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NEW ECONOMIC CONCEPTS SHAPING BUSINESS MODELS IN POST-PANDEMIC ERA

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ABSTRACT

Low-Touch Economy is emerging due to the COVID-19 pandemic that has caused dramatic changes in all aspects of society including the way business is operating. The lockdown policies aiming at avoiding the spread of the new coronavirus in almost every country led to disruptions in business continuity. The aim of this paper is to overview a new concept of Low-Touch Economy and its possible implications on Business Models in connection with the Digital Economy. The article also outlines the concept in light of the circular and sharing economic theories. The exploratory research approach allows reviewing the current literature and gathering secondary data about Low-Touch Economy and its implications on business dealings. The Bibliographic research of recent works shows the role of the Low-Touch Economy and Digital Economy in searching for new business models and their potential to accelerate economic recovery after the pandemic. The article concludes by suggesting that organizations should adapt their business models to the new reality. It contributes to a current ongoing discussion on ways out of the crisis. This article fulfills an identified need to study how Low-Touch Economy along with Digital Economy can help the business to continue operations during the pandemic and how the concepts underpinning business models can enable fast economic recovery. Future empirical research will reveal the capability of the Low Touch Economy in different industries as well as various countries around the globe.

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1. Introduction. The global pandemic crisis has been determining new lifestyles and underpinning business redesign, as organizations have to navigate the unknown. The constraints on business-as-usual with the reduction of physical interactions stipulates business shifts to digital and low touch economy.

The current pandemic has caused rapid transformations globally as political regulations are enacted, individual and collective behavior of the society altered because of the new coronavirus, technological advances have speeded up - leading to economic swings.

Nowadays, the new normal implies keeping physical distancing which paves the way for low-touch reality. People need to get used to new behavioral routines, and brands have to adjust to the altered normality.

Under the predicted circumstances that the pandemic will last 2 to 4 years, the governmental regulations hinder in many cases to business in their efforts to shift online. For example, such strict regulations have not allowed higher educational institutions in Georgia (country) to adapt the teaching process online and to introduce digital methods for online education.

In order for organizations to be agile, they need more freedom in decisions and actions to adapt rapidly and to transform their systems, operations, and actions. Therefore, it is important to explore new economic circumstances, how the Coronavirus pandemic impacts the economy and shapes society.

Organizations around the world have to make decisions about business processes: whether they should expect to return to the pre-COVID behavior or adjust to the new normal implied by the pandemic; If they decide to adapt to the new normal, what models should they apply, and how to prepare to next normal of the post-pandemic? What factors are influencing their decision and behavior?

Still, crises usually bring opportunities as well, and this time, we can observe the rapid evolution of technologies and accelerating digitalization. Some companies that already have had a digital transformation mindset are adapting quickly. However, digital technology might be fewer drivers to changes in this pandemic crisis, as it is impossible to transfer everything online; manufacturers have to continue producing and supply chains must not be disrupted. In this regard, the Low-touch economy has more impact. It can be also more suitable and create more opportunities for countries (e. g. Georgia), whose citizens are not able to use credit/ debit cards for online purchases as they may be heavily indebted and hence blacklisted by the banks, so they might be excluded from online payment methods.

2. Research Questions and Objectives. This theoretical conceptual article aims to discuss business models and strategies in Low Touch Economy and analyzes the concept in connection with the digital economy. The paper also examines the concepts of sharing economy and circular economy in light of the Low-touch economy, which has emerged as a result of the pandemic crisis.

The objective of this paper is to explore the new business models leading to fast recovery and to indicate the relationships between the concepts of Low Touch Economy, Digital Economy, and Circular Economy. The fulfillment of this objective has been based on analysis, synthesis, and critical review of the literature on the subject.

The paper answers the following questions: Can the Low-touch economy serve as a predecessor to the Digital economy and be a point of transition before digitalization? How the two concept correlates? Can the Low-touch economy be a way out of the pandemic crisis to survive and to recover? How are the Low- touch economy business models implemented in the new normal?

This research is determined by the novelty of the concept of the Low-Touch Economy and accordingly by the limited scientific studies in the literature. The article illustrates key points of this concept and seeks to explore its place in the digital economy.

Since there is limited research on this question, the article may help to shed more light on the implications of the Low touch economy for business models. Theorists and practitioners have long recognized the role of the digital economy in the information age. But its importance has been considerably increased recently. Thus, the article synthesizes the two concepts alongside other new economic concepts to provide insight into business directions furthering the survival and development of the business.

