

19. The Effect of Pandemic on E-Commerce

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Abstract

Covid-19 affects many e-commerce businesses. Covid-19 crisis is probably going to possess long lasting effects on e-commerce. E-commerce may be a business model that lets firms and individuals buy and sell products and services over the web. Today 40% of internet usage made for online purchase. consistent with IBM'S report covid-19 pandemic pushed the industry ahead by around five years. Moreover, after the covid-19, social distancing and staying house is further expected to push the consumers towards online shopping. This study examines the expansion of e-commerce thanks to covid-19 pandemic and also find that e-commerce became substitute source of traditional marketing or not with the assistance of secondary data taken from authorized websites. the recognition of e-commerce increase after the arrival of covid-19 pandemic is 17% and expected to rise further. sectors like electronics, fashion and accessories, health and pharma and FMCG did particularly well, with a mean growth of 133% in sales.

Keywords: COVID-19, Pandemic, Growth, E-Commerce.

Introduction

Electronic commerce, commonly written as E- COMMERCE is that the trading (buying and selling) of product and services using computer networks, like internet. E-commerce has helped businesses establish a wider market presence by providing cheaper and more efficient distribution channels for his or her products or services. Nearly every imaginable product and repair is out there through e-commerce transactions, including books, music, clothing, electronics travel tickets, and financial services like stock investing and online banking. As such, it's considered a really disruptive technology. These business transactions are often wiped out four ways: Business to Business (B2B), Business to Customer (B2C), Customer to Customer (C2C), Customer to Business (C2B). the quality definition of E-commerce may be a commercial transaction which is happened over the web. Online stores like Amazon, Flipkart, Shopify, Myntra, eBay, Quikr, Olx are samples of E-commerce websites. By 2020, global retail e-commerce can reach up to \$27 trillion. E-commerce is one among the fastest growing industries within the global economy. As per one estimate, it grows nearly 23% per annum. And it's

projected to be a \$27 trillion industry by the top of this decade. India is 3rd largest e-commerce economy within the world after China and

U.S.A. consistent with TRAI (Telecom regulatory agency of India) by the top of 2021 82 crore population are going to be use internet and 40% usage of internet usage made for online purchase.

By the assistance of the pliability offered by computer networks and therefore the availability of internet, E-commerce develops on traditional commerce. E-commerce creates new opportunities for performing profitable activities online. It promotes easier cooperation between different groups: business sharing information to enhance customer relations; companies working together to style and build new product/ services; or multinational company sharing information for a serious marketing campaign. E-commerce business may employ online shopping websites for retail sales direct to consumers, providing or participating in online marketplaces, which process third-party business-to-consumer or consumer-to-business sales, business-to-business buying and selling, gathering and using demographic data through web contacts and social media, business-to-business electronic data interchange, marketing to prospective and established customers by E-mail or fax (for example, with newsletters), engaging in retail (also mentioned as pre-retail or pre-commerce) for launching new products and services. Pre-commerce may be a sub-category of E-commerce and online retail for introducing new products, services, and makes to plug by pre-launching online, sometimes as reservations in limited quantity before release, realization, or commercial availability. Pre-commerce includes pre-sale commerce, pre order retailers, incubation marketplaces and crowdfunding communities.” (Wikipedia 2015)

COVID-19 pandemic creates new potentials and opportunities for e-commerce cooperation: more or less independent persons/organizations work together. Business actors can close whenever they need it or whenever there's a requirement. It builds a worldwide virtual place where every organization and person being curious about making business can close without geographical restrictions. E-commerce increase the economic efficiency of business process, through coupling of business processes at the boundaries of the business partners.

Review of Litratue

Bhatti (2020) examines that e-commerce grew thanks to coronavirus. E-commerce is became a substitute source and thought of top during this condition and consumers bought in superstore traditionally. Coronavirus impact on whole e-commerce. Meanwhile we would like to

grasp their efficiency to stability both cost and benefits also as connected actions in coming upcoming.

Tran and L.L.T. (2020) study adopted uses and gratifications theory to base the conceptual model while adding a condition of pandemic fear. the first research method of this study may be a quantitative survey and analysis. Using sample size of 617 online consumers with PLS analytical technique. This study finds a positive moderating effect of pandemic fear on the relationships among PEEP, economic benefits, and sustainable consumption.

Hasanat (2020) the key purpose of this research is to work out the impact of coronavirus on the web business Malaysia. The results illustrated that because the maximum of the merchandise s come from China and therefore the maximum of industries are lockdown which suggests that there are not any import and export of the product. Therefore, it's assumed that this deadly virus will severely impact the Malaysian online business especially the Chines products.

Pantelimon (2020) the study consists of two parts, the primary one analyses the impact of the mobile commerce's growth on the Gross Domestic Product for both a West European country-Germany and an East European country-Romania from 2014 to 2019. The analysis aims to know the mobile commerce importance within the pre-COVID-19 era, within the context of stable economies. The second part studies the overall consumer behavior towards classic commerce and electronic commerce within the context of COVID-19 pandemic state. during this regard we analyzed data for January-April 2020 and studied the most changes for the countries which were either early suffering from the pandemic, severely affected or both.

