

A Study on the growth of E-Commerce during Covid-19

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ABSTRACT:

The worldwide spread of the COVID-19 pandemic has agitated how people buy commodities and other services and how they are involved in e-commerce. This is fully based on the current situation and current information. The patterned lockdown rules across India and the growing hesitation among consumers to go outside and shop for essential goods have given a wider view of the nation towards e-commerce. Consumers have a turnabout from shops, supermarkets, and shopping malls to online portals and other shopping apps for the purchase of products, ranging from basic commodities to reputed brands.

**Keywords:** E-commerce, Covid-19, online shopping, contactless store, digital marketing, online payments.

INTRODUCTION:

Humans respond to crises in different ways. When faced with an uncertain, risky situation over which we have no control, we tend to try whatever we can to feel like we have some control. These psychological factors are the same reasons “retail therapy” is a response to many different types of personal crises; however, during a pandemic, there are added layers. “Panic buying can be understood as playing to our three fundamental psychological needs.” These needs are autonomy (or the need to feel in control of your actions), relatedness (the need to feel that we are doing something to benefit our families), and competence (the need to feel like smart shoppers making the correct choice).

Understanding Panic Buying and Coronavirus

As news of COVID-19 spread and as it was officially declared a pandemic by the World Health Organization, people responded by stocking up. They bought out medical supplies like hand sanitizer and masks and household essentials like toilet paper and bread. Soon, both brick-and-mortar and online stores were struggling to keep up with demand, and price gouging for supplies became rampant. Higgvarious E-Commerce websites during the pandemic;

Sl.no	Retail website	Millions
1	Amazon.com	4059M
2	Ebay.com	1227M
3	Rakuten.co.jp	804M
4	Samsung.com	648M
5	Walmart.com	614M

OBJECTIVES OF THE STUDY:

- To study how coronavirus has affected the consumer’s online shopping.
- To analyze whether online shopping is advantageous even after the pandemic.
- To interpret elements that influence the most to purchase online.
- To identify whether continuity of online shopping prevails even after the outbreak.

RESEARCH METHODOLOGY:

**Primary data:** The study is conducted to obtain data on” **A Study on the growth of E-Commerce during Covid-19**”. A sample size of 100 was collected using the snowball sampling procedure. The sample includes both literate and illiterate as their response determines the reliability of the survey. Google forms platform was used for collecting data. The responses from the respondents were collected and analyzed using the simple percentage method.

**Secondary data:** The secondary data are collected through Records, Articles, Journals, Survey reports, Research Data, and Website information.

2021 COVID-19 + e-commerce stats

- **18% of consumers have tried curbside pickup for the first time** over the COVID-19 period
- **36% of consumers have experienced substantial shipping delays** due to COVID-19

● **Ecommerce sales are forecasted to have increased by 32.4%** in 2020 with **brick-and-mortar forecasted to fall 3.2%**

● **Best Buy saw the largest YoY e-commerce sales growth in 2020** (105.5%), followed by Target (103.5%) and Kroger (79.2%)

**(Radial and Zoovu, 2020)** Offline retailers are now becoming more dependent on their digital commerce strategies and digital tools to keep their business going.

**In order, to win in the online marketplace, six key elements need to come together:**

**Optimal assortment and merchandising:** Brands will need to tailor their assortment to suit online needs (e.g., bigger packs, bundles, ease of delivery, etc.). For instance, a few leading FMCGs have re-designed packaging and reduced the extent of plastic and water to make it lighter and more cost-efficient to ship these products.

**E-commerce-ready supply chain:** Brands need to ensure that their supply chains are highly agile, to manage spiky demands (e.g. Diwali season) that are characteristic of online businesses and build the associated demand forecasting and inventory planning capabilities as well.

**Digital marketing:** Brands need to decide their most optimal split of spending across digital channels and digital properties. Depending on the objective, they should optimize spending among various digital properties such as banner advertisements, search listings, social media, etc. The biggest benefit of digital marketing is the ability to hyper-personalized content— brands can get a higher ROI by being nimble about the consumer cohorts and were in their purchase journey, to target.

