

# COGNIZANCE



VOLUME 3, ISSUE 1  
JULY 30TH, 2021



<u>1.</u> E-COMMERCE INDUSTRY.....	2
<u>2.</u> MENTAL HEALTH.....	4
<u>3.</u> THE SOCIAL MEDIA: A SPIDER WEB .....	6
<u>4.</u> THE RECIPE FOR CLOUD KITCHEN .....	8
<u>5.</u> COVID-19 ENTERS THE CLASSROOM .....	10
<u>6.</u> THE ZOOM BOOM .....	12
<u>7.</u> AUTOMOBILE INDUSTRY.....	13
<u>8.</u> FILM INDUSTRY .....	14

*NOTE FROM  
CO-EDITOR-IN-CHIEF*

## NUMA E JANNAT

365 days and counting. We have spent more than a year confined within the walls of our house, yearning for a green light from the government. Covid-19 has changed the world as we know it. It has led to a dramatic loss of human life worldwide and presents an unprecedented challenge to public health, food systems, and the world of work.

It's no secret that at Cognizance, we gain constant inspiration from the world around us. So, in this issue, the students have compiled their thoughts about the impact of this crisis. They also discuss perceptive insights into what the post-Covid-19 era has in store for us.

As we embark upon yet another lockdown, we hope that this issue will remind you to hold onto your optimism; to look forward with a positive and growth-minded outlook because there, definitely, is a light at the end of this tunnel. And what better way to spend your time in the tunnel than by reading these brilliant articles?

*NOTE FROM  
CO-EDITOR-IN-CHIEF*

## SYEDA NABIHA T. CHOWDHURY

As we ride along the train of time, we proceed with new uncertainties and discoveries yet to be made. The world which the novel Coronavirus has engulfed into a whirlwind will have a whole new outlook moving onwards. The economy has undoubtedly taken a massive toll due to sudden lockdowns and travel restrictions. Every time we think that we are catching up with the virus, it evolves. It has been an ongoing cat and mouse chase for the past year. However, we must not give up on our aspirations for a 'normal' future, no matter how blurry it may seem right now.

This year, Cognizance proudly presents a series of articles focusing on the impacts of the pandemic on our world, economy, and lives. Our writers have brought forth various issues lingering throughout this world, starting from mental health issues to the decline of education in rural areas. We discuss the changes, the ups and downs specific industries and people have had to face, and what they did to tackle them. Whether or not we will be able to rise from our ashes after the pandemic still remains to be a daunting question.

# E-COMMERCE INDUSTRY

## AKM TAHMID FIDA

Economies around the world had to deal with both the favorable and unfavorable consequences of Covid-19. The majority of industries suffered from low demand and were forced to let go of workers. Countless people lost their jobs, thousands of people fell into poverty overnight. The US economy alone has suffered massive unemployment, with over 17 million Americans filing for unemployment benefits according, to Forbes, causing the government to hand out checks of up to \$1200, creating a massive dent in the federal reserve.

However, this served as a great opportunity for the E-commerce industry. Amazon, the global leader for online shopping, has become the go-to retailer for essential goods and services, nearly doubling its profits from online sales. Furthermore, it hopes to hire 100,000 more workers to help meet the rise in demand caused by this pandemic.

With more free time than ever, people are consuming more content. Online streaming sites such as Netflix, Hulu, Amazon Prime, and many more have seen a rise in the number of subscriptions with more than 12 million new viewers. Teenagers and adults are now spending more than 6 hours per day watching television and online videos, and more than 1 hour per day on streaming sites, which is twice of what it used to be in 2019. Older people who used to watch TV broadcasts are now starting to join online streaming as it offers a wider variety of shows and movies to choose from. More than 55% of the new users from the United Kingdom reported that they will keep their subscriptions in the future and continue to spend the same amount of time as they are now.