Thus, the paper is organized as follows. First, it provides an overview of the current pandemic circumstances and summarizes the impact of the pandemic on the business. Then, the recent trends determining the Low Touch economy are examined and the concept is explained. Next, the Low-touch economy business models as well as the scorecard are investigating. After that, the place of the other economic theories - digital economy, sharing, and circular economies in the new pandemic reality are also analyzed with regard to the Low-touch economy. Finally, implications are discussed, and the directions for future study are explored.

3. Instability Caused by the Pandemic. The crisis impacted different industries differently. While the tourism and hospitality sectors are affected highly, pharmaceuticals experience less influence. People are discovering a new way of living and working, while organizations are experimenting with approaches to how to cope with the difficulties.

Many businesses have had to close due to the crisis caused by the Covid-19 pandemic and by strict governmental regulations, which have imposed full or partial lockdowns from several weeks to several months. People can be fined for not wearing masks properly or to violate social distancing. Most countries around the world have partial lockdowns in place, while some of them rely on the individual responsibility of citizens to slow the spread of the coronavirus.

According to the scenario of OECD, a second wave of the new coronavirus by the end of 2020 triggers lockdowns causing doubling the unemployment rate to 10%, slow economic recovery, uncertainties and vulnerabilities; and the global economy can reach pre-pandemic levels not less than 2 years (OECD, 2020). Therefore, OECD Secretary-General Angel Gurría suggests governments support people financially, warns businesses against shortening supply chains, and outlined that reskilling workers is necessary (Harris, 2020).

Furthermore, the experts are talking about the Great Reset because of and after COVID-19 (Strongin & Miracle, 2020; World Economic Forum, 2020; Schwab & Malleret, 2020) implying

entirely new social and economic structures. The Great Resets have already happened in history, when depressions and economic crisis led the transitions from agriculture to industrial society, from concentrated urban cities to the suburbs and mass transportation, and the transition from a manufacturing economy to a knowledge idea-driven economy after the recession (Florida, 2011).

Thus, the COVID-19 pandemic as a global health crisis has caused a severe economic recession, and triggered massive damage to people's health, jobs, and well being (OECD, 2020). The pandemic crisis has been affecting all the sectors and every aspect of society and hence, the economy. It is estimated, that the recession may last for several years. The health crisis obviously affects the manner of interaction between consumers and businesses.

It is worth emphasizing that not all businesses are affected negatively. Whereas some companies experienced a dramatic decrease in demand, some industries are booming during the pandemic. For instance, the cycle industry already has experienced high demand and increased profit (McCarthy, 2020; Pereira & Goncalves, 2020).

Even after the lockdown, the world is not returning to pre-pandemic behavior, as the contamination risks are still high, and therefore social distancing regulations are continued (Ansons et al., 2020).

At the beginning of the pandemic outbreak (in spring 2020), most businesses expected to get back to normal. But it is now obvious that 'new normal' has arrived, and 'next normal' is anticipated. In order to prepare for the next normal, new structures and scenario planning are needed to cope with uncertainties (McKinsey & Company, 2020).

4. The New Concept of Low Touch Economy. One of the new concepts that emerged recently to support the transition from the traditional business behavior toward the new business models is Low Touch Economy. This theoretical paper explores the current literature focusing on the concept of the Low-touch Economy and investigates its role in the new reality.

The concept has been introduced by the Board of Innovation (2020a) as the way businesses operate because of the COVID-19 outbreak. Low Touch economy is understood as a new type of economy and society, where low touch interactions occur.

The concept covers all changes that happened in society and in the economy. The crisis has ripple effects in society, as there is a need to manage health crisis, and businesses have to fulfill regulations, guidelines and take measures concerning on health of the workforce. Economic systems usually reflect people's lives. Ripple effects involve also partners, customers, suppliers, since behaviors of consumers have changed, and interactions between companies and consumers have distorted. Under such circumstances, can companies survive with the existing business models? Improvised solutions that took place last months are evidently not enough; businesses need more structured solutions as such strategies are assumed to last longer. Small business has to move faster to adjust business models in order to survive; whereas large companies, in contrary, can afford to wait longer with their resources in stock to observe what is working in the market before changing their business models. They are also less adaptive and less agile because of their size and therefore, they are more protective of their core business models. Besides, many companies are not able to experiment with various solutions. Thus, the question is what organizations need to do to adapt to this new normal and to prepare for the next normal.

