



Study of Impact of COVID 19 on Event Management Industry

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ABSTRACT

Events have played a significant role in the way in which the Coronavirus pandemic has been experienced and known around the world. This paper reports on empirical research with senior events officers for local authorities in the India on these key knowledge gaps.

The novel coronavirus (COVID-19) pandemic has had a significant impact on the event management industry. This research paper studies the impact of the pandemic on the event management industry. It also sets out to find out how event management companies are responding to the pandemic and what measures they are taking to mitigate its effects.

A qualitative study was conducted using semi-structured interviews with representatives from the event management industry.

The \$1000 billion Event management or event planning industry is one of the most affected industry of this pandemic globally as it is a business for people coming in huge numbers and celebrating an occasion. This study is about the impact of COVID-19 on Event businesses and how they are tackling in this situation.

INTRODUCTION

Events have played a significant role in the way in which the Coronavirus pandemic has been experienced and known around the world.

The novel coronavirus (COVID-19) pandemic has had a devastating impact on almost all industries. The event management industry, in particular, has been severely impacted. Event management companies are responsible for organizing and managing events, such as conferences, weddings, corporate events, and other gatherings.

These events have been cancelled or postponed due to the pandemic, resulting in a significant decline in revenue for event management companies. This research paper sets out to study the impact of the pandemic on the event management industry and to find out how event management companies are responding to the crisis.

Approaches of this nature demonstrate a new political calculus involving the balancing of public health with wider considerations. Judging the right time to restart events reduces transmission and saves lives, but it also limits the losses to, and strains on, event's organisers and promoters, businesses in the extended supply chains, and the many livelihoods that depend on them."

The daily wage workers associated with the industry, the small and medium event companies who do not have the platform or the target customers to provide such services are suffering more harshness of this pandemic.

LITERATURE RIVIEW

According to **Jones (2017)**, people gather for a purpose that creates opportunities for celebration and expression through attending events. While attending events people can mingle around to enhance social interaction, exchange ideas, entertain guests, expand businesses, to celebrate, attend culture activities, and so on. Therefore, the need for organizing events is in demand.

The Indeed (2022) issued that the event management is the process of planning and hosting a variety of small-scale or big-scale events for social and profit-making purposes for instance business conventions, training, seminars, trade show, festival or cultural events, sports events, concerts, corporate functions, exhibitions, social events, ceremonies, parties, etc. In particular, event managers must follow clients' demands and preferences within a specified budget according to a predetermined schedule as well as be able to collaborate with a range of vendors.

According to **Madray (2020)**, event management is defined as a well-planned and organized occasion with the view of meeting or achieving specific objectives for the benefit of a person, group of people, or an organization. The professionals in this business are known as event planners. Events can be

a celebration (festivals, weddings, birthdays, and anniversaries), education (conferences, graduations), promotions (product launches, fashion shows, and conventions), or commemorations (memorials, civic events).

Ateljevic, 2020; Higgins-Desbiolles, 2020 : As a public health crisis, the pandemic would prevent travel, tourism, cultural and leisure activities, including attending events in the ways they were known in the “old normal”. Following the pandemic, it was doubted whether production and consumption patterns would -and indeed should- revert to how they had been before: new behavioural conventions and expectations may induce a “new normal”.

Higgins-Desbiolles (2020) identified sharp divergences in discourses between practitioner (i.e., industry) views and academic perspectives: in broad terms, the latter expressing more sympathy for the transformative potential of the pandemic and the desirability of a new normal; the former appearing to favour to the resumption of the old normal and sooner. Epistemologically, the dichotomy suggests a disconnect between the academy and those it seeks to study. It also points to a greater need for more work seeking to understand the issues from the perspective of those living and experiencing them.

Made Gede Yudiyana, Andrew Sumichan, Ni Wayan Sri Ariyani (2018) Management Information System of Event organizer

The study represents the assistance of management information system in event activities in terms of providing ticket sales, booths, accommodation and activities which are outside of events such as tours for guests. This is to highlight the importance of technology helping in the event industry to work more efficiently and easy for organizers or planners to handle other such business domains of the event management. The upgrading technologies are opening gateways for better performance, providing information, economic benefits through cutting additional costs of labor and time, better efficiency and service to the customers along with maintaining control of data regarding the event and guests digitally which are much better than manual keeping.

