

# **Research on the Countermeasures to the Development of New Business Forms in the Background of the Covid-19 Pandemic**

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**Abstract:** The severe situation of the COVID-19 pandemic has impacted and affected people's economic, social and spiritual life. It has changed people's needs and lifestyles as well. It creates new challenges and new opportunities for the development of new business forms. In response to the impact, countermeasures to the development of new business forms in China are proposed in this paper.

## **1. Introduction**

The COVID-19 pandemic in 2020 has caused many countries in the world to declare a state of emergency and implement entry restrictions. The pandemic has suppressed the desire and confidence of consumers on the demand side, resulting in unsalable global commodity sales. The pandemic has caused a large number of factories on the supply side to stop production and disrupted the industry chain and capital chain, which has seriously affected many industries. The spread of COVID-19 has impacted people's economic, social and spiritual lives and changed their needs. It has changed people's lifestyles and created new opportunities for the development of new business forms. Therefore, it is necessary to strengthen the research on countermeasures to the development of new business forms in China in order to find “opportunities in crisis” and “turn the crisis into opportunities”.

## **2. Covid-19 Has Changed People's Lifestyles**

The severe COVID-19 pandemic has become a global public health emergency. In order to curb the spread of the pandemic, safeguard the lives of the people, Chinese governments at all levels have mobilized all sectors of society to devote themselves to the fight against the pandemic. The local governments have issued requirements for the prevention and control of COVID-19: Government offices, enterprises, institutions and social organizations are encouraged to adopt flexible working schedules such as off-peak work hours, and flexible working modes such as work by telephone and work online. The global spread of the pandemic has yet to be effectively controlled, and prevention and control measures will continue. The COVID-19 pandemic has brought many inconveniences, which in turn have changed the way people live. Due to the need of pandemic prevention and control, people are unable to go to work, shopping is affected, transportation is restricted, the new semester of schools are delayed, etc. Based on the change of demand brought by the pandemic, the lifestyles such as online office, UAV delivery, online shopping and online learning have been used a lot.

## **3. The Covid-19 Pandemic Presents New Challenges and Opportunities for the Development of New Business Forms**

### **3.1 New Challenges**

#### **3.1.1 The Covid-19 Pandemic Has Posed a Serious Challenge to the Education and Training Industry**

According to the notice of the Ministry of Education, schools at all levels and of all kinds need to

postpone the new semester. Students will not be allowed to participate in massed learning activities. All training institutions must cancel all kinds of offline courses. The COVID-19 pandemic has seriously affected training institutions which focus on offline training.

### **3.1.2 The Covid-19 Outbreak Has Raised Consumer Demand for Services in the Express Logistics Industry**

In order to control the situation, people responded to the call of the government and chose online shopping to avoid the risk of infection. The logistics service industry now is faced with a sharp increase in service demand, which tests the delivery ability of express delivery. According to the data provided by Miss Fresh, from New Year's Eve to the fourth day of the New Year, the actual transaction volume of the platform increased by 321%, especially fresh vegetables, fresh meat, aquatic products, fruits and protective masks, etc. During the pandemic period, due to the extension of the Spring Festival holiday, restrictions on population movement, traffic control and issues, the rework rate declination, and the shortage of express delivery personnel, which affected the improvement of the delivery capacity of express logistics industry.

### **3.1.3 The Covid-19 Pandemic Has Taken a Heavy Toll on the Culture and Entertainment Industry**

Due to the impact of COVID-19, the Spring Festival movies have all been cancelled; For the film and television bases such as Hengdian, all crew shooting and sightseeing tours have been temporarily suspended; Outdoor-related TV shows are suspended; China Television Production Committee and China Television Actors and actresses' Committee issued a statement saying that "Films and TV series shooting is prohibited during the pandemic." For this reason, the culture and entertainment industry suffered a serious decline in performance <sup>[1]</sup>.

## **3.2 New Opportunities**

### **3.2.1 The Covid-19 Pandemic Significantly Increases Online Education Permeability**

According to the information provided by the Ministry of Education, relevant national departments have coordinated and integrated national and local teaching resources to provide national online cloud classrooms in order to ensure online teaching and online learning. The government uses cloud computing technology to build "online live-streaming classrooms" for teachers and students to conduct online teaching and learning. The control of the pandemic has stopped most offline education institutions from operating and promoted the development of online education. The combination of online teaching such as education of theory and practice, online live broadcasting, online recording and broadcasting, and face-to-face teaching will be more popular and widely used. All in all, the COVID-19 pandemic has significantly increased online education permeability.

### **3.2.2 The Covid-19 Pandemic Provides Opportunities for "Home Entertainment" with Online Games and Streaming Media as the Mainstay**

In accordance with the recommendations of the general prevention guidelines issued by the officials, people are required to minimize going out, holidays are prolonged, and new semester should be delayed. The online game industry bears a large amount of entertainment demand from consumers. Streaming media based on live streaming, short videos, and online news have become the main force of "home entertainment". Taking the cooperation between Huanxi Media and Bytedance as an example, it made use of the extraordinary period of the epidemic to broadcast film online (Lost in Russia), which accelerated the development of the online video industry and also opened a precedent for the transformation of distribution channels in the film industry <sup>[2]</sup>.