The social distancing and related regulations set because of Covid-19 affects the economy resulting in redesigning the market (Bucaciuc, et al., 2020). Social distancing limits physical interactions, and hygiene precautions involve hand-washing, disinfecting, and wearing masks. Traveling is restricted between countries but also within nations, among cities. Restricted large gatherings have induced no events or limited interactions to close friends. Changes in behavior and economic shifts led to a new concept of the low touch economy characterized by low-touch interactions (Jesus et al., 2020).

The Low Touch Economy is defined by the Board of Innovation (2020b) as the new state of the society and economy, which has been changed by the Covid-19 pandemic. It is characterized "by low-touch interactions, health and safety measures, new human behaviors, and permanent industry shifts" (Board of Innovation, 2020b). At the same time, it offers opportunities for businesses to make innovative transformations.

After the first shock due to the COVID-19 outbreak, a global aftershock will be occurred, characterized by unemployment, bankruptcies, and rise of the nationalism. In order to manage the pandemic effects, organizations need to intertwine Low Touch Economy models with other existing tools to fight the crisis and better adapt to the new models (Bucaciuc et al., 2020).

Limited personal interactions between employees and consumers hinder the business to be conducted as usual (Board of Innovation, 2020b). The term 'Low Touch Economy' refers not only to

physical distancing and hygiene measures, but it also includes all restrictions such as constraints on large gatherings, travel bans, and the isolation of vulnerable people (Board of Innovation, 2020b). It reflects all fluctuations the pandemic has brought in society and the economy.

The latest research shows that companies engaging online business before the pandemic reported increased revenue while other sectors such as tourism have been almost ruined (Jesus et al., 2020). Innovative approaches are required to overcome “broken relationships with customers” (Jesus et al., 2020). Consumers expect that brands help them in navigating ‘new normal’ routines in the emerging low-touch world (Ansons et al., 2020).

Moreover, hygiene restrictions force businesses to rearrange workplaces to reduce close physical interactions. For example, restaurants and theaters will organize smaller venues, reinvent events and parties with lesser people in order for guests to feel safe (Jesus et al., 2020). Besides, distant learning and working will demand tracking tools to identify students, perform exams online, and monitor remote employees (Jesus et al., 2020). Furthermore, service businesses are rethinking how to offer social experiences to a limited group of customers, such as creating private shows, appointment-based models, small audiences, and safe compartments (Jesus et al., 2020; Board of Innovation, 2020a).

Thus, low-touch business models offer to minimize physical contacts as an alternative solution to entirely social distancing. Many people cannot bear the ban of interaction or absolutely digital life with solely virtual interaction. Digitalization of work when there is a huge lack of socialization causes depression. By comparison, with the low-touch economy people may interact with minimized levels without being isolated.

5. Impacts of Low-Touch Economy on the Future Development of the Business Models.

As the world will be different in the post-COVID era, new hygiene habits, regulations, and restrictions will shape both society and the economy (De Mey & De Ridder, 2020). Unprecedented changes are occurred due to the reduced interaction and socialization leading to shifts in business and consumer behavior. This ripple effect is estimated to be continued for about two years, and while some changes will last only for several months, others can create long-term ripple effects in many industries (De Mey & De Ridder, 2020). Accordingly, a new business strategy and alterations in business models are required. For example, remote working triggers less commuting and limited use of public transport but more use of individual mobility means.

Besides, eating habits are also changing leading to fewer visits to restaurants and more home cooking which causes more grocery deliveries and a boost in E-commerce. Restrictions regarding gatherings and requirements in social distancing lead to limited trips, increased digital performances, redesign ceremonies, and rethinking retailing, thus low-touch appointment-based shopping can emerge. Additionally, focus on health management and personal care triggers increases in hygiene awareness, redesign healthcare, more insurances and rise of E-health and remote therapy, minimal human interaction in supply chain and development of contactless tools for everything (Fig. 1).