In Bangladesh, online shopping sites such as Daraz and Evaly have gone through unprecedented growth and will continue to do so in the future. The number of users visiting the websites has increased exponentially in the past year. Daraz has even earned a bad reputation for not being able to fulfill and deliver massive quantities of orders in time. Chaldal, an online grocery store, reported a rise in daily order from 5000 to 10000 on average and has hired 300 more employees to cope with the increased demand. The average single order basket for Chaldal has also increased from BDT 1300 to BDT 3750.

Daraz has recently announced a BDT 500 crore investment plan in Bangladesh where it aims to deliver goods to all 64 districts of Bangladesh and open more than 150 hubs in the year 2021 and is also planning on opening a 200,000 square feet warehouse and a 150,000 square feet fully automated sorting center.

The growth that the e-commerce sector has experienced in this pandemic situation is most likely to continue in the years ahead as now more people than ever are exposed to sites such as Amazon, and it is much easier and less time-consuming to order online than to physically go to the store.

## REFERENCES

<https://www.bbc.com/news/entertainment-arts-53637305>

<https://www.cnbc.com/2020/09/29/how-amazon-managed-the-coronavirus-crisis-and-came-out-stronger.html>

<https://www.forbes.com/sites/phillipbraun/2020/04/10/why-covid-19-wont-trigger-another-great-depression/?sh=78b422b8ba93>

<https://time.com/5870826/amazon-coronavirus-jeff-bezos-congress/>

<https://www.lightcastlebd.com/insights/2020/04/25/covid-19-impact-on-bangladesh-sme-landscape>

<https://www.lightcastlebd.com/insights/2020/06/17/covid-19-impact-industries-experiencing-growth-due-to-the-pandemic>

<https://thefinancialexpress.com.bd/trade/covid-19-upside-e-commerce-enterprises-prosper-as-sales-boom-1589167519>

# MENTAL HEALTH IN PANDEMIC

BY NANZIBA RAHMAN

As the Covid-19 pandemic stretches the lives of young people around the world, a chronic mental health crisis boils over. The pandemic had begun with emotional, physical, and economic problems. However, amid this crisis, countries have shared and learned from each others' experiences. Sadness, loneliness, loss of income, and fear can exacerbate mental health conditions or exacerbate existing conditions, leading to many people experiencing high levels of alcohol and drug abuse, insomnia, and anxiety.

However, notwithstanding the rising call for mental health care, it is increasingly out of reach for the ones in desperate need. A survey from the World Health Organization estimates that 72% of mental health services for youngsters and teenagers have been disrupted due to covid-19, and in 93% of nations globally, while the call for mental health services keeps growing, in step with a new WHO survey.

The generation of technology has modified almost every part of existence, commonly for the better, which includes the way psychotherapy is practiced. At the same time, as some conservatives also can tend to look down on online remedy chat as a restoration device, studies have proven that it's far indeed an effective way of creating a big variety of mental health issues and generating outcomes comparable to standard, face to face counseling.

Online therapy, whether it is video chatting, texting, immediate messages, or mailing, can save you a variety of time. In truth, there are mental health care assets on-line that have hundreds of expert and authorized therapists that one may pick out from.

A therapist working out of an office has to pay rent, utilities, insurance, and sometimes additional employees at their practice. Since email or text chat does not necessarily require real-time responses, an online therapist can take his time reviewing their notes and previous conversations before composing an answer. With online therapy, there is no wasted productivity due to canceled appointments or seeing patients who are not currently ready to discuss their issues with complete frankness.

Additionally, online therapists do not need to rent commercial space, while counselors who are semi-retired or otherwise prefer to work part-time can continue to practice. All of these factors combine to lower the cost of online therapy.

People that are afflicted by or acquainted with the symptoms of depression, PTSD, or any other mental health problem generally tend to struggle with locating strength or motivation to attend in-person therapy. Being able to receive treatment from the comfort of their home is a great benefit to these people.

