

Coronavirus Outbreak and its Impacts on Global Economy: The Role of Social Network Sites

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Abstract

Because of Wuhan 2019 Novel Coronavirus (COVID-19) outbreak around the world, global trade and supply chains have been interrupted by the uncertainties of this unexpected event. In this situation, customers and businesses need to make the right decisions at the right time. Social networking sites have become important for information sharing and online business effectiveness and played important roles in this unexpected event for the customers and businesses to make the right decisions with limited information. They can be a good choice to share information in real-time as they are recognized as a significant tool for public health and economic development. This work highlights the impact of the Coronavirus outbreak on the global economy and the role of social network sites in sharing the customers' and businesses' information and concerns about the Coronavirus outbreak. The paper concludes with some examples of travelers' concerns along with their feedback on social networking sites and recommendations for future works.

Keywords: Coronavirus outbreak, Information sharing, Global economy, Social media, COVID-19

1. Introduction

The novel Coronavirus appeared in Wuhan, China, at the end of 2019 (Huang et al., 2020; Wu et al., 2020). As of February 29, 2020, about 85,678 cases have been identified in sixty countries and territories. At the start of an outbreak such as this, readily accessible information is significant to start the assessment necessary to understand the risks and begin outbreak containment activities (Heymann, 2020). While several facts of the development of this virus remain unidentified, an increasing number of cases seem to have been caused by human-to-human transmission (Munster, Koopmans, van Doremalen, van Riel, & de Wit, 2020). Infectious diseases outbreak may have a big effect on society as they can harmfully affect illness and death. Today the undesirable effects of this deadly illness on the global economy have progressively developed. The virus is predictable to play a conclusive role in shifting China's GDP as the outbreak continues and has caused limitations on traveling, a decline in foreign travel as well as stoppage and decline in economic activity especially in some parts of China. This has hurt the global economy especially the economies of the Far East. The sufferers of the Coronavirus to the global economy have increasingly become apparent, and several large companies and governments have started to respond to the economic effects of this deadly virus.

These days there is news through social media platforms and the internet about how the Coronavirus outbreak is disturbing supply chains, manufacturing, and services around the globe. There is an increasing interest from scholars and industries from January 2020 onwards, which is also visualized in the Google trends for Coronavirus outbreak and related keywords (see Fig. 1).

The most affected businesses are those that depend on companies in China for parts and supplies. The operation of Chinese manufacturing companies has been dropped since last month and it has been anticipated to continue miserable for months. Indeed, a recent disruption in China's economy would lead to impact global supply chains as a failure in its production and supply. An important portion of big companies' products is produced in China's manufacturing companies. Hence, some big companies may think about transferring parts of their supply chains outside China.

Some service companies like airlines have also canceled their international flight schedules, especially in the Far East, due to dropping travelers' demand because of concern over the Coronavirus outbreak. Furthermore, capital markets have unexpectedly been terrified by the outbreak of the Coronavirus in China and the possibility of it becoming a widespread global disease and a pandemic. Today, stocks of public companies in stock markets around the world have been down since the beginning of the week.