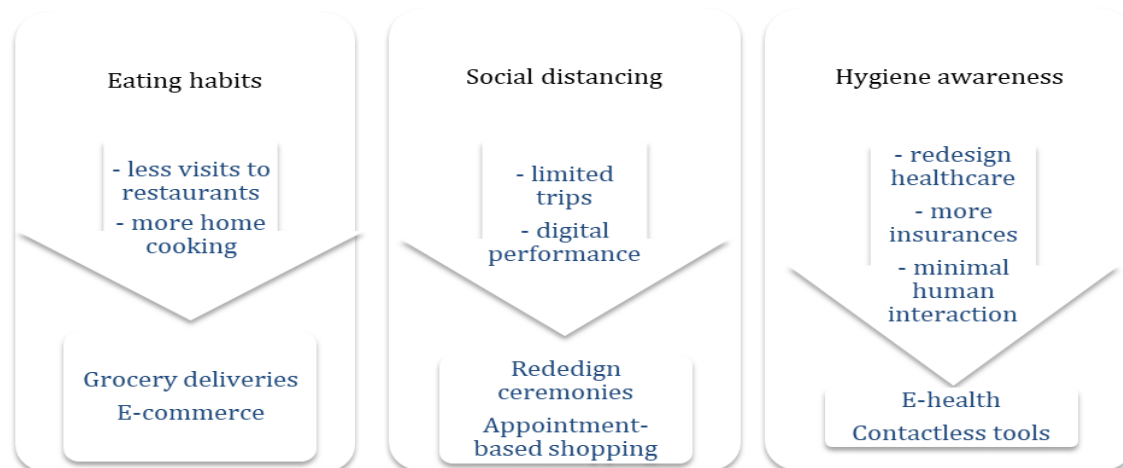


Fig. 1. Changes leading to Low-Touch Economy, adapted from De Mey & De Ridder (2020)

Less travel can encourage local tourism, especially nature or camping trips. It will lead more investments in home renovations, and recreation facilities, gardening, more pets, and sports facilities demand near home to fight loneliness and boredom. Moreover, the disruption in supply chains causes the shift to more local production and consumption, and hence, supply chains will be also reshaped (Fig. 2).

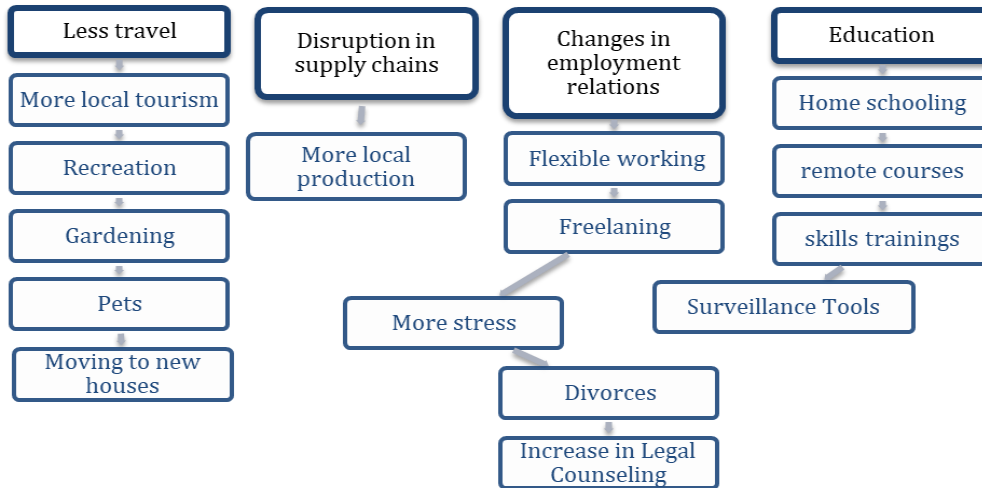


Fig. 2. Changes caused by the Pandemic, adapted from De Mey & De Ridder (2020)

The post-pandemic era will shape education as well, causing an increase in homeschooling, media consumption, remote courses, and trainings for learning new skills. The growth of surveillance tools, as well as health security gates, is expected. Changes in employment relations will lead to flexible working hours, loss of income, rise in freelancing, but also mass unemployment and hence, more stress, more divorces, and consequently, the increase in legal counseling, and more moving to new houses (De Mey & De Ridder, 2020).

As a result, companies need to adapt their business models and redefine their strategies according to those shifts in society and the economy. The companies need to satisfy new demands reshaped by low touch economy and rethink their place in this new normal.

The researchers from the Board of Innovation (2020) offer the COVID-19 Strategy Matrix for business to plan and rearrange their strategy taking into consideration two main dimensions: (1) Severity and duration of economic impact in terms of GDP forecast, pandemic evolution, and economic policy, and (2) Impacts of the pandemic and economic recession on the organization, and company’s ability to adapt fast (Table 1).

