

Effect of COVID-19 Pandemic on Automotive and Transportation: Demand for personal vehicles to Boom

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EINPresswire.com/ -- The demand for automotive and transportation services varies from point to point. Due to the outbreak of COVID-19 and the implementation of social distancing regulations, there will be a considerable decrease in the use of public transport. However, the use of personal transport would increase to ensure the safety of customers.

Over the last few years, the automotive and transportation industry has grown like never before. Owing to the innovations in technology, vehicles have become much safer, more connected, and capable of running on alternative fuel sources. Moreover, advancements in technology have improved the efficiency of vehicles. In addition, various companies have kept an eye on the new trends to improve and work upon their product ideas for future developments. The main focus of the automotive and transportation service providing companies is to ensure the safety of the customer and provide the customers with better efficiency and better-quality vehicles. Moreover, companies must make sure that the vehicle is reliable, independent, accurate, and secure for the customer. Due to the better facilities, the companies should focus on managing the supply chain.

The automotive and transportation sectors have become tech-savvy in recent years which includes the concept of smart efficiencies, use of LED lights in automobiles and autonomous cars, and advent of the cars that park themselves parallelly. The digitalization has revolutionized the transportation industry with advanced autonomous cars, electric vehicles, [shared mobility](#), and connectivity with the designs. The COVID-19 pandemic has a severe impact on the automotive sector. Since there will be no import of any Chinese manufactured parts in most of the countries and the automotive industry has closed in the U.S., the automotive industry has



severely affected.

Rising demand for personal vehicles

The COVID-19 outbreak has caused fear among the people to use public transport. According to [Forbes](#), it has been observed that the scooter and car rental companies have witnessed long term consumer engagement and there will be a significant rise in demand to avoid multiple users.

The rise in demand may not necessarily mean higher sales of new vehicles as most of the people are reluctant to invest in additional expenses. An alternative is long-term rentals where you can rent a vehicle for as long as you need it.

The automotive and transportation industries had been going through a rough time before the pandemic. After the pandemic, the industries might face more disruptions. Owing to the COVID-19 outbreak, there has been fear among the people to use public transport as they have to share confined places with a large number of people. Thus, people would prefer their vehicles. However, there are other alternatives in the market such as opting for self-drive vehicle subscriptions or [pre-owned vehicles](#).

Changes people might face due to the pandemic

The COVID-19 pandemic has disrupted the way people work. Some of the consequences that we might face because of the pandemic are-

People would avoid sharing vehicles that would affect all types of public transportations including ride-hailing services, mass-commutation, and airplanes.

There will be fewer dealers of automotive due to the economic disruption which might worsen the gap between the major and small & medium dealers. The larger groups have an advantage over the smaller groups as they can continue to invest in the latest services technology due to the availability of sufficient resources.

Owing to the adoption of 'work from home' culture on a massive scale, people would avoid traveling, which could hamper the sale of taxis.

There will be more demand for trucks for transportation of goods due to the reduction in prices of oil and gasoline.

There will be a change in the sales processes. The dealers will now depend more on digital marketing and transactions which would require minimal human interaction and employees to conduct sales.

Most of the customers would depend on online retailers and e-commerce which could spark the need for fully-adoption of digitalization.

The impact of COVID-19 on car servicing sector

The widespread of the COVID-19 virus has thrown all pre-planned events out of gear and

changed the way we live our lives. For the automotive and transportation industries, the biggest change observed is on the sales of the car. The business of car servicing might evolve as the world slowly gets back to its feet and follows social distancing regulations.

During the beginning of the lockdown period, most of the car service centers and showrooms were shut and the servicing of the cars was nearly impossible. In Indian company, TATA has requested the government for providing essential services to the customers to provide the maintenance services for their vehicles. Moreover, TATA aims to help the customers and educate them by digital mediums through social media platforms regarding the maintenance of the cars.

As the customers have focused on proper sanitation of their cars, TATA has come up with an initiative called 'No touch by hand' where it has introduced bio-degradable disposable steering wheel covers, seat covers, and gear knob covers. Under this initiative, the company stated that during servicing, the workers would use these biodegradable covers, then dispose them after the service is done and the car is delivered to the customers. Apart from TATA, all automobile servicing centers are taking proper care of sanitation, hygiene, and safety standards. Along with these measures, car servicing centers have opted for online payments. With the increasing adoption of personal vehicles over public transports, the service center sector will also flourish.

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David Correa
Allied Analytics LLP
+1 800-792-5285

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