**Optimizing higher online conversion:** Optimizing the trifecta of Product Display Page (PDP), pricing/promotions and visibility, can significantly improve conversion rates online. For example, there are 20+ elements within a PDP (e.g., images, reviews, product summary, etc.) that a brand can refine for better results.

**Digital execution excellence:** The ability to create and continually refresh content, test and learn, refine at scale, track and tweak online pricing/promotions in real-time, rapidly respond to consumer reviews, etc. is what differentiates digital winners from the rest.

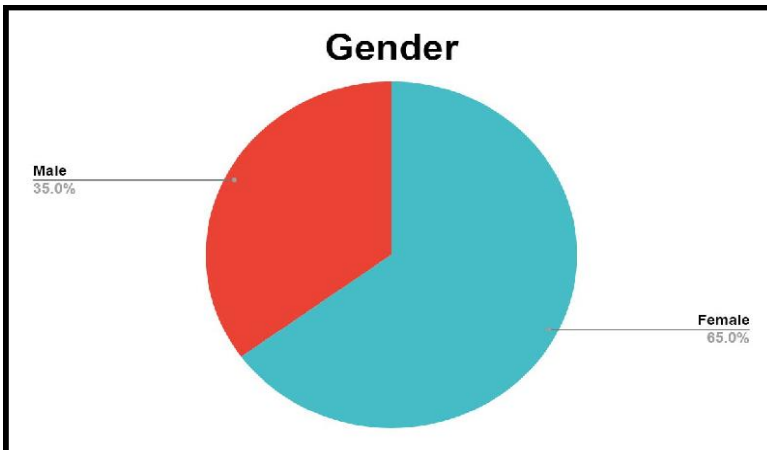
**E-commerce enablers:** The back end also needs to be robust and agile for winning online. Supporting systems, data, and reporting infrastructure, automated real-time decision-making enablement are all pivotal to a successful online business.

**(Nee Lee, 2020)** The Covid-19 outbreak has caused fear for the way it is impacting the global economy and how it has impacted markets worldwide, causing plunging stock prices and bond yields.

#### **E-COMMERCE AS THE NEW NORMAL:**

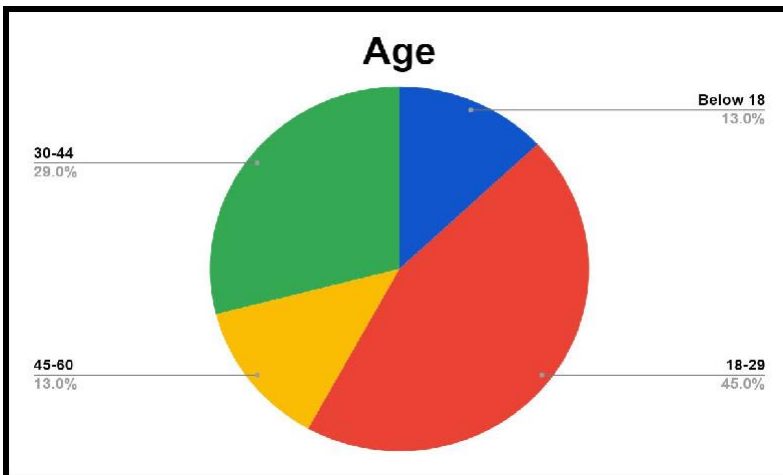
E-Commerce is the process model that lets the firm and individuals buy things over the internet where it operates in all four of the following major market segments that is a business to business consumer to consumer business to consumer, consumer to business. Due to this pandemic e-commerce has played a major role in the economy. Every E-Commerce involves targeting the audience, product niche, and marking a vital role in connecting consumers online.