Table 1. Adapt Strategic Response through Low-Touch Matrix

		Impact on an organization			
		Direct impact of Covid-19 / Indirect impact of economic recession / Ability to adapt fast			
		Positive	Mildly negative	Severe	Catastrophic
Severity and duration of economic impact GDP forecast / Pandemic evolution / Economic policy		<i>Revenue growth through demand surge e.g. E-commerce</i>	<i>Sustained revenue loss of 0-15% e.g. Consumer Goods</i>	<i>Sustained revenue loss of 15-50% e.g. Oil and gas</i>	<i>Sustained revenue loss of +50% e.g. tourism</i>
	0.5 year impact V-curve rebound; Effective pandemic control and economic stimulus	Ride the wave: boost supply to keep up with demand surge	Push through and prepare for fast back-to-normal upswing	Survive and prepare for relatively slow back-to-normal recovery	Mothball large part of the business and prepare for re-start
	1.5 year impact U-curve recovery; Social distance measurements prolonged, economic stimulus eases damage	Push for growth and market share	Defend, improve competitive position, and find new growth	Pivot through organic innovation and inorganic growth, or divest	Pivot through organic innovation and inorganic growth, or divest
	3 year impact L-curve recovery; Failed pandemic control, and wide-spread bankruptcies and credit defaults	Aggressive push for growth and market share	Defend, improve competitive position, and find new growth	Prepare for aggressive new entrants. Reinvent and create totally new position, or abandon	Abandon market

Source: Board of Innovation, 2020b

The Matrix takes into account the duration of the pandemic from 6 months to 3 years period and considers positive, mildly negative, severe, and catastrophic impacts of the pandemic on organizations. According to these factors, a company can plan its strategy to survive and flourish in a fast-changing environment. Furthermore, companies can use the matrix to work with various scenarios throughout the pandemic as a tool for strategic planning.

Furthermore, the Board of Innovation (2020b) elaborated a checklist for companies to rate their readiness level for the Low Touch Economy that will help them to redesign their organizations (Fig. 3).

