

# Automobile Sales Retardation Due to Pandemic

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**Abstract-** In this modern-day, the environment was harmed drastically, but the major cause is the carbon emissions which are emitted by our automobiles. But talking about leaving them, it's not possible, we had become used to and becoming dependent on them by day by day of operating them. We can only switch to a safer side like electric vehicles but not leave them. In the past year 2020, we all know that the pandemic is clashed on us by enormous amounts and every segment. But one part is there which is going to effects all of our livelihood the automobiles. The authors' main aim is to make a relevant and precise model of selling automobiles so that if another pandemic is crashed, we should get rid of it as soon as possible without affected by it. My team and I talked to various showrooms, made a selling program, and gave awareness about day-to-day automobiles through it.

**Keywords:** Automobiles, Environment, Pandemic, Electric Vehicles, Showrooms.

## I. INTRODUCTION

In 2019, India surpassed Germany to become the fourth-largest car market, selling 3.99 million units in the passenger and commercial car segments. By 2021, India will be the third-largest car market in Japan.

The two-wheeler segment controls market size due to the growth of the middle class and youth. Also, companies' growing interest in exploring domestic markets has contributed to the development of the sector.

An automobile is dissolved in our lives with different aspects for someone. It is a gift to their daughter; for someone. It is the vehicle that is helping our border protecting soldiers for someone. It is a source of income (truck, rickshaw, taxi) and for someone. It is the son's payback to dad's hard work. We all are surrounded by automobiles in our life with different purposes. It plays a vital role in the continuation of our livelihood. But in some aspects, it is the cause of the deaths too. Automobile captured the different living classes with is different budgets like for a college-going boy is always in a rush, and he did not want a slow and heavy bike, so he chooses the KTM and opposite to is a mid-aged person who is going to work not wanting a rash driving to select the royal Enfield.

But due to last year's pandemic, the sales of automobiles are affected, and it has its impact on today's market. The passenger segments cars are on waiting by a large amount. As we all know, India's automobile past was not that good after this pandemic will be worst. In India, there are very few influencers who want to acknowledge people digitally about automobiles. There should be a good platform in which we can go through thoroughly and explain vehicle

prices, etc. We should have adequate extinction models for sales in any pandemic that arrives in the future. All of us are going digitally in today's life, but it is no secure digital platform for booking, paying serving fees, etc. Many people who do not have great knowledge about vehicles are cheated and squeezed the non-relevant amount in front of them. So, our visions are to create a platform in which a person is getting a full knowledge what is rummaging around the automobile market, service cost of different parts, booking charges, festive offers which you have experienced only virtually by going different places (showrooms) and conclude and all this problems solution digitally and it is user friendly too. The making of this program helps all citizen to get their vehicle at proper prices and also help the car sellers to make more customers by interacting with then digitally

For creating a program like this, one should have proper knowledge of automobile sales, and it should have worked in that sector so he can solve any problems in an instant. This program cannot be initiated without the help of the government because, as of now, a financial term like GST and various terms should also be included. In this program cannot in initiated or accepted we have another plan setup in which we have different solutions in a way so that a customer can meet its expectations and sellers can also get a good sale as per their wanting and also get connected to their customers digitally so the customer can reach them from anywhere. We can check the price differences from different sellers in one area in today's date for talking about a vehicle home-only virtual option. If a future pandemic insufficient comes, we have a proper plan so that no accessories, vehicle parts, should not fulfil customers' needs. Social media plays a vital role, so the gathering of people toward programs becomes faster and easier.

- The global epidemic caused by the Corona virus virus novel came when the Indian economy and automotive industry were expected to recover. If the GDP growth forecast is higher than 5.5%, COVID-19 will adversely affect the 1-2% growth rate. The extent of the effect depends on the importance of continuous locking and the outcome of the diffusion.
- India Covid-19 Affects the automotive industry in India. The industry's overall economic impact is estimated to be at least \$ 1.5-2.0 per month. Passenger demand is expected to continue to decline even after it opens. This is compounded by the shift to BS-VI policies that increase ownership costs.
- You can dive into the two-wheeler farming sector you want but hope to get back to U-Fashion. Government

investment in major infrastructure projects is based on revenue from the transport sector, but commercial vehicles are expected to show resilience.