RESEARCH METHODOLOGY

The nature of study is descriptive. The source of data is secondary. The data is collected and interpreted from various academic journals, research publications, news releases and websites.

Objectives of the Study

Once the research problem was acknowledged, it is possible to state that the objective of this project is to establish an efficient Social Media Marketing Plan for R Concept, as a strategy for the company to create and maintain a good relationship with customers, strengthening its online presence, and standing out in a pandemic context, becoming more prepared for the post- pandemic era.

In this way, R Concept will:

- 1) Respond to changing marketing with innovation and digital transformation;
- 2) Use social media as an active communication channel and;
- 3) Create stronger relationships with customers online.

DATA INTERPRETATION

Report of Events and Entertainment Management Association (EEMA) EEMA has conducted a survey of their members with 170 companies which are affected by COVID-19. These 170 companies represents over a 1,00,000 companies that are struggling in this pandemic. The report depicts a huge loss of business, employers livelihood at stake, revenue being affected globally and requirement of funds to attain stability in long run.

The major statistics found in the study were:

- 90% of the business being cancelled of around 52.91% of companies between March-July 2020
- Around 7 companies envisage a 50%-80% retrenchment of their current workforce and 35 between 25%-50%
- 63.1% companies i.e. around 107 companies suffered from a revenue loss of up to 1 crore each.
- Around 97 companies will need to raise capital or debt from institutions or shareholders, VC funding etc., to survive.
- The ideal working capital/ loan expected to keep afloat for the next 6 months is around 2-5 CR for 39 companies and 1-2 CR for 118 companies.

This shows that the business in various sectors has seen a huge downfall due to this economic disruption. The major cause of this rising difficulties for the industry is either the increasing cancellation of events of 2020 or the postpone of these to 2021 worldwide. Furthermore, the daily wages workers, small and medium associates businesses are also facing brutal economic conditions leading for sudden support else there will be an increase in unemployment ratios.

SCOPE OF THIS STUDY

Event Management Industry and Covid-19

Event management industry is one of the most important contributors to the economic growth of a country (Wagen, 2010). This is supported by Janiszewka et al., (2021) that the event industry has been considered one of the rapidly growing forms of the tourism sector. However, Covid-19 had irrupted the expansion of the respective industry and led to the unorganized practices in managing events in the pandemic era.

Ever since the World Health Organization (WHO) declared the pandemic on March 11, 2020, almost all scheduled events including global events and congresses, the Haj pilgrimage, symposiums, and conferences, have been extremely affected by the worldwide pandemic. The history stated that over 70 years, in May 2020, the 73rd annual World Health Assembly (WHA) had been virtually conducted in a shorter time than usual. According to Hanaei, Takian, & Majdzadeh, et al (2020) mentioned that to supplement the lack of in-person contact, any event activities that require people to physically gather have either been cancelled or postponed or held completely virtually.

Fox, (2020) issued that with COVID-19 threatening the recovery of businesses that base their very existence on the gathering of people, the events industry quickly adapted and shared best health and safety practices for virtual events. In August 2020, states and local authorities began loosening bans on small gatherings, allowing event management businesses to reinstate service offerings in the India.

Shifting Physical Event to Virtual and Hybrid Model

Until now, the event industry always become one of the contributors to the economic sector of the respective countries that were impacted by the Covid-19 pandemic. In keeping with the growth of the event management industry, a hybrid model of organizing events could be the best solution that offers both in-person and virtual components (Hanaei, et al., 2020). In addition to that, participants can freely choose to attend the event via virtual mode or vice versa according to their preferences, necessities, and individual limitations. Furthermore, according to Gajjar & Parmar, (2020), modern technologies enable the event management practitioners to rely on a mixed combination of the virtual and physical events which is now becoming continuously practiced in today's events market. Moreover, it is acceptable to use real-time data in determining the form and development of event management by considering the event safety aspect.