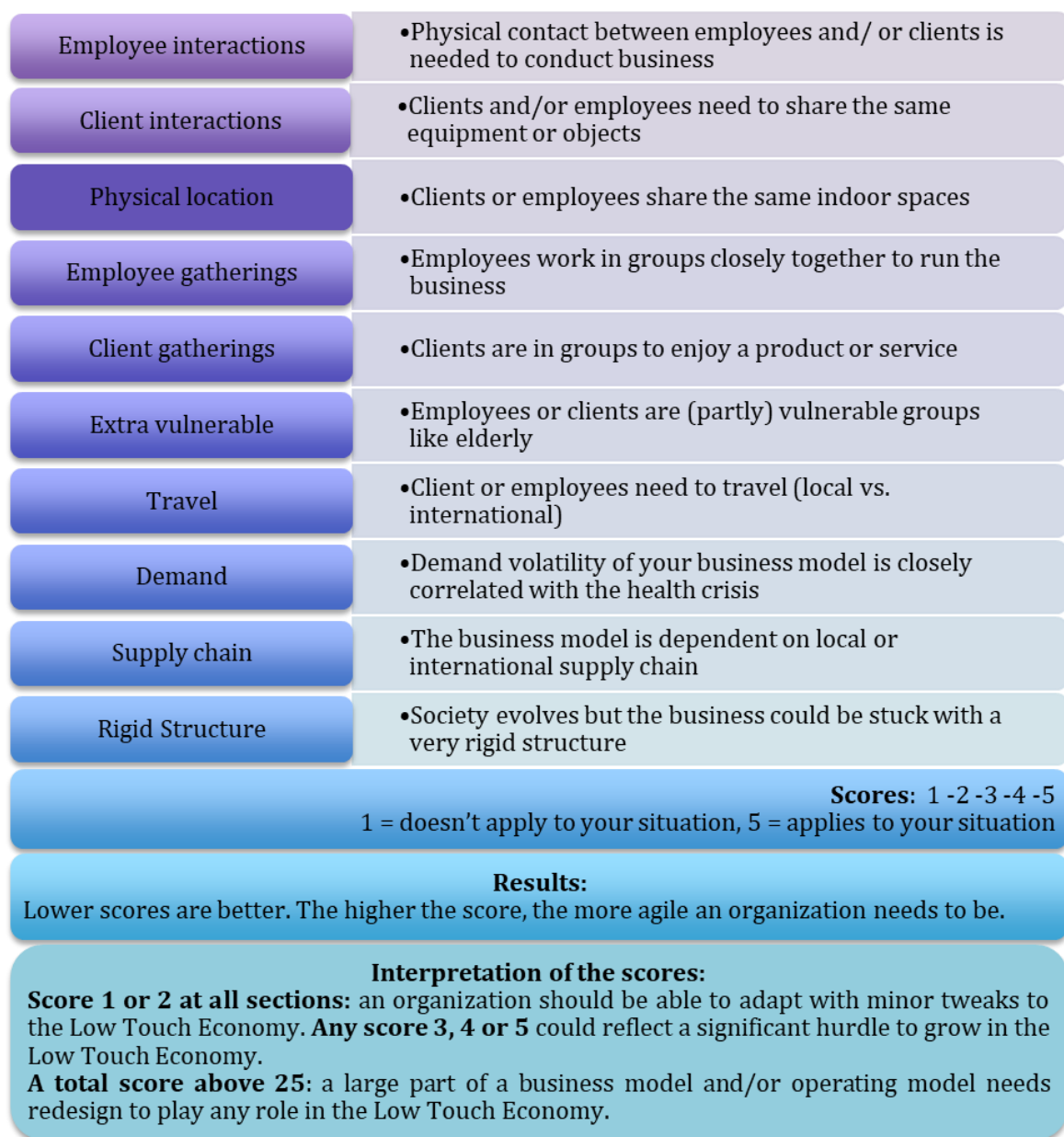


Fig. 3. Low Touch Economy Scorecard, adapted from Board of Innovation (2020b)

The scorecard suggests that organizations assess their readiness for the Low Touch Economy taking into consideration the necessity of physical interactions to conduct business, and plan their strategy accordingly. The factors influencing the company's transaction to the low touch economy (1) includes employee interactions/gatherings requiring physical contact among employees or work together in groups; (2) Client interaction/client gatherings when there is a need to share the same objects or equipment; interactions among clients or between clients and employees; or when customers are in groups to enjoy product or service produced by the company; (3) Physical location when there is a need to share the same indoor spaces; (4) Extra vulnerable involves employees or clients belong to the vulnerable groups; (5) Travel considers customers' or employees' need to travel in order to run business; (6) Demand - company's business model correlates with the health crisis;

(7) Supply chain - company's business model depends on local or international supply chain; (8) Rigid structure - it is impossible for the company to evolve.

The checklist can answer the question of why some companies managed to grow over the course of these turbulent times while others experienced revenue losses (Board of Innovation, 2020b). In a few months since the pandemic, the consumers have quickly acquired new habits leading to a sudden demand for some products, and brands attracted unexpectedly more clients.

Many companies have to pivot away from their core business; alternatively, they can change channels, markets, or offerings. Companies need to find temporary solutions but also plan to adapt to the ongoing societal changes. Thus, they should adjust their business models to "build the Low Touch Economy, triggered by the Covid-19 crisis" (Board of Innovation, 2020b).

6. Digital Economy. The digital economy has taken the lead during the pandemic to supply goods and provide services (Chen, 2020). Its importance is increasing throughout the new normal, as it opens up innovative opportunities in the market and is a crucial driver for economic growth.

Companies are planning strategies using PEST analysis as political, economic, social, and technological trends usually impact the operations of a company. Although economic forces influence all players in the global market, some industries are more vulnerable than others when the environment changes (Rogers, 2011).

The new coronavirus pandemic and concomitant economic crisis have been accelerating digital transformation, as business and society are unlikely to return to the pre-pandemic conditions. There are needs for remote working, online shopping, delivery drone services, etc. Employees around the globe have been transferred to work online as a result of the pandemic that makes it impossible to interact in person (Zemtsov, 2020). Shifting to digital working is triggering more and better tools to automate work and help organizations in operations. Consequently, many sectors need to reshape their business models through information technologies. New technological solutions - such as high-speed Internet, augmented reality and virtual technologies, telemedicine, etc. - will contribute to survival and economic recovery (Zemtsov, 2020).

The digital economy is grounded on electronic goods or services produced and traded through E-commerce conducting transactions through Internet technologies (Hojeghan & Esfangareh, 2011; Berdykulova et al., 2014). It enables dynamic efficiency, increased connectivity, and numerous combinations of ideas resulting in economic growth through new technologies (Carlsson, 2004). Digital innovations have expanded through the cloud, mobile services, and artificial intelligence creating exceptional opportunities and welfare (Watanabe, et al., 2018). The research demonstrated that information and communication technology (ICT) impact venture capital investment and economic growth (Pradhan et al., 2019).

