

A Study on Revitalization of E-Commerce and Its Impact on Customers After COVID-19

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Abstract

The study attempts to understand the **revitalization or renewal of E- Commerce on the buying behaviors of the people after** the novel coronavirus (COVID- 19)

As lockdowns became the new normal, businesses and consumers increasingly “went digital”, providing and purchasing more goods and services online, raising e-commerce's share of global retail trade from 14% in 2019 to about 17% in 2020.

To know if there was a rise or fall in the E - commerce business post COVID- 19, a survey had been conducted with a random sampling of 100 consumers belonging to the Mumbai suburban region. The findings highlighted that the main components like most households now had shifted to the online mode of shopping, made online payments for their products, found it accessible and easier to shop online rather than offline in terms of safety, price, time, the product description, payment methods, advertisement, internet literacy, and so on. Also the fact the E- commerce business saw an accelerated growth post pandemic.

The findings of the study will also further help to identify if more people would continue to opt for online shopping mode i.e. Ecommerce business rather than the traditional offline shopping post pandemic.

Introduction

Ecommerce, also known as electronic commerce or internet commerce, refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions. Ecommerce is often used to refer to the sale of physical products online, but it can also describe any kind of commercial transaction that is facilitated through the internet. Ecommerce has evolved to make products easier to discover and purchase through online retailers and marketplaces. Independent freelancers, small businesses, and large corporations have all benefited from ecommerce, which enables them to sell their goods and services at a scale that was not possible with traditional offline retail.

A few examples of e-commerce marketplace platforms include the following: Alibaba, Amazon, Chewy ,eBay, Etsy, Overstock, Newegg, Rakuten, Walmart Marketplace , Wayfair etc .

There are four main types of ecommerce models that can describe almost every transaction that takes place between consumers and businesses.

1. Business to Consumer (B2C):

When a business sells a good or service to an individual consumer (e.g. You buy a pair of shoes from an online retailer).

2. Business to Business (B2B):

When a business sells a good or service to another business (e.g. A business sells software-as-a-service for other businesses to use)

3. Consumer to Consumer (C2C):

When a consumer sells a good or service to another consumer (e.g. You sell your old furniture on eBay to another consumer).

4. Consumer to Business (C2B):

When a consumer sells their own products or services to a business or organization (e.g. An influencer offers exposure to their online audience in exchange for a fee, or a photographer licenses their photo for a business to use)

However, even before the pandemic situation, Indian retailers were anticipating strong e-commerce growth in 2020. As a result of the Coronavirus, the sector has somehow accelerated e-commerce development.

In the last two decades, widespread use of e-commerce platforms such as Amazon and eBay has contributed to substantial growth in online retail. In 2011, e-commerce accounted for 5% of total retail sales, according to the U.S. Census Bureau. By 2020, with the start of the COVID-19 pandemic, it had risen to over 16% of retail sales. Some of the advantages that made it rise after the pandemic, was when people who were unaware of the Ecommerce felt that it was,

- **Easily Available, Aside** from outages and scheduled maintenance, e-commerce sites are available 24/7, enabling visitors to browse and shop at any time.
- **Speed of access.** While shoppers in a physical store can be slowed by crowds, e-commerce sites run quickly.
- **Wide availability.** E-commerce enables brands to make a wide array of products available. Example Amazon's first slogan was "Earth's Biggest Bookstore."
- **Easy accessibility.** With e-commerce, businesses can sell to anyone who can access the web Customers shopping a physical store may have difficulty locating a particular product.
- **International reach.** Brick-and-mortar businesses sell to customers who physically visit their stores. E-commerce has the potential to extend a business's customer base.
- **Lower cost.** Pure play e-commerce businesses avoid the costs of running physical stores, such as rent, inventory and cashiers. They may incur shipping and warehouse costs, however.
- **Personalization and product recommendations.** E-commerce sites can track a visitor's browse, search and purchase history. They can use this data to present personalized product recommendations

As detailed above, the COVID-19 crisis **accelerated an expansion of e-commerce towards new firms, customers and types of products.** Overall, customers still are spending substantially more online than before the coronavirus pandemic. **In May 2022, seasonally adjusted internet sales accounted for 26.6% of all official retail sales, compared with 19.7% in February 2020.**

Due to increase in sales in e-commerce, the traditional commerce sales have been downgraded. 24*7 availability and convenience online has resulted in huge profits, customers from overall the world can access your products by simply sitting at home.

Review of Literature

Floreny Dsouza (2022), studied the Influence after COVID- 19 Pandemic on E - commerce business. In this study a descriptive research was conducted. It was observed following the pandemic; more than half of the survey's respondents now shop online more frequently and rely on the internet more for news, health-related information and digital entertainment. Consumers in emerging economies have made the greatest shift to online shopping, the survey shows.