The Impact of Covid-19 On The Event Management Industry

Upon the Covid-19 outbreak, wherein the event management industry faced the obstacles and challenges in managing events. Due to the complexity of the current situation after Covid-19, the rules and regulations that are eagerly implemented by government bring significant impact to the event management industry. This requires cooperation between authorities, event businesses, enterprises and vendors, and event practitioners to aim at mutual understanding and reach compromise starting with understanding its impacts on the respective industry.

Economic Impact

Economic impact toward event industry focused on visitor spending and multipliers the spending while attending events in other sectors of the economy which can also be linked to income or job creation. In the previous research conducted by Madray (2022), the event businesses got a maximum loss of is about more than \$666 million till April due to the cancellation of events worldwide and have an estimated 85.8 million jobs at stake. The businesses keep on trying to sustain the capital shortage by utilizing the use of technologies and measures like webinars, live chat, online discussion forums, shows etc. Although their services are still operating, the revenue obtained will never reach the profit figure that came from the previous multi-scale of physical events. Further to this, the daily wage workers associated with the event industry, the variety range scale of event companies that are not able to reach the target customers and lacking needed facilities to provide such services are suffering more from this pandemic situation.

Social Impact

According to Madray, (2022), the social impacts are also very clear as the movement of people is restricted and with rime grew the fear to travel and indulge in any sort of public affairs or people gatherings, affecting the social life of the society as a whole. In addition to this, Tölkes, Butzmann (2018) & De Jong, Varley (2018) mentioned that considering the social aspect in events, it enables people to meet the needs in the field of meeting and establishing networking, create bonding, contributing to building the community and human capital. Furthermore, previous research on social effect suggests that events can work as significant change accelerators, notably in terms of social cohesiveness, integration, and the formation of place based identity. In addition, live events are a platform for people to build relationship, providing impression and emotion which are important aspects of event.

However, in this pandemic era, the limitation in organizing events led to the temporary inability to attend physical events in which had increased the awareness of the importance of events for socialization purposes. In particular, Olson (2021) pointed out that, even with the Covid-19 and numerous restrictions, some people are still overcrowded to attend events. On the other side, some people are afraid of large crowds, and there is a chance that anxiety will persist after the pandemic, making it harder for the event sector to rebalance (Gajjar & Parmar, 2020).

Report of Professional Convention Management Association (PCMA)

The survey of more than thousand Event professionals were done by PCMA to know the impact of COVID-19 on their businesses.

The outcome of the survey were:

- **High Rate of Cancelled/ Postponed events**

The survey highlighted that 88 percent of respondents marked the cancellation of events they have been booked for and 66 percent have postponed their events to organise after COVID19 affecting the business and dependant sectors drastically.

- **Using Time productively**

63 percent of respondents claim that they are using this free time to upgrade their skills and majorly focusing on virtual technology and online platforms for organising events. To learn the benefits and software required for online events and use them to overcome operational costs and meet day to day expenditures.

- **Virtual Events**

The future of events using technology or the survival means for event industry in this pandemic are virtual events. 7 out of 10 respondents or the businesses having facilities to upgrade certain events for their customers online are using virtual medium in this pandemic. The reason is because of the losses they are inculcating and no certain get away from COVID-19 encouraged virtual events. Due to this, there is a certain increase in webinars, online discussions and live chats to keep the industry active.

3. Other impacts on Event industry:

a. Increased Personalisation

The positive outcome for online live events are the increase in the sense of personalisation and ease of accessibility to the customers. In conventional events, there are lot of people and large area during performances which effects the experience of customers as they get disconnected or due to overcrowding. But, the events in this COVID-19 has overcome this hurdle through the opportunity of enjoying the event while staying at own premise.

b. Global presence

Another impact is the reformation of global village or getting close to each other by removing border barriers through this virtual growth. Though, people are waiting to pass this time rapidly but the events and festivals in this online manner has grown new opportunities for businesses around the globe and gave a sense of togetherness in this harsh times.