- China hopes to use supply transactions as soon as it returns sooner than usual. However, the tire 2/3 level expansion offer's visibility is a major risk factor for car companies that need to work on it.

### Global Light Vehicle COVID-19 Impact

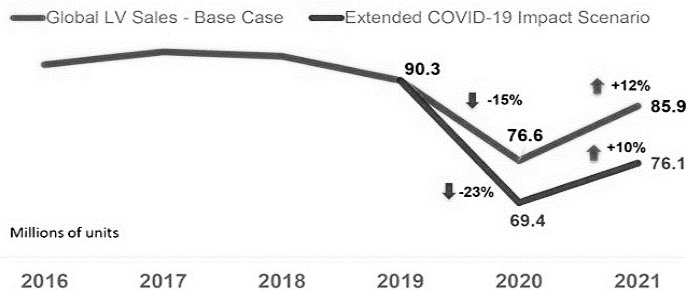


Figure 1: Global light vehicle COVID-19 Impact.

#### 1.1 What Is the Impact?

- COVID-19 affects all participants in the short- and medium-effect price list. These can lead to a shortage of raw materials, export to production, cash explosion, and delay in availability of models, delay in delivery, and decrease in consumer demand.
- The impact of COVID on the economy and the automotive industry may vary depending on the severity, duration, and prevalence of CO disease. As a result, the economy could see a V-recovery - a quick recovery, a U-shape - touching the 2020 year or L-shape - an 18-month decline.
- Fourth, it may be a necessary step in financial and financial management. Companies assess losses in terms of economic impact and additional funding, stabilize cash flow to ensure adequate funding, and define cost-cutting measures.
- India, The automotive industry in India, has noticed some past problems, and this lead-up approach is not so bad. However, immediate, moderate to long-term, planned, and targeted response ensures V-shape detection. This is important because industrial action will support the government and the judiciary to revive it. After all, the current situation in these difficult times is a simultaneous action.

## II. LITERATURE REVIEW

As our work starts with going to all the car showrooms near us understanding what problem they had faced. During the lockdown and what affected their sales mostly. We went to various showrooms where some of them have different issues, and some are having the same. By concluding what they all had gone through, we make some points based on

their particular problem. We came to a scenario where we have three major solution options from all their different situations: having all types of problems and solutions.

### II.1 Respond (During the Lockdown Period)

- Continuously engage with the customers and the dealer network to maintain the sales. Held proper virtual ramified training for sales staff from time to time
- Make relevant DIY videos on social media for customers to make maximum awareness about ongoing offers.
- Maintain proper financial support with the banks to not face the liquidity crunch in the sales system, make quick incentives programs, and make temporary relief from interest burden.
- Help the active workers and their families fight the pandemic to properly distribute masks, sanitizer, and PPE for every worker class.
- Make a plan for a short-term demand spare part to complete the customer needs in small segments and a systematic order.

### II.2 Recover (1-2 Quarters After Lockdown Ends)

- Plan initiatives to capitalize the potential aversion to shared mobility for proper transportation according to orders at the lowest cost. Apply the ideas of push marketing for 2 wheelers and 4wheelers and pre-owned cars.
- Prepare the proper program to keep an eye on the pre-owned cars and held service camps to maintain a good and eye-catching image of the company
- Make proper releases of upcoming vehicles and give better financing offers and schemes to face the liquidity crunch.
- Make an omni channel experience for the customers having virtual sales consultants, online sales, and digital documentation
- Adopt a hygiene centric process, and design changes fermentation of vehicles should be a part of the workshop, design no contact customer journeys
- Capture opportunities to consolidate operations to make partnerships with different brands, giving us a new funding source.

### II.3 Reinvent (2+ Quarters After Lockdown Ends)

- Plan to change customers' mobility preferences who can handle different passenger booking companies, courier services, etc. For the former corona epidemic, people avoid public transportation, travelling in specially booked vehicles, maintaining brand value, and following the latest trends in accepting alternative property ownership.
- Accept end-to-end digitization for customer touch point digitization, sales, and services, so the customer will never hesitate to book a specific brand's vehicles.