Scope of the Study

This study would be undertaken to analyze the impact on Ecommerce business after the COVID- 19 pandemic towards online shopping. It would also be helpful to understand if the customers are satisfied by the benefits of shopping on online websites even after the pandemic.

Research Methodology

The research methodology was based on using both Primary and secondary data mainly the quantitative research was made use of where the respondents had to fill in the questionnaire given to them. Thus the samples were observed and collected.

Research Objective:

1. To Study the impact on E-Commerce after COVID-19
2. To study the buying behaviour of the customers post pandemic.

Hypothesis

In light of the discussion in preceding sections, the following hypotheses are proposed:

Ho - The E-commerce business has accelerated in terms of profits post pandemic.

H1 - The E-commerce business has not accelerated in terms of profits post pandemic.

Ho - There was a major impact post pandemic on consumer's behavior with respect to online shopping.

H1 - There was no major impact post pandemic on consumer's behavior with respect to online shopping.

Research Design

A descriptive research design was used to conduct the research. The data was collected by survey through questionnaire on the research topic i.e A Study on **Revitalization of E-Commerce after COVID-19**.

Area of the Study

The study is undertaken in and around the Mumbai city and its suburban areas.

Research Approach

A deductive approach of research methodology was conducted by using questionnaire method of survey which was used for collecting primary data from consumers belonging to Mumbai region. It contained close ended questions and open ended questions in the structured form.

Sample Technique

A convenient Probability sampling technique was conducted on of 100 consumers belonging to Mumbai region who shared their information regarding the study. They were requested to complete the questionnaire on voluntary basis. The study was done in December 2022.

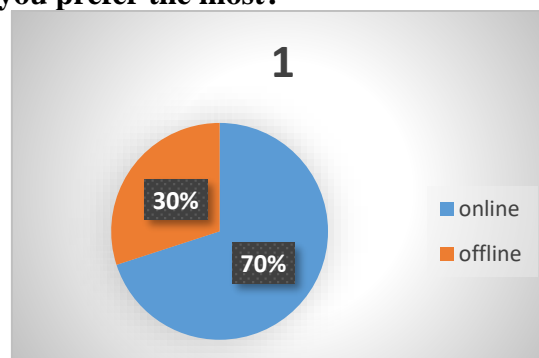
Data Usage

The analyses and interpretation are done on the basis of primary data. However, for conclusion and recommendation both primary and secondary data is used along with the verbal knowledge and information obtained from respondents.

Data Analysis and interpretation

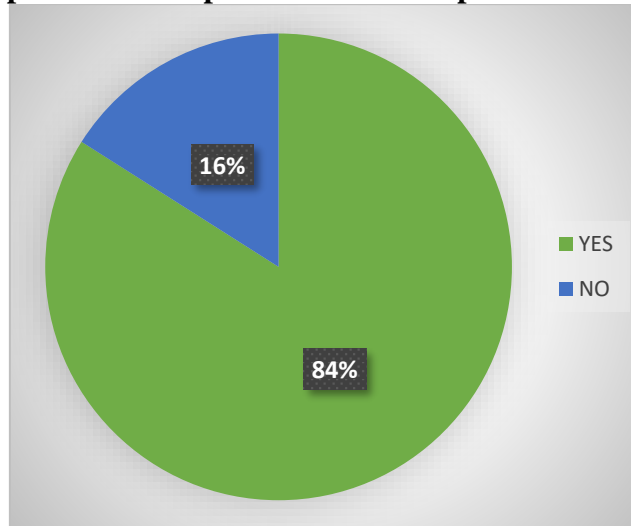
In the present study there were 80 respondent, who were students as well as job workers out of which 60% were females and 40 % were males. The student respondents were the customers buying products online in the age group 18 – 45 years of age (these included students as well as job workers.)