Internet technologies have transformed the methods of how the business has been conducted (Watanabe, Tou & Neittaanmäki, 2018). It has altered daily lives forever as it has changed not only business activities, but also banking, health, governmental, and education services (Hojeghan & Esfangareh 2011; Berdykulova et al., 2014).

New technologies have irreversibly transformed the marketplace accelerating the speed of business activities from product development to customer reaction (Oxford economics, 2011). Digital technologies have the ability to reduce costs, extend markets, and access more consumers, which makes it easier for many people to engage in entrepreneurial activities (Youssef et al., 2020). Subsequently, the digital economy influences every aspect of our lives covering all economic activities by using digital platforms (Chen, 2020).

Previous researches predicted the global digital transformation through mobility, social media, cloud computing, and suggested real-time business intelligence and predictive analysis procedures to handle unpredicted market risks or opportunities, and make decisions faster (Oxford economics, 2011).

Companies are reorganizing their business model accordingly and embracing the digital economy. Therefore, they are upgrading their business models and strategies for the digital economy in order to compete and prosper in the changing environment (Sturgeon, 2019).

Moreover, digital technologies transforming the economy affect the labor market and increases unemployment in the long-term perspective (Bertani et al., 2020). Advances in the digital economy can further reuse labor-intensive and routine jobs replaced by automation and artificial intelligence (Sturgeon, 2019). Both high skilled and unskilled jobs are at risk of being replaced by

automation (Greve, 2019). Consequently, the education system needs to prepare for new technological waves by developing 'digital workers' (Bertani et al., 2020).

However, the researchers argue that despite the transition trends to the digital economy and remote working, people still prefer to work together: self-employed and remote workers choose to work together in collaborative shared workspaces even when they have not to do so (Clifton, Füzi & Loudon, 2019). Even freelancers search for co-working spaces as new forms of connection. But co-working spaces do not always drive work satisfaction or increase performance as work satisfaction is influenced by multiple characteristics (Bouncken et al., 2020).

Nowadays, digital technologies have removed restrictions from home-based businesses, including digital products and services, order services, online marketing, remote working, and virtual organizations (Reuschke & Mason, 2020). Even though the study has not found a greater engagement in E-commerce of home-based businesses operating in a rural area, digital technologies are still transforming them by extending their possibilities to reach global markets (Reuschke & Mason, 2020).

Although the researchers claim that the Internet enables the lower entry cost and has expanded the size of markets (Chen, 2020), dominant digital companies have competitive advantages as they have the power to control physical infrastructures such as satellites, cables, data centers, and other network facilities on which relies the digital economy (Beaumier et al., 2020). This makes it hard for newcomers to challenge their positions. Digital companies still have a physical presence, thus the digital is not entirely immaterial (Beaumier et al., 2020).

Another challenge is digital piracy that creates obstacles for some digital industries to invest in new products as illegal downloading or duplicating digital materials is financially harmful (Koay, Tjiptono, & Sandhu, 2020). Besides, digital protection systems should be in place in order to avoid digital shadow activities that are illegal (Gaspareniene et al., 2016).

In general, the digital economy enables accessibility to information from virtually anywhere around the globe and offers a noticeable possibility to mitigate poverty (Li et al., 2020).

Thus, companies searching for new business models should take into consideration all opportunities and challenges Digital Economy offers and take the decision accordingly.

7. The Place of Modern Economic Concepts in the Post-Pandemic Society.

Digital platforms play a key role in the sharing economy (Sutherland & Jarrahi, 2018). The recent concept of the Sharing Economy with its capability to mobilize dispersed or underutilized private goods to collective usage has facilitated as well the increase of digital applications and changed the consumption attitudes (Bai & Velamuri, 2021). Digital platforms in the sharing economy connect consumers to services or commodities through websites or mobile applications (Cockayne, 2016), and contributed to the digital economy. Airbnb and Uber represent one of the fastest-growing examples of the sharing economy (Paramita et al., 2020; Sutherland & Jarrahi, 2018). The sharing economy is based on digital infrastructure and new technologies including artificial intelligence, big data analysis, blockchain technology, and augmented reality to intensify peer-to-peer collaboration and trade (Ertz & Boily, 2019).

However, new problems occurred with it during the pandemic as the risk of the virus spreading, infection, and contagion has been increased. The already existing concerns associated with the sharing economy include trust issues: an asset owner may worry about the possible damage, and information problem when asset owners and users do not communicate daily about the usage of private belongings (Bai & Velamuri, 2021). Besides, consumers are concerned about their privacy, personal data safety, reliability, and security of digital sharing platforms (Nadeem & Al-Imamy, 2020).