- Explore more offers related to Hyper Delivery in redesign to meet the growing demand for home delivery.
- Redesign lean and responsive processes in reorganizing fixed business models and removing the most profitable firms from sales and production systems. There are also networks with short-term response strategies to experience features like premium car brands in redesigned.

The Indian pet industry is likely to come to a corner in July as the declining trends are softening every month. For the first time in a few months, the Indian automotive industry saw a one percent decline in passenger wholesale. One hundred ninety-eight thousand units were exported during the same period last month, compared to 200,500 companies. The July expansion will be a V-shaped rescue operation as Indian countries reduce locking routes and open more sales in the city. The sector still needs to reflect the steady demand trend in the medium term. As OEMs in India face commodity sales challenges, they need to get stocks to protect themselves from future disruptions.

Launched in late December 2019 in Wuhan, China, the novel Corona Virus (COVID-19) is spreading rapidly worldwide, affecting all sectors of society, including the automotive industry. During January and February, car manufacturers and their suppliers are busy reducing traffic congestion. However, in March, the industry is taking intense action in line with government advice to keep their workers safe.

When the World Health Organization declared the spread of COVID-19 an epidemic, an unprecedented hurdle was approaching in the world. The automotive and manufacturing industries are expanding worldwide, declining consumer demand, falling car sales, and almost all major industrial events being canceled or digitized. The whole of March is filled with news about the coronavirus, all of which began with the 2020 Geneva Motor Show's cancellation, which opens on March 5.

### III. AUTOMOBILES INDRUSTY STUDIES

**3.1 Advantage India:** Strong Demand: Growth of middle class and youth population leads to solid growth.

- April FDI inflows into the automotive sector from April 2000 to September 2020 were \$ 24.62 billion.
- Assistance Policy Support: The Government aims to develop India as a global manufacturing hub. Changes like GST will accelerate the growth of this sector.
- Opportunities: By 2030, India will lead a shared journey by providing opportunities for electric and private vehicles.

#### 3.2 Market Size

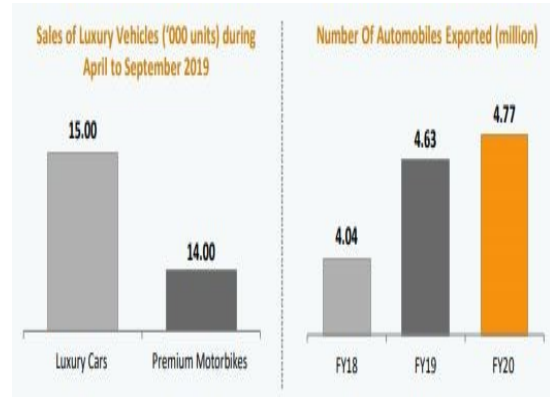


Figure 2: Market size 2018 to 2019

#### 3.3 Sector Composition

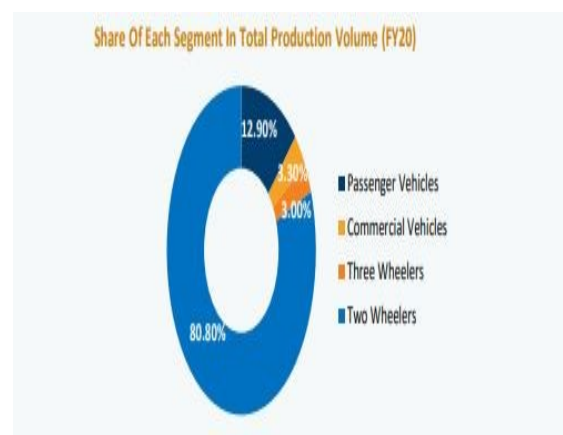


Figure 3: Sector Composition in the year 2020.