1. What kind of shopping do you prefer the most?



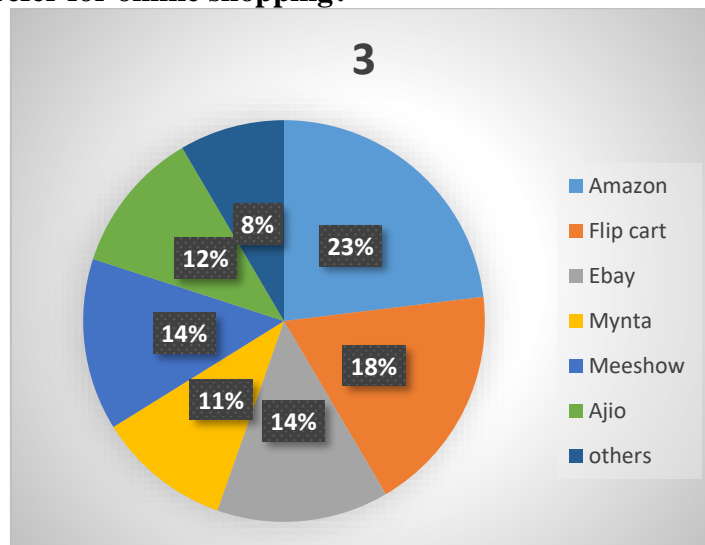
The data indicates after COVID- 19 pandemic, consumers preferred more Online shopping which is 70 % and less preference towards offline shopping which is 30 % due to safety purpose.

2. Do you think people shop more online products after the pandemic?



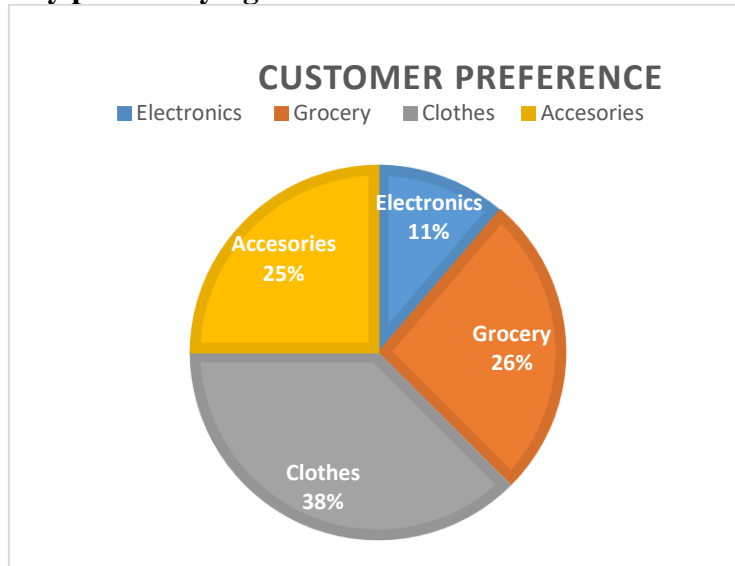
84% of the customers agree that people buy more online products after the pandemic as well as 16% don't agree, as they feel that traditional way of shopping would be preferred post pandemic.

3. Which website do you prefer for online shopping?



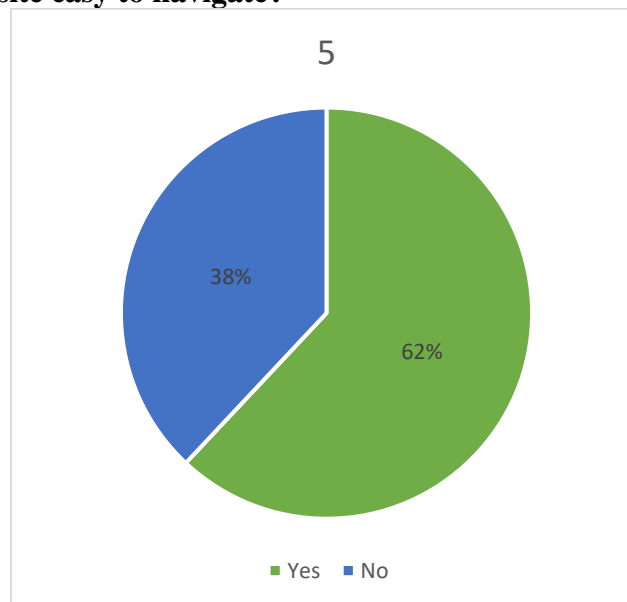
Most people prefer buying from Amazon as it serves a variety of range of products to different customers offers discounts and free home delivery on certain products, COD facilities etc. followed next by flip cart and so on.