The economic recession has been associated with increases in the superiority of mental despair, tension, stress, anxiety, substance abuse issues, and suicide and suicidal behavior. Unemployment, insecure venture situations, lower socio-financial recognition, and pre-modern-day psychiatric troubles seem to be the determinants of publishing- monetary recession mental health issues.

The world bank predicts a serious global recession lasting decades after the covid-19 pandemic. This can adversely affect the mental health of, particularly vulnerable groups.

Unemployment following the economic recession is a major risk factor for suicide, suicide rates had considerably increased following a global economic crisis in 2008. A capacity monetary recession with an upward push in unemployment following the Covid-19 pandemic might have a similar effect on the suicide rate.

The mental health impact of the COVID-19 pandemic can persist and be long-lasting for several years after the pandemic. Increases in the prevalence of common psychiatric disorders and suicide are expected during the post-pandemic time. Enhancing access to the mental health services including telepsychiatry, early assessment, treatment and psycho-social support, screening and support for specific groups such as frontline HCP where appropriate, implementing long term measures to mitigate the impact of economic recession on mental health, and addressing stigma during the pandemic is paramount in addressing the problem.

Finally, long-term demand is unpredictable if Covid-19 survivors develop persistent complications or if the physical and mental health burden of social isolation proves to be sadly durable.

This ongoing pandemic has already cost us a lot. It is painfully obvious how important it is to our collective health that everyone is having access to comprehensive and quality health care. We owe it to the next generation to ensure proper health care management systems so that young people around the world can get the support they need, both physically and mentally.

References :

<http://xadvisory.com/topics/covid-19/2020/05/covid-19-financial-impact>

<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7507979/>

<https://unfoundation.org/blog/post/covid-19-is-fueling-a-mental-health-crisis-for-the-worlds-youth/>

<http://xadvisory.com/topics/covid-19/2020/05/covid-19-financial-impact>

# THE SOCIAL MEDIA: A SPIDER'S WEB

BY SYEDA NABIHA CHOWDHURY


The lockdown during the pandemic created a high need to keep in touch with the outer world through social media. As people sought out various distractions and ways to remain in contact with their family and friends, the social media industry experienced a massive boom. Facebook itself reported adding more than 100 million new users, securing \$86 billion in revenue during 2020 alone. Apps owned by Facebook (Facebook, Messenger, WhatsApp, and Instagram) witnessed an incredible rise in new users and time spent on their platforms, which all contributed to amplifying Facebook's financial position, leading to an 11% growth in their revenue.

TikTok, another giant in the social media industry, has caused quite a lot of ruckus. It gained immense popularity during the lockdown, providing great competition to Facebook. It gained about 53.5 million users within September of 2020, which was at least 33 times more than any of its direct competitors had (which include Kuaishou, Twitter, Quibi, and Byte). The hype for the app spread like the virus itself. It remains on the top 10 list of apps to download and captured a substantial share of teens' screen-time. With millions of content creators broadcasting their talents through this app, its net worth is now more than \$100 billion. It generated about 5.6 billion during the first quarter of 2020, which itself represented a 130% growth in revenue compared to previous years. It had reported being the most downloaded app with about 315 million downloads within the first quarter of 2020. It has been growing exponentially ever since.

However, the social media industry is also facing its fair share of difficulties. With such high success, a lot of rival firms have entered the market, providing tough competition. Every company is now undergoing internal pressure to update their apps and introduce better and innovative ways to keep their users enticed. During the lockdown, people witnessed several updates, whether it be the development of Instagram 'reels', the new 'share screen' option in messenger, or Facebook's on-platform in-app purchases that allow users to directly shop through the app.

The downside of this boost is not limited to the industry itself, as it also adversely affects the users. During this lockdown period, people were hooked on social media to rid themselves of the monotonous rhythm of life. Nevertheless, such exposure to social media for long hours may have deteriorated their mental health, concentration level, and ability to do other activities.