**DATA ANALYSIS AND INTERPRETATION:**



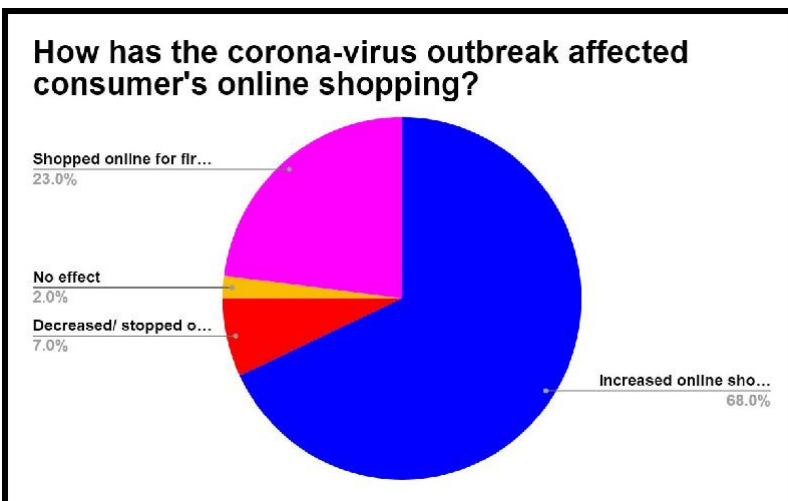
This pie represents the no. of male and female participants in this survey. A total of 100 respondents participated in that **35% of male and 65% of females.**

**Source:** Field Survey



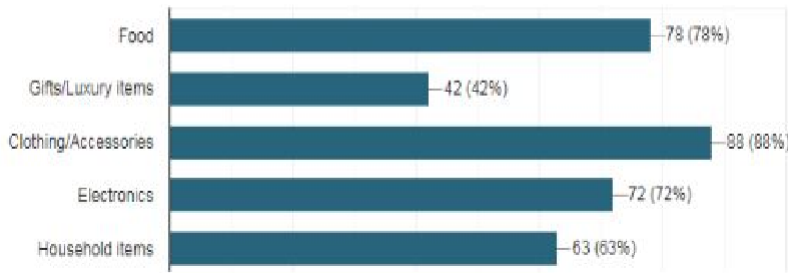
This pie chart represents the age of respondents ranging from below 18 to 60 years. This also depicts that **most** of the respondents fall under the range of **18-29 (45%)**.

UNCTAD (2020), "Fast-tracking implementation of eTrade Readiness Assessments", forthcoming.



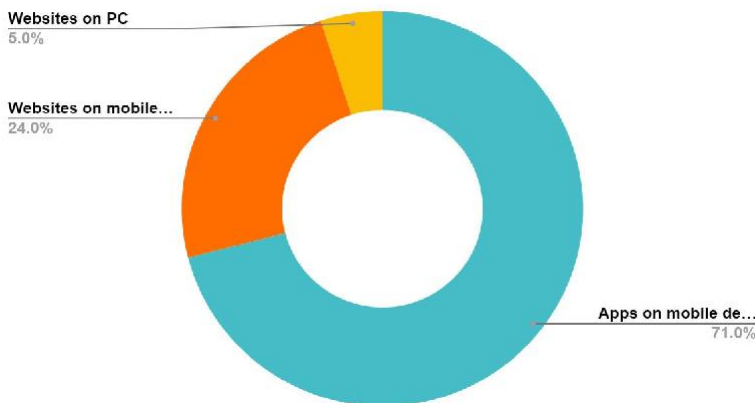
This chart symbolizes how the corona-virus outbreak affected consumer's online shopping. **68%** of the respondents have chosen that it has **increased online shopping.**

which type of products did you buy online since the start of the outbreak?