4. What product do you usually prefer buying online?



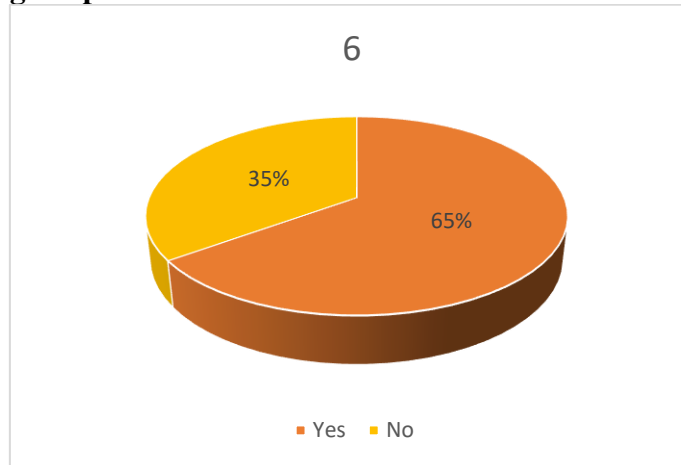
This data indicates that most people buy clothes i.e. 37 % while the least purchased is Electronics i.e. 11.25 % as electronics are damaged or may be faulty therefore most customers do not prefer purchasing electronic products online. However groceries have shown rise post pandemic.

5. Is the E- Commerce website easy to navigate?



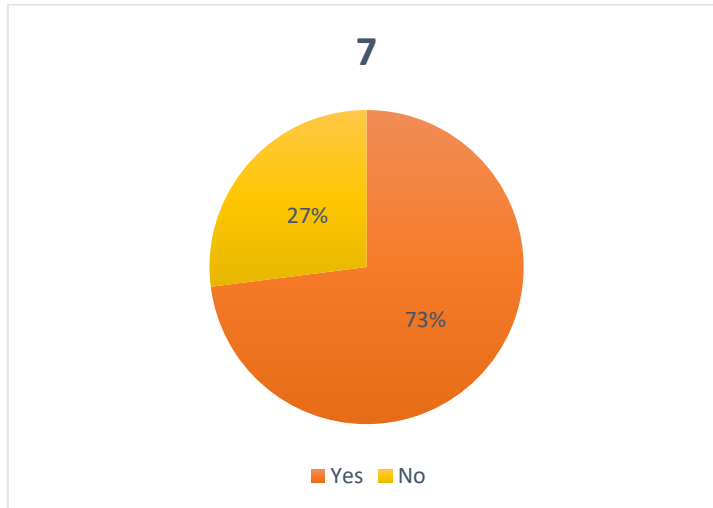
People mostly like online shopping due to the ease of navigation of the website, its not complicated as it is a step by step procedure. As per the research conducted , 62 % find the E-Commerce website easy to navigate as well as 38% don't find it that easy because at times of internet issues or they may face problems in online banking system at the time of payment etc.

6. Do you find enough range of products online?



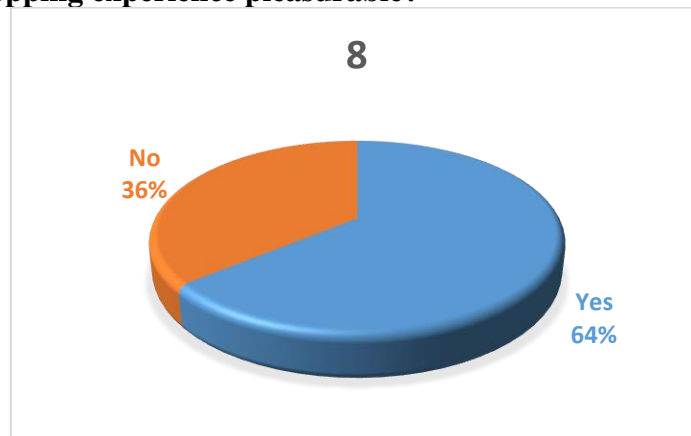
As per the data collected most people agree to the fact that there are variety of products available online which they can compare to the traditional mode of shopping , the online products give detailed descriptions , reviews , discounts on payments etc, this is one reason post pandemic people prefer to shop online.

7. Do you find enough product details on the website?



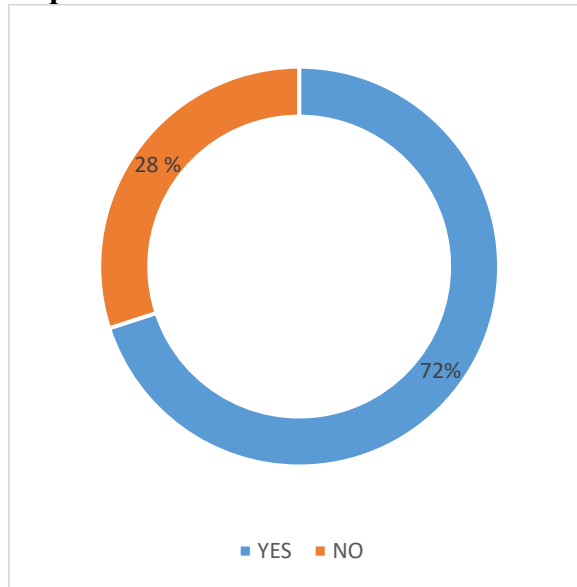
As per the data collected, 73% people agree to the fact that there is enough detail or description of the product which they may not be able to find in the offline or the traditional mode.