M. A. Salem, the study empirically assessed the factors that affect consumers 'intention to adopt e-commerce during Coronavirus Disease 2019 (COVID-19) in Saudi Arabia . the ten factors examined during this study are perceived usefulness (PU), perceived simple use (PEOU), subjective norms (SN), perceived behavioural control (PBC), perceived lack of alternatives, perceived risk, perceived punishable infractions, risk- taking propensity, perceived external pressure, and government support. Data were collected online among social media users by employing the snowball sampling technique. a complete of 190 valid responses were obtained. the info analysis showed that PU, risk taking propensity, PBC, perceived lack of alternatives, and government support significantly influenced consumers 'intention to adopt e-commerce during the COVID-19 outbreak in Saudi Arabia . Meanwhile, PEOU, SN, perceived external pressure, perceived risk, and perceived punishable infractions exerted insignificant effect on consumers 'intention to adopt e-commerce.

Objective of the Study

- To examine the expansion of E- COMMERCE thanks to COVID-19.
- To know E-commerce is become a substitute source and thought of top during this condition or not.

Source of knowledge

This research is predicated on secondary data. Data which is employed for study purpose collected from the IBEF (Indian brand equity foundation), UNCTAD and Netcom Suisse e-commerce association, unicommerce e-commerce report and U.S. department commerce data and lots of other authorized websites.

E-Commerce and Covid-19 Pandemic

Coronavirus impact the entire e-commerce of the world; it's changed the character of business. Despite the Covid-19 crisis and economic downturn, the e-commerce industry in India saw an upward trend post lockdown, registering a 17 per cent increase so as volume as of June 2020, in comparison to the pre- lockdown period.

Key Digital Number: - India 2020

Year 2019 vs year 2020

Factors	Users	% Growth From Previous year
Population	1.37 billion	+1.0%
Mobile Phone Connections	1.06 billion	-1.40%
Internet user	687.6 million	+23%
Active Social media user	490 million	+48%

(source:wearesocial,hotsuite)

E-Commerce Category-Volume Growth

Category	% Growth from Year 2019
Fashion and accessories	20%
Electronics and Home appliances	22%
Eyewear and accessories	47%
Beauty and wellness	130%
Health and Pharma	38%
FMCG and agriculture	55%
Other	13%
Overall	20%

Total Returns

	2019	2020	Absolute increase/decrease in returns
Total return per forward order	20%	17%	-3%
Return on COD	27%	20%	-7%
Return on Pre-paid	12%	22%	-1%

Monthly Traffic on Top 10 Indian E-Commerce Websites

Website	Monthly Traffic (Millions)
Amazon	200.0
Flipkart	157.5
India mart	52.2
Myntra	14.2
Snapdeal	12.9
Firstcry	12.55
1 mg	9.05
Book my show	7.2

Conclusion

The popularity of online retailing on the rise after the arrival of covid-19 pandemic 17% more from 2019 and expected to rise further. Sectors like electronics and residential appliances, fashion and accessories, health and pharma, and fast-moving commodity (FMCG) did particularly well, with a mean growth of 133 per cent in sales. Titled 'E-Commerce Trend Report', it further stated that the highest three states in terms of e-commerce volumes were Delhi-NCR, Maharashtra and Karnataka. Together, these states constituted 65 per cent of the general consumer demand within the country that has otherwise seen a huge slowdown within the economy. Online delivery platforms like Jiomart, Swiggy and Zomato were ready to meet consumer demands at a faster pace by making hyperlocal deliveries after docking with local grocery stores, the report added. The study was conducted in two parts — a pre-COVID-19 period (February 2019 to February 2020) and post- COVID-19 (from February to June 2020). the buyer electronics sector, noted the report, contributed to the utmost revenue growth in India's e-commerce industry post lockdown. Smartphones brought within the maximum revenue, followed by television and other white goods. Overall, the electronics segment saw a growth of twenty-two per cent till June. While some metros cornered two-thirds of the general e-commerce business, tier III cities onward saw the fastest growth at 53 per cent, said the report. It also noted that the highest five tier III cities contributed 22 per cent of the entire volume, while the highest five metro cities made for 90 per cent of the general orders. Though traditional metro cities have

seen higher growth than the remainder of India so as of volume, this trend has reversed post Covid-19. the remainder of India witnessed a growth of over 31%, which was primarily contributed by growth in Tier III,” the report reads. Currently, tier II and beyond cities contribute around 66 per cent of the entire online consumer demand in India. this is often expected to rise within the coming years, the report said. within the pre-COVID-19 period, sectors which showed growth (when compared to previous year’s sales) were beauty and wellness — with an unprecedented order volume growth of 130 per cent — followed by FMCG and agriculture, and health and pharma (with rate of growth of 55 per cent and 38 per cent respectively). Limited availability and fear of infection, post lockdown, has led to a shift in consumer behavior and a subsequent rush of online customers, said the report.

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