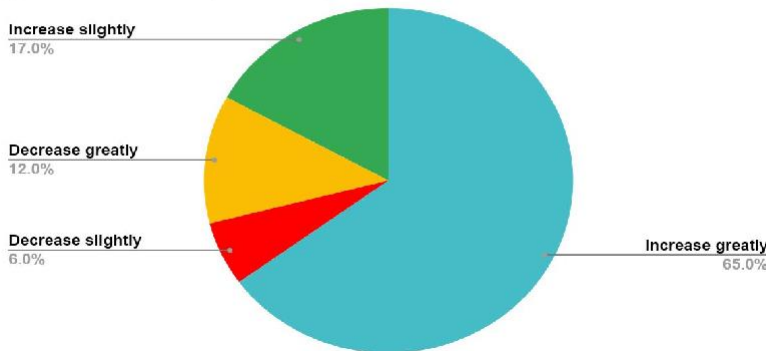
This bar represents which kind of products were purchased since the start of the outbreak. In that, compared to others **88%** of the respondents said that **clothing and accessories** were purchased as a whole.

At the point of the outbreak, how did you purchase online?

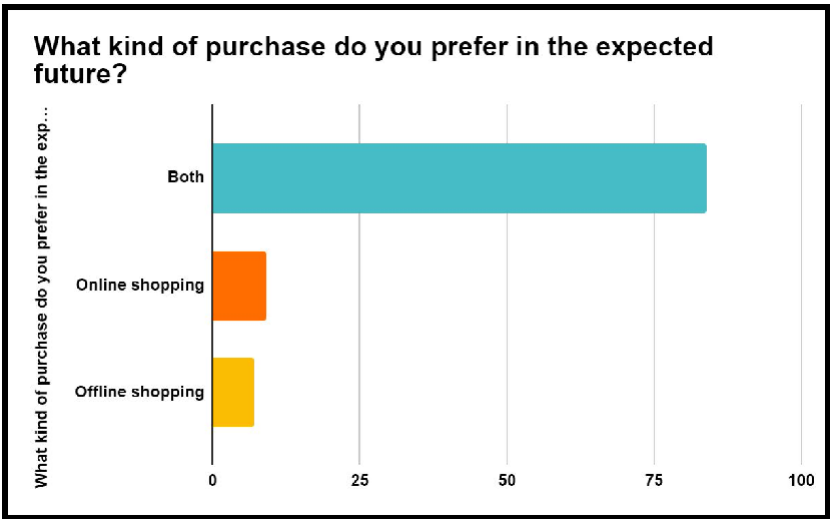


This graph shows the mode of purchasing online. Here, **71%** of the respondents have purchased online through **apps on mobile devices**.

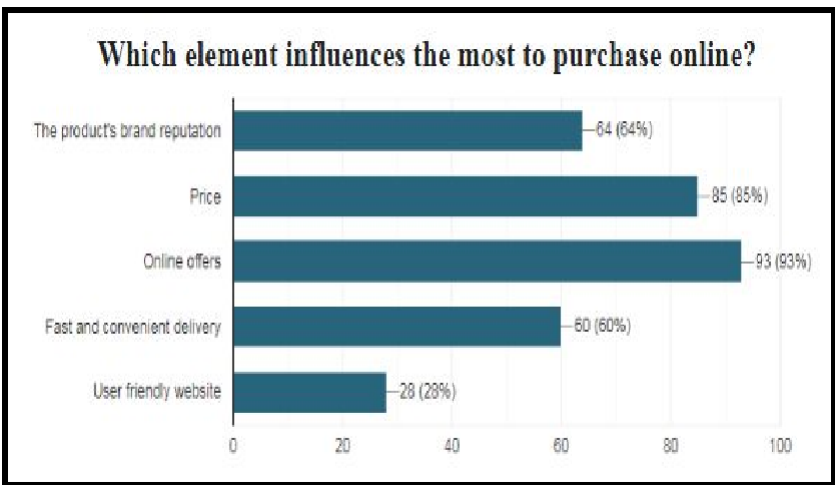
After the end of the outbreak, how do you expect your online spending on items?



This graph depicts that at the end of the outbreak, how consumers will spend on online stores. Here, **65%** of respondents have said that after the outbreak their **spendings would increase greatly**.