1. Do you find the e- shopping experience pleasurable?



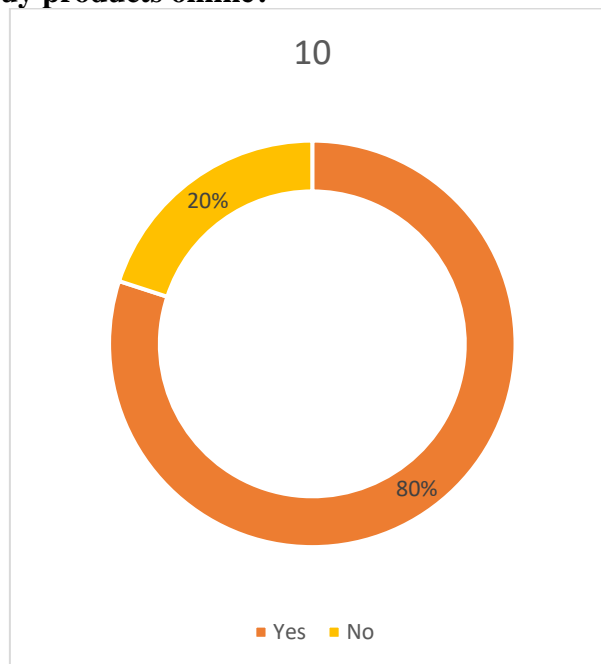
64% customers agree that online or e- shopping is fun, quick, saves time and efforts, the convenience of shopping at home, wide variety/range of products are available, good discounts / lower prices and thus they find all such experiences pleasurable.

2. Are you satisfied with online products?



60% customers say that were satisfied with the online products and found them reliable , even if the good were faulty they could easily exchange or return back, Where as 28% of customers seemed to be unsatisfied due to varied reasons.

3. Would you continue to buy products online?



As per the data most customers are satisfied using online product while only 16 % are not satisfied and would not buy online products due to faulty good etc. thus the other 84% continues accelerating the Ecommerce business post pandemic.

Findings

Younger population used more online shopping websites than the older population and females shopped more online than the males. Although e-commerce trading has increase in the grocery, clothing, recreational etc. Electronics is likely to suffer. As per the hypothesis it is clear that The E-commerce business has accelerated in terms of profits post pandemic and there was a major impact post pandemic on consumer's behavior with respect to online shopping.

Recommendations

- To ensure that vulnerable consumers are protected from unfair business practices and unsafe products.
- To support the creation of innovative e-commerce business models, ensuring that regulatory frameworks remain flexible
- To foster e-commerce participation by the most vulnerable, for example by introducing community based delivery programs for elderly and reserved delivery slots.

Conclusion

- It can be concluded that there was shifting of preference of shopping from offline to online shopping.
- However, frequent-use categories, like groceries, household, personal care, clothing, etc. saw rapid growth and are likely to continue seeing accelerated growth post-pandemic. "These habit-forming categories, which have a high share of repeat purchases online,
- The consumers preferred online shopping even post pandemic as a result the E-commerce sectors continues to grow
- The consumers preferred online shopping as it was easy, convenient and comfortable to all specially with zero touch.
- Thus, COVID-19 has influence positively online buying habits of the consumers thus creating a huge opportunity for online shopping.
- To note, worldwide e-commerce was 17.9% of total retail sales in 2020, with estimates that it grew to 19.0% in 2021 and will grow to 20.3% in 2022

Appendix

Questionnaire for online customers

Name-_____

Contact Number-_____

Gender-_____

Email Id-_____

Age-_____

Employed or Unemployed-_____

1 What kind of shopping do you prefer the most?

A. Online shopping

B. Offline shopping

2 Do you think people shop more online products after the pandemic ?

Yes

No

3 Which website do you prefer for online shopping ?

1. Amazon

2. Flipcart

3. E- bay

4. Myntra

5. Meeshow

6. Ajio

7. Others

4. Which product do you usually prefer buying online?
 - A. Electronics
 - B. Grocery
 - C. Clothes
 - D. Accessories
 - E. Others
5. Is the E- Commerce website easy to navigate?
 - Yes
 - No
6. Do you find enough range of products online ?
 - Yes
 - No
7. Do you find enough product details on the website?
 - Yes
 - No
8. Do you find the e- shopping experience pleasurable?
 - Yes
 - No
9. Are you satisfied with online products?
 - Yes
 - No
10. Would you continue to buy products online?
 - Yes
 - No

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