### **3.2.3 The Covid-19 Pandemic Provides New Development Opportunities for Fresh Food e-Commerce Companies with "Unmanned Delivery" Services**

The SARS epidemic promoted the development of the e-commerce industry, directly changed the path and pattern of economic development, and formed a mature business model based on

takeaway service and e-commerce. The group isolation of COVID-19 pandemic promotes a new offline unmanned delivery service model based on UAV, unmanned vehicles and robots. Unmanned delivery can avoid direct contact with people during the pandemic, highlight the advantage of timeliness of delivery, and break through the restrictions of terrain and landforms such as mountain crossing and river crossing. It also expands the scope of service space, improves the freedom of transportation, effectively improves efficiency and reduces labor costs. JD Logistics is deploying delivery robots from all over the country to assist in Wuhan which realizes the normalized operation of intelligent robot distribution <sup>[3]</sup>.

### **3.2.4 The Covid-19 Pandemic Has Set the Stage for a Nationwide Trial of the “Cloud Office” At Home**

According to the prevention and control experience, quarantine is the most efficient method. Working from home is the most ideal way during the pandemic. The Hangzhou Epidemic Prevention and Control Headquarters advocated “the general public to work at home or remotely, and relevant matters can be approved online”; The Beijing Municipal Government issued a document stating that “before 24:00 on February 9th, qualified companies should arrange for their employees to work at home through flexible means such as telephone and internet to complete the corresponding work”. WeChat officially announced that the maximum number of online meetings with 100 people during the epidemic has been upgraded to 300. Ding Talk also announced free video conferencing for 100 people and free access to a full “work-at-home” system for 10 million businesses. Ding Talk, WeChat, feishu and other online office software has become a necessity of home office. Telecommuting is geographically free and increases flexibility and efficiency. Once this way of working becomes a habit in enterprises, it will be likely to continue after the end of the pandemic and become a rigid requirement for most enterprises <sup>[3]</sup>.

## **4. The Covid-19 Pandemic Provides Countermeasures for the Development of New Business Forms in China**

### **4.1 Online Education Promotes the Diversified Development of Teaching Resources**

The online teaching system of public education services in China nowadays uses only a few teachers' teaching videos. It is like a factory, only produce a standardized product <sup>[5]</sup>. It is not conducive to the diversified development of students' ideological development. Therefore, it is necessary to continuously develop a personalized online service system, expand the scope of social resource sharing, open the educational organization system, break the boundaries between teachers inside and outside the system, and fully open up high-quality educational resources. By establishing online teacher qualification certification standards, the government can improve the level of online public service teachers by introducing teachers outside the system. It is like the “National Online Teaching Quality Standards” and “National Online Courses Quality Standards” promulgated by the United States government. They have established a public platform for online teacher management between schools and society, and have promoted the free flow of teachers' wisdom resources inside and outside the system in the online public education space, which is providing students more personalized choices. This policy can not only reflect consumption-driven education services, but also promote teachers to actively improve online teaching level <sup>[4]</sup>.

### **4.2 Effectively Improve the Safety Measures of Uav Delivery Services**

The unmanned delivery service is currently in the exploratory stage. Its safety, application scope, industry norms, distribution model, and laws and regulations are still not perfect, which means it has not yet been adopted massively. Therefore, the safety of UAV delivery must be guaranteed, because UAV delivery is an inevitable trend in logistics development. China's regulatory authorities must further formulate and improve existing laws and regulations to ensure that there are laws to be followed in the UAV delivery. Relevant industry standards for practitioners must be formulated to ensure the quality of practitioners. It is also important to improve the noise reduction and safety

performance of UAV, ensure the safety of personnel in the process of delivery and pick-up, and reduce the impact on the surrounding population <sup>[6]</sup>. At the same time, it is also necessary to strengthen the marketing efforts, so that enterprises can pay more attention to UAV delivery and let the public know its convenience and efficiency <sup>[8]</sup>.

#### **4.3 The Government Must Strengthen the Support for Small and Medium-Sized Enterprises Offline to Tide over the Difficulties**

The “cloud office” mode brings major business disruption to offline enterprises such as factories, logistics and transportation, retail stores and gyms, and makes the company face the problem of survival pressure <sup>[7]</sup>. A large number of enterprises are facing difficulties in operation and are on the verge of bankruptcy. In the context of the COVID-19 pandemic, all enterprises are facing challenges. Traditional business models have been transformed and traditional industrial chains have been impacted. Offline physical industries such as tourism, aviation, catering, exhibition, offline education and entertainment industry have been greatly affected. Therefore, enterprises themselves should explore new business model and operation modes, and actively seek for reform. At the same time, government departments should also provide corresponding policy guidance and assistance. To solve the problems, the government should strengthen its support for offline small and medium-sized enterprises, introduce tax reduction and exemption as soon as possible, reduce the social security payment rate and other policies, and appropriately reduce the value-added tax for industries such as transportation, tourism, catering and accommodation that are more seriously affected by the epidemic. At the same time, the government should provide key support to enterprises engaged in the production, sales, and transportation in the epidemic prevention <sup>[9]</sup>.

#### **5. Conclusion**

The severe situation of the COVID-19 pandemic has impacted and affected people's economic, social and spiritual life. It has changed people's needs and lifestyles as well. The COVID-19 pandemic has posed a serious challenge to the education and training industry, raised consumer demand for services in the express logistics industry and taken a heavy toll on the culture and entertainment industry. On the other hand, it creates new challenges and new opportunities for the development of new business forms. In response to the impact, countermeasures to the development of new business forms in China should be proposed.

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