c. Modern Advertising Techniques

The impact of COVID-19 on advertising techniques are well seen as in this condition when people are confined to stay at their homes the usage of social media platforms have increased and methods have grown more consumer- centric, dynamic and engaging. This lead to organisation to promote more on these platforms and strengthen their services by claiming to take proper care and sanitization measures. Event companies are also promoting their webinars, live events and chats through providing free masks, webinar certificates, engaging audiences through their COVID-19 measures and increasing their web traffics and participation.

d. Low costs

This is both positive and negative for the industry as the virtual events costs very less than conventional events which means low revenue also to the company due to the low charges. The usage of these forums affects the sectors and workers who are solely dependent on traditional manner of events leading to their unemployment.

Recommendation:

As the world is adopting emerging new norms for various gatherings and events, it is obvious to see that the event management industries around the world are actively trying to adapt to the changes that occurred after the pandemic of COvid-19.

This is to ensure the survival and sustainability of their respective industries. The importance of being sensitive to the impacts of Covid-19 either directly or indirectly on the potential of the industry to rise from the downturn in this era.

Due to that reason, it is recommended that the event management industry players must redirect their aims and strategies to deal as well as cope with such impacts. To name a few and certain vital areas that need to be enhanced such as establishing the use of technologies as the managing event's tools, creating risk assessment and mitigation, increasing the global presence for the company image branding purposes, analysing the cost-effective financial

planning, etc. This act must be taken immediately, comprehensively, and at a consistent rate with progressive momentum so that the development of this industry will dynamically grow in the future.

Managing major events during a pandemic entail more than just knowing how to work around planning and coordination constraints. It would also necessitate the active participation of all stakeholders in a democratic process. Since the beginning of the epidemic, the extent and speed of virtualization adoption have increased. As a result, understanding how the present pandemic was managed is critical in order to improve or reinforce the sectors' resilience in the face of future unanticipated crises

CONCLUSION

The study shows different impacts of COVID-19 on Event management industry. The major effect of this pandemic is the severe loss in the industry due to huge cancellations and postponements. The pace of industry is very slow and surviving with the help of virtual events. The revenue and the workers are drastically impacted and require funds to survive and sustain at longer run.

The innovative leaders of event industry are working on different strategies like use of virtual technology to connect people and make them participate through organizing webinars, live chats & discussions, live artist performances and podcasts. They are promoting these through different unique marketing strategies on social media platforms majorly.

Therefore, the impact of COVID-19 on event management industry is severe and require support of governments and sponsors but they are still active and trying to survive through the means of virtual events.

people's attention. Not only social media usage has increased as an effect of the pandemic, but also other immediate effects have emerged, such as the threat of disease that has taken root in people's minds. Therefore, people began to have more prudence towards crowds and closed spaces with fear of Covid-19. This had a huge impact on the events industry, in which R Concept belongs, which felt the need to move to virtual solutions to continue hosting events. Now, even though there is still a lot of concerns about physical events, the target audience admitted that nothing replaces face-to-face interactions, so it is possible to conclude that once the pandemic is no longer a threat, physical events will come back at full force.

That said, and considering that digital adoption is here to stay and will still rising, it's more important than ever that RConcept strengthen its social media presence in order to gain more followers who can later become future clients when the events season returns to the pace it had before. It is believed that with the implementation of this Social Media Marketing Plan, RConcept will succeed in the long run, creating closer connections with its customers, mainly because of the listening and talking focus, contributing to the exchange of information that will benefit both customers and the company.

This social media marketing approach will allow the company to get people engaged, to promote its services, to generate awareness, to use social media as an active communication channel and to create stronger relationships with customers.

All of these complementing traditional events that the company has again held, thanks largely to the efforts to fight the pandemic such as the vaccination plan, but at a very slow speed. In the beginning, the implementation of this social media plan will probably be time consuming. But with the experience over time, it will certainly become something more routine and simpler, especially with the help of the content calendar that can be thought out right away for the entire month, saving time and energy. It is believed that, if properly implemented, this plan can meet the overall objectives of R Concept, contributing to the achievement of its social media goals to the improvement of the results.

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