People are now so used to texting and video chatting, that their communication skills may have deteriorated. They have adjusted to minimal human interaction, which may cause serious repercussions if things were to go back to normal. With that said, it should be noted that such a long period of sitting behind one's electrical appliances also creates a dependency on them. These factors will inevitably make life more difficult when the world starts to shift towards normalization again.

There now exists a very blurry line between social media and reality. People have adapted to what they see online. They have picked up on trends and habits that are currently popular. Everyone is trying to merge into a version of themselves that is deemed socially acceptable. It has had negative impacts on the way youngsters perceive their appearance. Not only does this lead to a poor body image, but it also hampers one's mental health. The pandemic, which led to higher screen-time on social media, henceforth, might also be the cause of depression in many.

Nonetheless, this all depends on the "new normal." Whether the social media industry will sustain its growth or not depends on its ability to adapt according to future conditions. It may be much harder to entrap users once they are out of the vicious web of the social network, but it would be fascinating to see what groundbreaking ideas these prospering companies develop to maintain their growth.

# THE RECIPE FOR CLOUD KITCHENS

BY NUMA E JANNAT

Let's rewind to April 2020. You're stuck in your four-walled apartment, with nothing to do. No school, no work and definitely no social events. You feel trapped. The days are blending into each other. In an attempt to stop yourself from going crazy, you dive back into your past hobbies: your favourite activities during the good old days, before you were sucked into the world of deadlines and stress (also commonly referred to as adulthood). While some resorted to taking up the pen or the painting brush, others looked deep into their recipe books and honed their baking skills.

Picture this. Halfway through making your third batch of banana bread, you randomly remember the times when your relatives and friends complimented you on your cooking skills. You start wondering if strangers would be interested in eating your homemade food. All you seem to do nowadays is cook up a storm anyway, so you might as well make some money off of it. Fueled by your curiosity, you start brainstorming about how you could sell your food.

Umm...umm...AHA! In a moment of epiphany, the answer comes to you. How about opening a cloud kitchen?

2020 was a dark time for economies, worldwide. While most businesses and industries were struggling to stay afloat, cloud kitchens had their big break. The near three-month lockdown meant that people simply could not go out to have food. A lot of restaurants went bankrupt during this time. Cloud kitchens in Dhaka, and also all over the globe, came out as godsend to fill this gap. People began to utilize their free time to offer a wide range of scrumptious home-cooked meals and deliver it right to your doorstep. This ensured that your cravings were satisfied from the safety of your own home.

In theory, cloud kitchens are restaurants that solely exist virtually. They offer no dine-ins and are exclusively delivery based with all the orders being received online. It is not only the thrifty marketing strategy that Facebook allows that drew countless individuals in opening cloud kitchens in the last year but virtual kitchens also have several other advantages over typical brick-and-mortar restaurants.

Firstly, it is much simpler to set up: a traditional dine-in restaurant in New York City is estimated to cost \$1 million to \$1.5 million to set up, while a cloud kitchen can get up and running for \$10,000. It has low starting capital and operating costs as costs relating to real estate, interior architecture, and the like are eliminated. The lower pricing strategies allow the provision of high-quality food at lower prices and these kitchenettes also have an overall enhanced scope for implementing automation. Since there is no dine-in facility, the space required to operate is reduced by 75-80 percent compared with a traditional premium restaurant.

Moreover, cloud kitchens experience faster payback and are more flexible in terms of trying different menu options or changing food brands as a whole due to their single infrastructure. The need for a prime location also disappears as delivery services like Foodpanda, Uber Eats, Pathao Food make it possible to deliver within a wide area. However, the biggest advantage of having a social media presence is that of promotion. Reviews in various food-related groups and word of mouth are enough for most businesses to thrive.

Even though ghost kitchens are expected to have low costs, it may not be the case if the decrease in the operating and maintenance costs is substituted with the added technological costs and the increasing need to give enhanced focus on food quality as it becomes the sole judge of the restaurant's overall quality due to the elimination of other factors such as ambience and dine-in experiences.

