

# IMPACT OF COVID-19 PANDEMIC ON FOOD INDUSTRIES

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The outbreak of coronavirus has had significant impact not only on public health worldwide, but also on all stages of the supply chain and value chain of various industries. In fact, according to Fortune.com, about 94% of Fortune 1,000 manufacturers are being hit with disruptions as a result of the coronavirus. The food and beverage is one such industry that is currently experiencing impacts due to outbreak, which was declared a pandemic by World Health Organization (WHO) on 11 March 2020. The epidemic is largely contained in China and accounts for the highest number of cases. The greater significance of this with food industry is associated with the fact that China is among the largest markets for Food and beverage imports and exports for many countries. Globally, the food and beverage industry is expected to experience the differential impact of this rapid spreading COVID-19 on each stage of its value chain through the mediums of the affected workforce at industrial level. Raw material supply (agricultural produce, food ingredients, intermediate food products), trade and logistics, demand-supply volatility and uncertain consumer demand at foodservice outlets-among other factors. The affected workforce in agricultural farms, food and beverage production & processing plants and distribution network are analysed to run the risk of promoting the outbreak of COVID-19, the transmission of which can occur during various activities of co-ordination.

## IMPACT OF COVID-19 ON FOOD SECTOR :

The food industry is bracing for major adjustments as concerns over the spread of the coronavirus grow. Companies are adjusting their operations to meet increased demand. The food Marketing institute and National Restaurant Association are among industry associations that have issued information about how retailers and foodservices operators can cope with the outbreak. So basically food security and livelihood are most at risk due to the pandemic.

Currently, some 820 million people around the world are experiencing chronic hunger- not eating enough caloric energy to live normal lives. Of these 113 million are coping with acute severe insecurity- hunger so serve that it poses an intermediate threat to their lives or livelihoods and renders them reliant on external assistance to survive. Vulnerable groups also include small-scale farmers, pastoralists and fisheries who

might be hindered from working their land, caring for their livestock. They will also face challenges accessing markets to sell their products or buy essential inputs, or struggle due to higher food prices and limited purchasing power. Informal labour will be hard hit by job and income losses in harvesting and processing. The food supply chain is a complex web that involves producers, consumers, agricultural and fishery inputs, processing and storage, transportation and marketing etc. global cereal stock are at comfortable levels and the outlook for wheat and other major staple crops for 2020 is positive. Blockages of transport routes are particularly obstructive for fresh food supply chain and may also result in increased levels of food loss and waste. Fresh fish and aquatic products, which are at highly perishable and therefore need to be sold, processed or stored in a relatively limited time and at particular risk.



## EFFECT OF PANDEMIC ON FOOD DEMAND: IMPACT OF CORONA VIRUS ON FOOD AND BEVERAGE INDUSTRY:

At the onset of the covid-19 outbreak there has been significant increase in demand. Food demand is generally inelastic and its effects on overall consumption will be likely limited although dietary patterns may alter. Fear of contagion can translate in reduced visits to food markets. A surge in sales of shelf-stable foods and beverages in the United States may boost profits for some food manufacturers and retailers in the near term. Sales of powdered milk products surged 84% during the last week of February, according to Nielsen. Sales of staples like bread and eggs along with rice, beans and frozen foods also have increased as consumers rush to stock their pantries. The pandemic has also affected food business around colleges. The trend of street food, cafes, shops around colleges are stable because of the students but because of this situation all these are shut down and it is having negative impact on the shopkeepers. So I found this catchy slogan on Google that says "Consumers goods fly off the shelf as coronavirus spreads in India" and that's the truth as deliveries are delayed and some items such as sanitizers have gone off shelves or are unavailable online. Products such as rice, atta, pulses, sugar, biscuit, tea, instant noodles, butter and frozen food are flying off the shelves in Mumbai, Delhi- NCR, and Pune.

## CONCLUSION:

Strong global concerns about the pandemic coronavirus have largely but negatively influenced the global functioning of the food and beverage industry and the mindset of consumers, given the health risks. Further to the above-mentioned factors and on the economic and on the economic front, although prices of F&B products and agricultural produce have remained stable, prolonged outbreak of COVID-19 will lead to economic instability and food inflation. While the short-term impacts are more evident, it is yet to be understood what impacts and what magnitude of impact the outbreak of COVID-19 will have on the supply chain in the long term.

The disruption to supply chains means that farmers are unable to get their products to market. At the beginning of closing down everything and the announcement of the lockdown, there was a high demand of Food and Beverage storage. The Food and Beverage Industry face reduction in visit to Food markets due to the fear of Contagion. Food and Beverage Industry is facing a reduced customer behavior and demand because of the cut down in outside food, Dine-out and out of home consumption of food.

## COVID-19 ON DAIRY INDUSTRY:

Due to Coronavirus the disruption to supply chain is causing tons of fresh produce to be wasted. Despite food shortages and high demand for dairy products, the Dairy Farmers were asked to dump their milk. The short shelf life and perishable nature of dairy products, means the effects of Coronavirus have hit them harder and faster than agriculture industries.