarios of who will be able to visit the tourist regions again and in what sequence: first, those who have their own housing in these regions will be allowed to do this. Then to tourists who will stop for the night, and then to those who come without an overnight stay. I hope that from the middle or from the end of May we will again see the first signs of the resumption of foreign tourism. But when we can again freely cross the borders of other states, at the moment it's really hard to say.

Until a coronavirus vaccine appears, we must keep the prescribed distance in relation to each other. Therefore, it is not surprising that such plans now appear. How can a large crowd in a limited space be prevented? One of the possible solutions is to rent out only every second hotel room. Or open only every second hotel. Or make sure that people on the beach are not too close to each other. Whether plexiglass boxes will be a way out of the situation should be considered in detail. But, in any case, this example shows what creative and innovative attempts are being made to save the tourism industry. [1]

In almost any society, at least in Europe, tourism is part of a normal life. And people will be very happy to be able to travel again. The extent to which they can afford it depends on how much we are affected by the economic crisis, which is a consequence of the coronavirus pandemic. But in general, the need to catch up on tourism will be very high.

A recent study by the International Air Transport Organization (IATA) found that 60% of respondents would wait at least two months after an outbreak of coronavirus before booking airline tickets, and 40% said they would wait at least six months.

Boeing, which has reduced its personnel worldwide by 10% in response to the pandemic, does not expect the level of air transportation to return to the level of 2019 until 2023 - and this is the earliest.

The IAG holding, which includes the British airline British Airways, also believes that this process may take several years.

Although it is difficult to predict whether people will travel as before, or whether many will draw certain conclusions for themselves. A current discussion in the tourism sector is about how to make tourism better. Travel companies and their partners in the regions now use the time to make their offers more environmentally friendly, if finances allow. If there is a chance to reorient the tourism sector and change the tourism product, then now is the best moment for this. But whether we refuse at least partially after the coronavirus pandemic of mass tourism, as we know it now, is not yet known.

VII. TOURISM IN RUSSIA

According to experts, at least four tour operators have been planning flight programs in Sochi since the beginning of summer. For the first time, ANEX Tour delivered a chain to Sochi from Moscow, Yekaterinburg, Kazan, St. Petersburg, Ufa on AZUR Air. All AZUR Air flight programs in Sochi are planned from June to October, and ANEX Tour tourists and clients of the Intourist tour operator will fly to them. Since June 1, Biblio Globus has announced flights from Moscow and St. Petersburg on board the Rossiya Airlines, there are flights from other cities. Since June 3, TUI Russia plans to send tourists on Ural Airlines from Moscow, St. Petersburg and Ufa. "Prices are suitable even for tourists with financial abilities weakened by the coronavirus. Tourists will choose both beach vacations and wellness vacations, including in sanatoriums. Tourists for some time will come from France, Italy and other popular European countries in favor of exotic destinations. A hit will be the island states - Seychelles, Maldives, there will be demand for the UAE, as the country can offer an exclusive, secluded vacation. Because of the fear of large crowds, tourists will prefer expensive accommodation, for example villas, they do not create mass and do not need it. Hotels with 350 rooms in one compartment will temporarily recede into the background. The demand for personalized service will also grow: individual transfer, excursions.

Experts do not exclude that international tourism will be the lot of the rich, who will suffer less during the crisis (and someone else will increase their wealth). From experience it can be assumed that this time too, the segment of luxury tourism will be the fastest to recover. Those who used to go to budget hotels in Turkey on an all-inclusive basis will now have a rest in their summer cottages. "At the same time, I do not exclude the possibility that the volume of organized tourists will increase.

VIII. CONCLUSIONS

The overall outcome of the epidemic is likely to be a decline in global inflation. This is due to the fact that reduced demand for raw materials leads to lower prices for it. A smaller demand for services (for example, hotels) is also likely to lead to lower prices for them, at least in the short term. Problems in supply chains in theory can raise the price of finished goods. However, the business is usually in no hurry to raise the price of goods if supply problems are temporary. If a company expects the virus to cause problems for a month or two, it is unlikely to upset buyers by raising prices for such a short time. For those who are now thinking about investing, there are two strategies that have worked well during turbulence: these are investments in arbitrage portfolios and in short debts of reliable issuers. The former should yield very high incomes in 2020; within the framework of the second, opportunities appear to be cheaper for purchasing high-quality debt obligations and getting (due to the short term to maturity) a stable coupon income and value growth at the end of the crisis period.

For emerging markets, the effect of coronavirus is to reduce resource demand. Declining demand for raw materials such as copper can recoup losses as production resumes. This "accu-

mulated" demand will support prices in the future.

ACKNOWLEDGMENT

We are hereby to rector of TSUE, professor Sharipov Kongratbay Avezimbetovich and vice-rector, professor Eshov Mansur Pulatovich for his for supporting this research, and for their methodical advices and for helping in theoretical and methodical advices for preparing this research paper.

REFERENCES

- [1] Shashi, Roberto Cerchione, Rajwinder Singh, Piera Centobelli, Amir Shabani, (2018) "Food cold chain management: From a structured literature review to a conceptual framework and research agenda", *The International Journal of Logistics Management*, <https://doi.org/10.1108/IJLM-01-2017-0007>
- [2] Aboah, J., Wilson, M.M.J., Bicknell, K., Rich, K.M., 2019. Identifying the precursors of vulnerability in agricultural value chains: A system dynamics approach. *Int. J.Prod. Res.* <https://doi.org/10.1080/00207543.2019.1704592>.
- [3] Cui, J., Zhao, X., Li, X., Parsafard, M., An, S., 2016. Reliable design of an integrated supply chain with expedited shipments under disruption risks. *Transportation Res. Part E: Logistics Transportation Rev.* 95, 143–163.
- [4] Ivanov, D., Rozhkov, M., 2017. Coordination of production and ordering policies under capacity disruption and product write-off risk: An analytical study with realdata based simulations of a fast moving consumer goods company. *Ann. Oper. Res.* <https://doi.org/10.1007/s10479-017-2643-8>
- [5] Khodiev, B. Y. & Mustafakulov, Sh.I., Tursunov, B.O., Sigidov, Yu., Khavrova, K.S. (2019). Methods for control efficiency evaluation of the production capacities. *Astra Salvensis, Supplement no. 1*, 499–521. <https://doi.org/10.5281/zenodo.3666484>
- [6] Mustafakulov, Sh. I., Zarova, E. V., Tikhomirova, A. N., & Tursunov, B. O. (2019). Research of efficiency of use of production capacity at the enterprises of textile industry on the basis of methods of multivariate statistical analysis: On the example of Namangan Region of the Republic of Uzbekistan. *Journal of Advanced Research in Dynamical and Control Systems*, 11(7), 886–899. Retrieved from <https://doi.org/10.5281/zenodo.3756255>
- [7] Tursunov, B. O. (2019). Methodology for assessment the efficiency of production capacities management at textile enterprises. *Vlakna a Textil*, 26(2), 74–81. <https://doi.org/10.5281/zenodo.3756262>.
- [8] <https://www.dw.com/ru>
- [9] <https://www.worldometers.info/coronavirus/>