#### 3.4 Key Trends

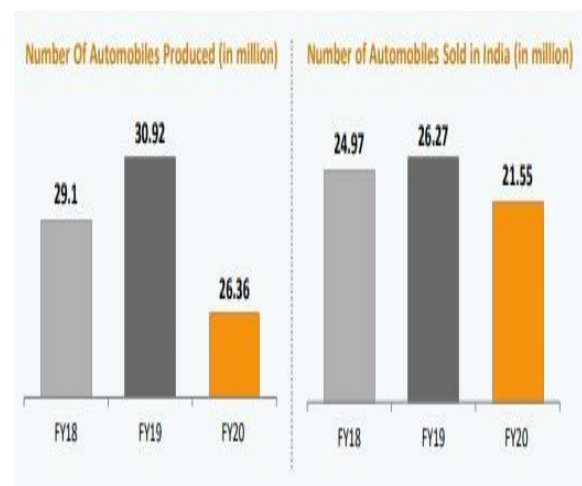


Figure 4: Key Trends 2018 to 2020.

#### 3.5 Government Initiatives



**Figure 5: Government Initiatives.**

#### IV. AUTOMOBILE COMPANIES IN INDIA

Maruti Suzuki India Limited, owned by Suzuki Motor Corporation of Japan, is India's largest car manufacturer with more than 51% of the market share in the FY20 passenger car segment. The company had sold 1,563,297 units last year. Company Website: [www.marutisuzuki.com](http://www.marutisuzuki.com) Maruti Suzuki - Our 2020 Lifestyle.

Tata Motors was founded in 1945 under Tata Group. It is one of the world's leading manufacturers of 81,090 vehicles. He is the market leader in the automotive sales segment. It has a market share of 45% for this financial year. It is available in categories such as used cars, trucks, trucks, buses, and safety cover.

**4.1 Market Size:** Domestic vehicle production increased by 2.36%. Domestic car sales rose 1.29 percent. The company sold 21.55 million vehicles this fiscal year.

The Indian automotive market includes two-wheelers and passenger cars. Small and medium vehicles are the mainstay of passenger car sales. Wheelchair and passenger vehicles accounted for 80.8 percent and 12.9 percent, respectively. Of this, over 20.1 million vehicles were sold.

Sales of passenger vehicles (PV) increased by 14.19 percent to 3, 10,294 units in October 2020 and 2, 71,737 units in October 2019. According to the Federation of Automobile Dealers Associations (FADA), PV sales in November 2020 increased by 4.17 percent to 2, 91,001 units from 2, 79,365 units in November 2019.

Overall, car exports reached 4.77 million vehicles, a growth of 6.94 percent in CAGR. Two-tier exports accounted for 73.9%, passenger 14.2%, three-wheelers 10.5% and commercial vehicles 1.3%.

Excluding e-rickshaws in India, sales of e-rickshaws have increased by 20 percent. The FY20 has two wheels and has reached 1.56 lakh units.

Domestic sales of leading motorcycle sales in India fell sevenfold. From April to September 2019, it reached 13,982 units. Luxury car sales in the first six months of 2019 were between 15,000 and 17,000.

**4.2. Government Initiatives:** The Government of India promotes foreign investment in the automotive sector and allows 100% foreign direct investment (FDI) in the

automated route. Some of the latest ventures undertaken by the Government of India -

- The government has announced that the union will provide additional tax rebates in rands under the 2019-20 budgets. 1.5 lakh interest (US \$ 2,146) of loans taken to purchase these
- India's government aims to develop India as a Center for Manufacturing and Research and International Development (R&D).
- NATRiP said the Indian government plans to establish R&D centres for \$ 388.5 million to upgrade the industry to international standards.
- In line with Government Fame (Fast Adoption and Manufacturing (Hybrid), Indian Vehicles in India), the Indian Industry Department has listed 11 cities for public transport. The government will build a nesting site in the area.
- In February 2019, the Government of India approved the FAME-II project. 10,000 cores (US \$ 1.39 billion).

#### V. CONCLUSIONS

In the past 2020, we all know that pandemics face us on a massive scale and in every category. But there is something that affects our livelihood. The authors' main goal is to create a relevant and accurate model for car sales, so if another epidemic breaks out, get rid of it as soon as possible without affecting it. The team and I talked to various showrooms and organized the sale event, thereby raising awareness about everyday vehicles. There is a need to analyze the major trends from 2018 to 2020, market size from 2018 to 2019, sector structure, and government programs in 2020.

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