

A Study of Role of E-commerce during Covid-19 pandemic in India

Dr. Pritichhaya Tamboli

Assistant Professor, Dr. Ambedkar Institute of Management Studies and Research,
Nagpur.

Abstract: *Covid-19 pandemic forced the Indians to adapt to E-commerce and shift their buying preferences from manual market purchasing to online purchasing. There was a major shift in the consumer preferences due to wide spread of infection. Health care and sanitization related products were suddenly in huge demand. Fashion, apparels, cosmetics and travels were the worst hit segments. Many new entrants who were unaware about the forth coming situation were completely in loss. As the lockdown restrictions were eased the picture began to get better. When second wave hit India it infected a major amount of population and people were more scared to step out than before. This gave a huge uplift to the demand for health and safety products followed by food and beverages and online streaming platforms. Thus, E-commerce industry rose to newer heights after the relaxation of lockdown restrictions and played a major role in helping the Indian customers with what they needed in difficult times. It can be easily said that pandemic gave E-commerce industry a much needed push.*

Keywords: *E-commerce, Pandemic, Customers, India*

1. INTRODUCTION:

E-commerce is the buying and selling of goods and services through internet. It makes it super easier for the buyer and seller to communicate with each other and indulge in to business for a longer duration of time. No time constraint, ease of expression of preferences, 24*7 availability of information made E-commerce a lucrative mode of business for many. India E-Commerce industry in India has plod along in India since 1999 when the first E-commerce company was opened in India by K. Vaitheeswaran. The good part is that the E-commerce industry has evolved for better and has established strong roots in the Indian market. The earlier days being quiet a struggle for companies to attract the customers towards E-commerce mode due to costly internet, costly mobile phones, digital illiteracy and lack of awareness. As the picture began to change as the norms of online business were eased by the government of India. Other contributing factors for the growth of E-commerce in India were easy and cheaper availability of mobile phones and internet facility. Indians began to understand the importance of online selling and purchasing of goods and services and thereby the E-commerce industry began to flourish in India.

Objectives:

The objectives of the study are as follows:

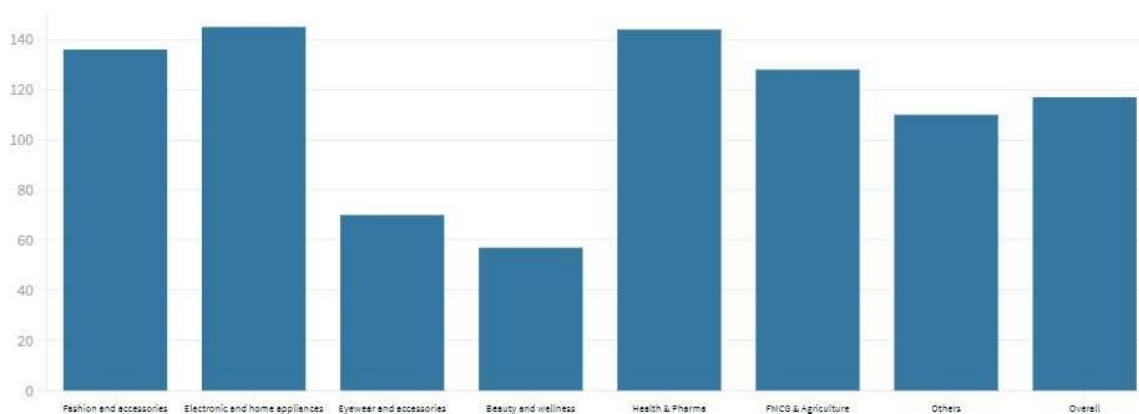
1. To analyze the role of E-commerce in India during pandemic.
2. To understand the present scenario of E-commerce in India.
3. To reveal the key constraints affecting consumer behaviour during pandemic.

E-commerce Industry during pandemic:

The pretty picture of flourishing E-commerce industry in India was stabbed by the Covid-19 pandemic which emerged in China in late 2019 and grabbed India in March 2020. As the Corona positive cases began to increase day by day the government enforced 21 days nationwide lockdown on 24th March 2020. These initial days were time testing for the E-commerce companies as there was a complete chaos about the whereabouts of the orders, deliveries, transaction, returns and exchanges of the goods and services. Government made it mandatory to carry e-pass while stepping on road which made it extremely difficult for the e-commerce companies to deliver the products which were ordered before the lockdown. This gave a major setback to them.