The best way to escape the tiredness of the day is to order food online. You do not have to prepare anything at all. Just rest and click on a few buttons to receive hot food for you. 63% of U.S. consumers agree that it is more convenient to get delivery than dining out with a family. Consequently, 60% of consumers order delivery or takeout once a week. No wonder why cloud kitchens were thriving during this period of self-isolation and quarantine.

But, now it's 2021. There finally seems to be a light at the end of the tunnel. The Covid-19 vaccines have been developed and are being distributed all over the world. Governments are lifting and loosening their restrictions on social contact. The cloud of uncertainty relating to the pandemic is slowly clearing up and people are looking forward to visiting their favourite restaurants all over again. What will happen to the cloud kitchen culture in the post-pandemic world remains to be seen. They had a fantastic start as people began to adapt to the new normal. But, will they be able to continue playing a prominent role in the food industry, now that multi-million dollar food chains are back in play? Or will the post-Covid-19 era mark the end of their 15 minutes of fame?

#### References:

<https://www.entrepreneur.com/article/355662>

<https://upserve.com/restaurant-insider/online-ordering-statistics/>

# COVID-19 ENTERS THE CLASSROOM

BY RAEED SALIM

The call for social distancing due to novel coronavirus has dragged almost 1.6 billion students out of their classrooms. Even though some of these students were put behind the screen to continue with their education through different online methods, a major proportion of these students are being deprived of quality education and concern arises regarding the future of these learners.

In March of 2020, Bangladesh government along with several other governments decided to keep the schools closed to prevent the spread of the virus and the situation today still remains uncertain about the reopening of these schools. The harsh reality of many educational institutes and students being under-equipped was not a simple issue to solve and led to nearly 24 million students dropping out entirely. There was a similar situation for teachers, as UNESCO's statement from October revealed that more than 63 million teachers had been greatly affected. The reduced demand for campus staff led to workers being made redundant or receiving a much lower wage. That led to an increase in poverty, especially in developing countries. Research claims that the job loss due to COVID-19 for the education sector in the month of April 2020 alone has been far greater than the unemployment in the respective sector, caused during The Great Recession.

Developing countries have faced consequences harsher than those that are relatively developed. The student population in these countries has been highly affected, especially by the countries on the lower end of the wealth ladder. The lack of equipment for online classes has been one of many foes that students have dealt with. Rural areas not having a stable internet connection has left many students, and even teachers, helpless. Schools have had a tough time dealing with the switch to digital platforms, as many teachers faced the same situation as their students, having no resources to take classes over the internet.

The breaking of bridges between the underprivileged and education has led to dropout rates rising, and it is expected to increase further. Since the relatively wealthy families are not greatly affected, the inequality is exacerbated and further worsened, as the poor get poorer and the rich prosper. The National Bureau of Economic Research stated that lower-income students are 55% more likely to postpone their graduation due to COVID-19 than the ones getting high salaries. Minorities, the disabled, and other endangered communities are also facing tough consequences and are being denied their rights to education, and are being overlooked in all the chaos.

The learning losses are also immense, for all, regardless of income. Due to the interrupted learning, many economists and educators claim that the losses in learning will affect us for days to come and will linger on for the next few generations. The setback which will be created by the learning loss is expected to erase decades of progress and will be a massive barrier towards economic growth. Exam cancellation has played a big role in further aggravating the lack of education and literacy. The labor force will be bombarded with lowly skilled workers and will have a drastic cutback on the economic growth experienced by all economies.

The United Nations discussed the future of education in a policy brief and mentioned some ways to handle the situation. The UN mentioned how restraining the virus can be a way of improving conditions. Besides, they addressed how to reimagine and reconstruct education, and emphasized the importance of investing in and broadening education. Focusing on preventing dropouts and delayed graduations, strengthening data monitoring for education, and making education more diverse, flexible, and available for all, is one of the few ways the UN has mentioned to fight this pandemic.