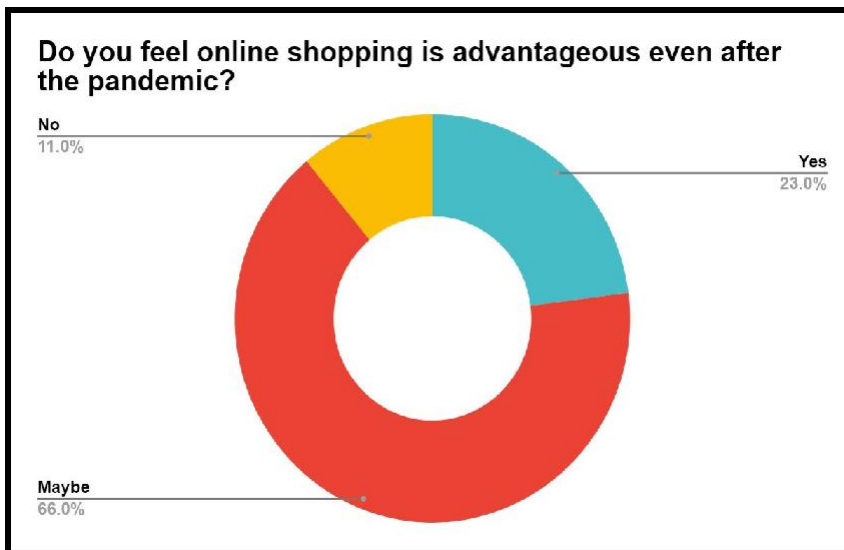
This graph represents the kind of purchase preferred by the respondents in the upcoming future. Hereabout, **80%** of respondents feel **both online and offline shopping** is preferred for further purchases.



This graph portrays the elements which influence the most to purchase them online. Here, about **93%** of respondents feel **online offers influence the most** to purchase online.



This chart represents that while respondents are shopping online, when they see an advertisement showing a similar product with a lower price from a competing store will they click and purchase it. Here, **69%** of my respondents feel **they may do so**.



This chart expresses whether respondents feel online shopping is advantageous even after the pandemic. **66%** of respondents feel it **may be advantageous**.

**(Radial and Zoovu 2020)** The Covid-19 situation is bound to have many consequences for consumers, but many retailers have mixed opinions of the severity of Covid-19 and its impacts. One study by Digital Commerce 360.

**(Frost and Sullivan, 2020)** “The coronavirus isn’t only a global health crisis, but an economic one as well”.

#### **SUGGESTION:**

- Most of the respondents feel that some lack of production has caused delivery delays on particular products due to factory shutdowns. I suggested that to achieve more effectiveness and efficiency, firms should try to combine each activity of the physical value chain with the implicit one.
- This research states that firms can track customer's information and become aware of their preferences and therefore, make targeted efforts in meeting their demand before their competitors. But this kind of trend is making customers feel unsafe about their privacy norms.
- 66% of the customers feel online shopping is advantageous even after the pandemic. So, e-commerce retailers can get feedback from the customers and this may enhance the quality of customer relationships in the forthcoming future.
- Respondents emphasized that due to the payment changes, the e-commerce firms have realized that their customers were more comfortable making more orders which has in return increased the company’s sales and customer demands.

#### **CONCLUSION:**

In this research, our primary interest is to know how coronavirus spread has affected e-commerce globally. Awareness about this topic can countersign better information in people and deliberation to how e-commerce business, and economies of countries affected by a coronavirus. And how e-commerce provides alternative ways for people to meet their demands. How it impacted e-commerce will be encouraging other researchers to examine more deeply in this area such as e-commerce trends, how it changed by corona, and future trends revolving around it. To conclude, the respondent said they have made new routines since the pandemic outbreak, by being more informative to their customer and sending more links to update about the delivery delays to their customers more than before. In general, the respondent stated that Covid-19 had impacted the firm negatively as well as arbitrarily.

**(Abdin, 2020)** The virus has affected every part of the globe. Major economic powers such as the USA, Spain, Italy, Germany, and many more countries have been hit by Covid-19, and the world is at a standstill position for an unknown period.

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