Electronics and Health categories have seen the biggest jump after lockdown

Charts shows % jump between June 2020 and Feb 2020



Source: Unicommer report

Image Source:<https://www.businessinsider.in/business/ecommerce/news/indias-e-commerce-is-now-even-better-than-before-smaller-cities-add-to-the-bounty-while-metros-continue-to-lead/articleshow/77655199.cms>

But as the lockdown restrictions were eased the E-commerce industry experienced an upward trend in the sales as compared to pre-covid times. As people were urged to stay at home by the government and it was also the safest way to save oneself from covid infection, people started using E-commerce services at a greater rate. The sectors such as pharma, health, home appliances, groceries, consumables and fashion did exceptionally well. Amazon was the most benefitted E-commerce giant in India post lockdown, followed by Flipkart, Myntra, Snapdeal and India mart.

As most of the companies, colleges and schools were working online the sale of electronic appliances such as Laptops, Tablets, Smart phones, Headsets, Web cameras saw maximum revenue growth. Also the panic created by the rapid spread of Covid-19 forced the customers

to indulge in panic buying of face masks, hand sanitizers, face shields, hand wash, PPE kits, Handgloves .etc.

Ecommerce Consumer Sales (COVID-19) +28.48%

Aggregated via ShipBob, ShipHero, Attentive, Stackline, CTC, Klaviyo & Adobe

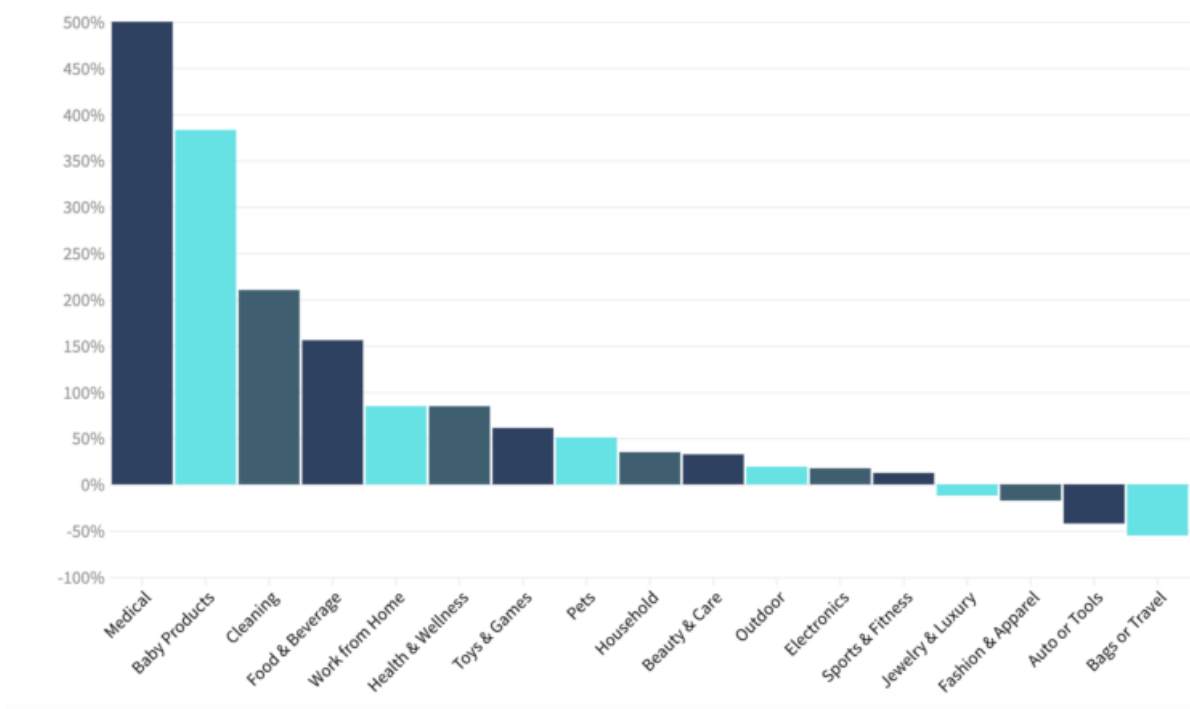


Image Source:<https://www.bigcommerce.com/blog/covid-19-ecommerce/#changes-in-revenue-across-ecommerce>

Delivery of eatables through various food delivery giants such as Zomato, Swiggy, Uber eats .etc. saw surge in their sales. These E-commerce companies tied up with local grocery, vegetable and fruit vendors thereby contributing to their growth in sales. Another E-commerce company big basket saw never before demand and uplift in their sales. The demand for home delivery of groceries and vegetables was so high that customers had to be in waiting period of a week or more. E-commerce platform also played a crucial role in accepting donations through general public for helping the needy ones.