Schools around the world tried to incorporate different strategies to continue education for learners - some have responded by creating a hybrid model of online and face-to-face education while others resort to Google meet and Zoom to shift the entire classroom to online teaching. However, the lack of infrastructure and the cost associated with the switch to online learning did not result in success for a great proportion of schools. The situation in Bangladesh is not that different either with public sector schools struggling to provide quality education to their students. The private sector schools have responded by trying to shift to an online-based learning system and one of the successful schools in Bangladesh to implement this system is our school, DPS STS. The smooth transition of DPS STS to online education has been greatly acclaimed and has set an example for all other schools as well.

Education has been termed 'the great equalizer' over the past few decades. It puts children in a system of discipline, regardless of social class or wealth. But it is ironic to see how the pandemic has shifted the role of education to increase inequality and further damage future economies and generations. The lack of education will be a greater problem in the days to come and might last for decades. Mental issues tormenting minds, the risk of losing jobs, social classes being further divided, and millions being deprived of necessities, are some issues that we will have to conquer. The private institutes, humanitarian organizations, teachers, parents, the government, and the students as well have a big role to play in deciding what will happen next. This pillar of society must be upheld, for a prosperous future.

# THE ZOOM BOOM

BY RAIYAN MEER

Zoom, Google Meet, and Skype are now household names, all thanks to Covid-19. Online meeting platforms are the pandemic's success story. As lockdowns around the world closed offices and schools, working from home was made compulsory for vast sections of the working population, businesses, and individuals grasped for a way to carry on at a distance. And all of a sudden, it seemed like everyone had the same solution to tackle remote working and/or learning: virtual conferences.

In April, Zoom, the leading video communications company, peaked at over 300 million daily meeting participants – up from ten million in December 2019. For the quarter ending on April 30, 2020, Zoom reported total revenue of \$328.2 million, a 169 % increase from the same period last year. Even though Microsoft had recently revealed that Skype consumer service was also up 70%, Zoom has undoubtedly seen the most upside.

Covid-19 forced the world of work to adapt. But is this a glimpse of the future of the workplace, or will our love affair with video technology dissolve as soon as the virus recedes and the office re-opens? Given a real choice, will we continue to do business via webcam – or will we leave our microphones permanently on mute?

It was also seen that there are strategic, as well as HR advantages to an all-remote team as it reduces the cost of office space, traveling, and can avoid complications with visas for foreign employees. In an interview with CNBC, Rishi Jaluria, a senior stock analyst, mentioned that even after the world has a coronavirus vaccine, he says, it's likely there will be more hybrid workspace with work from home and office in play. During the lockdown, many have realized that most, if not all of their work, can be done from home. Previously, the main barrier to using such platforms wasn't just technology but rather management. COVID-19 has also shown many managers that allowing their staff to work from home may not be as detrimental to productivity as they perhaps feared.

Not only that, but as people have adjusted to a hybrid work strategy, such web conferencing services have enabled businesses to save money on office spaces and business travels.

Following the first-quarter results, the question that remains is whether companies like zoom will be able to sustain the users it gained during the pandemic will stick around in the long run.

Zoom is not just a business product anymore, but a consumer and an international product. Zoom has positioned for terrific growth in the meeting and phone industry. COVID-19 has put it into the spotlight, spiked its volume, and driven its share price. In terms of such companies' future direction, Abe Smith, Head of International, Zoom, highlights Zoom Rooms, which fit out physical conference rooms for video meetings, as areas of focus. He predicts more potential business use cases for Zoom, such as sales teams incorporating video calls into their help-desk staff walking through problems over video instead of a phone call.