Conversely, the research shows that sharing networks and social support play an important role for consumers during periods of life transitions to reduce stress and uncertainty under changed circumstances and enhance well being (Ozanne & Ozanne, 2020).

The concept of the Green Economy is even more topical today when people are reappraising values and demand for sustainability is growing. The Circular Economy is one of the new ways to adopt sustainability focusing on the macro, meso- and micro levels (Barreiro-Gen & Lozano, 2020). The researchers suggest that organizations through better collaboration with stakeholders should improve their efforts to implement 4Rs - reduction, repairing, remanufacturing, and recycling in order to contribute to Circular Economy (Barreiro-Gen & Lozano, 2020). So far, two institutions - the United Nations Environment Programme (UNEP) and the Group of Twenty (G20) - were ineffective to promote and stimulate green growth, but they can play a leading role in governing the green

economy and improve global policy on it (Tienhaara, 2016). Circular Economy is recognized to facilitate the sustainable growth of companies focusing on the redesign of products and processes by valuable and sustainable innovation (Chiaroni et al., 2019).

Circular business models may solve ecological problems (e.g. climate change, biodiversity loss, natural resource scarcity) in innovative ways such as human-object, human-machine, human-robot, human-computer interactions, and create sustainable connections between production and consumption processes (Hofmann & Jaeger-Erben, 2020). Therefore, the current urgent transitions can facilitate the navigating to more circular, green, sustainable business models while redesigning organizations. Companies can exploit digital technologies to move towards Circular Economy Business Models based on the principles of Reduction, Reuse, and Recycle (Chiaroni et al., 2019).

Circular Economy is recognized to stimulate economic sustainability through business models that are based on digital technologies (Bressanelli et al., 2018). The researchers indicate that digitalization and sharing practices have great potential to implement a circular economy (Schwanholz & Leipold, 2020). They consider the sharing economy as a part of the circular economy and argue that digital sharing platforms from the point of view of the circular economy is emerging (Schwanholz & Leipold, 2020).

The study found two key roles of digital technologies for circular economy - enabler and trigger, while the enabler function is more crucial (Uçar, Le Dain, & Joly, 2020).

COVID-19 has accelerated the adoption of digital technologies, which will last over the post-pandemic period as well (Li et al., 2020).

8. Conclusion and Future Research Directions.

The paper examined the concept of the Low-touch economy as a solution for business survival and fast revival. But will the recovery be digital or based on the Low-touch economy? Companies are forced to experiment on how to be more adaptive, flexible, digital.

Innovative thinking and a combination of various economic models are required to find solutions to the COVID crisis. The Low-touch economy has the potential to offer recovery and development to the organizations. The post-pandemic economy has to combine technological innovations, digital business processes, and remote work to meet travel restrictions, regulations regarding hygiene and distancing.

The concept of the Low-touch economy is determined by the new regulations that restrict public gatherings, social events, travels, which causes changes in consumer behavior, supply chain disruptions, and adapting business models in order to meet low-touch policies and fulfill health requirements.

In addition, the next normal will be also shaped by the digital and green economy concepts accelerating the digitalization of businesses around the globe. Consequently, changing business models is inevitable for most companies.

In summary, low touch policies bring a lot of uncertainty, and organizations should adapt rapidly. Therefore, companies should embrace the emerging Low-Touch Economy coupled with the digital economy and circular economy to redesign their business models to improve their positions, avoid possible recession, and sustain economic growth.

Drawing insights from recent research, this paper has shed light on Business Models based on Low Touch Economy, Digital and Circular Economy concepts to improve market performance under the current crisis.

Thus, the article contributes to the literature by providing theoretical perspectives and by examining the phenomenon of the Low-touch Economy in light of the digital economy and other related concepts. In the future, the presented foundations can provide potentials for developing empirical studies on the discussed issues.

Although the article has focused only on an understanding of the Low-touch Economy, future research could explore its application in practice to help theoreticians, on the one hand, with its further conceptualizing, and practitioners on the other hand to apply the methods discussed and strategies suggested for the faster economic recovery.

More research across countries including low-income countries should be done to find out the needed organizational capacity, skills of workers, and education, to redesign business models according to the Low-touch Economy and investigate risks and concerns regarding the Digital Economy. In this context, further exploration of the effect of growing digital technologies on the Circular Economy is also needed.

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