Findings:

1. From the study it was found that E-commerce played a crucial role in India during Covid-19 pandemic.
2. The present scenario of Indian E-commerce industry depicts increase in usage of this platform for making purchasing decisions. Indian showed a strong preference for selling and purchasing of goods and services.
3. The key constraints which affected consumer behaviour during pandemic were safety, security, social distancing, contactless payments, contactless delivery of products and services.

2. CONCLUSION:

When the Covid-19 pandemic affected the globe, E-commerce was the one of the few industries which was able to keep the business activities alive. It also provided useful means to keep the consumption and interaction on. E-commerce industry offered all that was required by the Indian customers during pandemic times. Contactless delivery and contactless payment methods were the most popular reasons behind choosing E-commerce as the mode of purchasing. It was seen that women were more active than men regarding online purchasing of essential commodities such as groceries, vegetable and fruits .etc. While men were more involved in shopping for sanitizers, masks, face shields, hand washes, hand gloves .etc.

Thus it can be concluded that the role played by E-commerce during covid-19 pandemic in India is significant. It provided the Indian public with all the essential as well as luxurious commodities during pandemic. The E-commerce companies earned profit at never before rate and made most of the fact that people preferred online purchasing over manual purchasing. The major reason being not to step out of the house during pandemic times, maintaining social distancing and obtaining everything at door step. This trend of purchasing online is expected to continue in coming years as the pandemic situation will take time to get back to normal times.

3. REFERENCES:

- [1] 1) Anders Hasslinger, (2007). *Consumer Behaviour in* <https://www.diva-portal.org/smash/get/diva2:231179/FULLTEXT01.pdf> Online Shopping. Dissertation, Kristianstad University, Sweden. - Google Search. (n.d.). Retrieved June 17, 2021, from <https://www.google.com/search?client=firefox-b-d&q=1%29+Anders+Hasslinger%2C+%282007%29.+Consumer+Behaviour+in+https%3A%2F%2Fwww.diva-portal.org%2Fsmash%2Fget%2Fdiva2%3A231179%2FFULLTEXT01.pdf29Online+Shopping.+Dissertation%2C+Kristianstad+University%2C+Sweden.>
- [2] *Covid crushes e-commerce.* (n.d.). Retrieved June 17, 2021, from <https://economictimes.indiatimes.com/tech/newsletters/morning-dispatch/covid-crushes-e-commerce/articleshow/82820036.cms?from=mdr>
- [3] *Ecommerce industry: E-commerce fails to escape ongoing Covid-19 wave, unlike last year—The Economic Times.* (n.d.). Retrieved June 17, 2021, from <https://economictimes.indiatimes.com/tech/technology/second-covid-19-wave-rocks-e-commerce-boat-hits-consumer-spends/articleshow/82807434.cms>
- [4] *Ernst and Young rebirth-of ecommerce in India report.* (n.d.). Retrieved June 17, 2021, from <https://www.slideshare.net/mailforveena/ernst-and-young-rebirthof-ecommerce-in-india-report>
- [5] *Future of e-Commerce | Deloitte India | TMT | Articles.* (n.d.). Retrieved June 17, 2021, from <https://www2.deloitte.com/in/en/pages/technology-media-and-telecommunications/articles/future-of-e-commerce.html>
- [6] *How Coronavirus (COVID-19) Is Impacting Ecommerce [June 2021]—ROI Revolution.* (n.d.). Retrieved June 17, 2021, from <https://www.roirevolution.com/blog/2021/06/coronavirus-and-ecommerce/>
- [7] *(PDF) A Review Paper on E-Commerce.* (n.d.). Retrieved June 17, 2021, from https://www.researchgate.net/publication/304703920_A_Review_Paper_on_E-Commerce