#### References:

<https://www.wired.co.uk/article/future-of-zoom>

<https://blog.dataart.com/the-web-conferencing-boom-covid-19-s-effect-on-the-video-call-market>

<https://glginsights.com/articles/zoom-microsoft-teams-and-slack-have-expanded-due-to-the-covid-19-pandemic-can-they-hold-onto-this-growth/>

<https://www.youtube.com/watch?v=7TDTTpnU2Pw>

# AUTOMOBILE INDUSTRY

BY FARDIN AHMED

The Coronavirus pandemic has directly impacted the global automotive industry. China, the birthplace of this pandemic, has been heavily affected. During mid-2020, China had to stop exports of car parts to countries throughout the world as the situation was unfavorable, and many countries had also reduced imports. It caused disruptions in major car manufacturers such as Europe, America, etc.

COVID-19 has caused unprecedented lockdowns throughout the globe, which has caused a demand-supply shock globally. Automobile production throughout the world had closed down, and workers were made redundant along with wage cuts. The automobile industry was deteriorating. But, as months went by and the lockdown measures became more flexible, the automobile industry had revived. Production started increasing, more people got jobs, but the situation still did not resemble the pre-pandemic days.

The automobile industry is one of the few industries where a purchase has to be smart and well-calculated as it is considered an investment for at least a decade, if not more. Along with car sales and production reducing, car financing globally has lowered as well. People have stopped taking car loans as the majority of the people aren't purchasing any cars, and as for car insurances, developed countries such as Canada had reduced the amount of insurance to be paid by residents and citizens as people haven't been using their cars as much during the lockdown period. It is a commendable action, however, revenue from insurance taxes has decreased, which stands as a disadvantage for the government.

Covid-19 has only caused setbacks and lower sales for all automotive manufacturers. All manufacturers faced lower sales, but few models such as the Toyota Rav4, Honda CRV, Ford F-Series, Chevrolet Silverado etcetera have sold quite a high number of units during this pandemic period. All of these vehicles faced lower sales compared to pre-pandemic days, but few of the automobiles incurred fewer losses in comparison to others. For instance, the Ford F-Series, which is the bestselling vehicle unit in the US faced 23% drop in sales whereas the Chevrolet Silverado, the second bestselling vehicle faced only 12% drop in sales, which is the lowest drop in comparison to the other models. If we compare the two most popular mid-size SUVs, the Toyota Rav4 and the Honda CRV, the Rav4 faced losses in year-over-year sales – reducing by 27%, and as for the Honda CRV, it incurred losses in year-over-year sales by 25%, which is less than the Rav4.

Automobile manufacturers struggled quite a bit during 2020 due to low consumer confidence and income, but the automotive sector is now flourishing at a positive rate as life throughout the world returns to normal.

References:

<https://www2.deloitte.com/us/en/pages/about-deloitte/articles/covid-19/covid-19-impact-on-automotive-sector.html>

<https://think.ing.com/reports/covid-19s-long-term-effects-on-the-automotive-industry>

<https://www.valuepenguin.com/best-performing-auto-companies-covid19>



# FILM INDUSTRY

BY TAHSIN HASAN

Movies are a massive value creator. Movie industries were able to obtain a profit of 42 billion USD in the year 2018. British film and TV are worth about 60 million pounds each day in the UK economy. The COVID-19 pandemic started back in 2019 and created a huge impact in various industries especially, the film industry. It has undoubtedly wreaked havoc upon the film industry. Many blockbuster movies that were originally set to release during the pandemic had been postponed, and film productions came to a halt.

In March 2020, it was revealed that the global box office could lose about 5 billion USD due to the negative impact of revenue that film industries suffered from because of the pandemic. On March 8th, 2020, the Italian government had closed all cinemas for up to a month. Following Italy, the Irish, US, Malaysian, and Thailand governments had closed all theatres throughout their countries. Different film production companies have been forced out of business due to the downturn they faced due to the substantial decrease in demand they were bound to face. By the end of March 2020, the film industry worldwide lost 10 billion USD due to the coronavirus pandemic.

However, the impact of COVID-19 pandemic has created a positive impact on streaming services such as Netflix, Disney+, HBO max. Streaming giant Netflix added nearly 16 million new subscribers in the first three months of 2020. Big-time film industries such as WB entertainment adapted to the pandemic and have signed a deal with HBO Max allowing them to release films during the COVID-19 pandemic for paid subscribers to watch.

Disney entertainment started its streaming services and accumulated up to 50 million paid subscribers during the pandemic. Blockbuster films such as Wonder Woman 1984, which was initially set to premiere in October was moved to a later date and had premiered on HBO max. Furthermore, Warner Brothers announced that all of their upcoming movies would be available for paid subscribers to stream on HBO max.

The state of film industries will likely be quite difficult to improve post-pandemic. John Horn, who covers the entertainment industry in Los Angeles, stated that the state of movie theatres had been declining for quite some time now and that the COVID-19 pandemic revealed what was inevitable for film industries. Movies are so accessible now due to more and more streaming industries joining the market to the point where there is no need for people to wait in line for movies in theatres. Companies that were able to shift to streaming services such as Disney entertainment and WB entertainment are likely to be able to outlast the competition in the film industry.

The US box office reached a historic low in 2020. Theatres will always exist for blockbuster debuts. However, it will be impossible for the industry to escape this year unharmed. “The number of theatres that will close permanently will be directly proportional to the time the US takes to stomp out the virus,” said Jeff Bock, a senior box office analyst. As the COVID-19 pandemic is coming to an end, film and show industries have gone back into production now with newly installed health and safety protocols as theaters have slowly started to open up again throughout the world. Streaming services are still experiencing immense success during this time, with more and more new film industries adapting to streaming services.

Reference links:

<https://www.npr.org/2020/12/21/948697829/what-will-the-film-industry-look-like-post-covid-19-pandemic>

<https://www.nytimes.com/2020/04/21/business/media/netflix-q1-2020-earnings-nflx.html>

<https://www.hollywoodreporter.com/news/disney-paid-subscribers-hit-50-million-milestone-1289448>

<https://variety.com/2020/film/news/wonder-woman-1984-delayed-christmas-1234766774/>

<https://www.weforum.org/agenda/2020/07/impact-coronavirus-covid-19-hollywood-global-film-industry-movie-theatres/>

<https://www.statista.com/statistics/1104224/film-industry-revenue-loss-coronavirus-worldwide/>

[https://en.wikipedia.org/wiki/Impact\\_of\\_the\\_COVID-19\\_pandemic\\_on\\_cinema](https://en.wikipedia.org/wiki/Impact_of_the_COVID-19_pandemic_on_cinema)

## ACKNOWLEDGEMENTS

Cognizance, DPS STS School's premier commerce newsletter, has been publishing for three years now. This issue would not be possible without the tireless effort of the people behind Cognizance.

### The Cognizance Team:

Numa E Jannat - Co-Editor-in-Chief

Syeda Nabiha Chowdhury - Co-Editor-in-Chief

Raeed Salim - Student Editor and Writer

AKM Fida - Writer

Nanziba Rahman - Writer

Raiyan Meer - Writer

Fardin Ahmed - Writer

Tahsin Hasan - Writer

Niaz Mahmud - Teacher Editor and Graphics



### DPS Faculty:

Shegufta H. Khan - Head of Department (Economics)

Niaz Mahmud - Teacher-in-charge & Editor

Cognizance is always looking for enthusiastic writers and designers who can express their views with a bold statement. If you think you have what it takes to be part of our team, feel free to contact us at [cognizance@dpsstdhaka.org](mailto:cognizance@dpsstdhaka.org). You can also contact Mr. Niaz Mahmud at [niaz.mahmud@dpsstdhaka.org](mailto:niaz.mahmud@dpsstdhaka.org) for any issues or reviews regarding Cognizance.

Finally, thank you for reading Cognizance. We hope this newsletter has helped you learn a lot more about our world from the perspective of an economist.

Stay home, stay safe. Let's pray that we can come out of this crisis stronger than ever.