

Impact Of COVID-19 On Online Shopping For Electronics/Home Appliances In UAE

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Abstract: *The most emulous and dynamic e-commerce sector in the MENA region is UAE e-commerce and this is the e-commerce innovator in the GCC countries. The demand was planned to extend at an average annual rate of 25%, by the end of the year 2020. At the same time, with the recent outbreak of COVID-19, a pandemic that has engulfed almost every country comprising UAE, a global economic disaster is awaited. Due to the lockdown in the countries, companies being closed, many sectors have lost money. During this pandemic, the e-commerce sector has got a big blow worldwide however Emirates watched a sharp rise in online shopping. The survey examines the trend of E-commerce sales in this pandemic with regards to electronics and corresponding products.*

Index Terms: *About four key words or phrases in alphabetical order, separated by commas.*

1. INTRODUCTION

Every aspect of our lives has been affected by the current coronavirus pandemic, from where we can go to how we pass our time, to our goals, and how we consume our money. This also has specific marketing, advertisement, and e-commerce entailment.

Z Jiang and I Benbasat stated that the development of electronic commerce has been constrained by the inability of online consumers to feel, touch, and sample products through Web interfaces, as they are able to do in conventional in-store shopping. Visual control enables consumers to manipulate Web product images, to view products from various angles and distances; functional control enables consumers to explore and experience different features and functions of products.

It has been entirely four months since China confirmed the first COVID-19 case. Since the disease has circulated worldwide. With the virus now at the forefront of everybody's mind, it's become a need to deal with its consequences on routine life. The virus-induced economic discomposes are exhibited in reduced valuations and rose market fluidity. But in times when other business sectors are troubling, doors are visible for others to flourish. One area of business that assists economies stay afloat is Ecommerce.

Before arguing the current pandemic, it's worth noting that eCommerce was in this position before. During the 2002 and 2003 SARS crisis, Alibaba and JD.com both enlarged exponentially.

M Kumar stated that E-commerce is gaining familiarity among consumers across the globe. The ease of access to products and services in online retail environment has created new opportunities for online businesses and transactions. Online shopping has received much more attention as compared to conventional shopping in stores.

Apart from safety issues, across the globe brands are concerned about how coronavirus (COVID-19) could disturb e-commerce as a whole. In accordance with Technomic, a consulting and analysis company because of coronavirus 52% of customers fear crowds and 32% leave their homes often and the stock market is becoming more and more irregular. Clients shift to online shopping with longer delivery times to quit going to stores, where there is a big chance of infection and a possible shortage of inventory on the shelves.

“People are moderately moving from offline shopping to online and the habit will not be gone when the epidemic is over. This will have a very positive impression on the whole eCommerce industry.” (Zhong Zhenshan, Vice-president of emerging technology research, IDC.) As a result of the coronavirus outbreak, home quarantine has bounded the majority of individuals to their homes. In spite of the steps applied by countries globally to fight the spread of "COVID-19," people are regenerating to online shopping for their basic necessity. It has multiplied the e-commerce sector's horizon while giving them the skill to improve and lengthen their thrust.

The self-quarantine, lockdowns, and banned movement have led to a drastic change in consumer behavior. Need for contactless delivery and the major driving force behind people preferring for online shopping than retail stores are payment. This employs not just to necessary goods like groceries but also electronics. The largest growth in sales has been watched in categories like Groceries preceded by medical and baby products. Even though electronics don't come under important products, there has been a raise in its sale by 10-15% via online sites. This digit is anticipated to increase in the coming days as people are attempting to avoid crowded brick & mortar stores.

J Sheth proposed that the COVID-19 pandemic and the lockdown and social distancing mandates have disrupted the consumer habits of buying as well as shopping. Consumers are learning to improvise and learn new habits. For example, consumers cannot go to the store, so the store comes to home. While consumers go back to old habits, it is likely that they will be modified by new regulations and procedures in the way consumers shop and buy products and services. New habits will also emerge by technology advances, changing demographics and innovative ways consumers have learned to cope with blurring the work, leisure, and education boundaries.

I. EFFECTS OF CORONAVIRUS ON E-COMMERCE IN THE UAE

A study carried on by Kearney Middle East brings out that because of the COVID-19 pandemic 79% of consumers apparently shifted their shopping habits in the UAE, expending more on online shopping than before. When asked whether after the pandemic they would go on current shopping patterns, 48% answered yes. The study of 500 respondents based in UAE was brought from April 5-9, pursuing the execution of the 24-hour limitations on movement imposed by the government to curb COVID-19 spread.

The potential growth of the Middle East e-commerce market has been strengthened by the home isolation. During the first few months of this year, continuous growth was reported in the UAE e-commerce market, surpassing 5% of revenues The Gulf retail sector will leap to around \$308 billion by 2023, in proportion to the current data, up from \$253 billion attained in 2018. Saudi Arabia and the UAE are anticipated to account for 77% of the rise, devising the UAE rank fifth among the 10 prosperous countries in the retail sector.

“Different elements play a vital role in the welfare of this electronic commerce sector, involving the infrastructure in the field of technology, the tendency of internet connection, and the rate of internet penetration in society. These are elements governing the Gulf in general, especially the United Arab Emirates, in which this sector is waited to accomplish a steady growth rate of 23% on an annual basis until 2022.” Mauro Romano, Co-founder, Arab Clicks.

Amazon, the major e-commerce platform has reported a raise in their sale and traction in the past two months as online shopping has become the most opted method for buying (45%), with almost two thirds (64%) of respondents spending more on unimportant than they did antecedently.

The spending on unimportant things has risen greatly, with education and books being the most popular category on e-commerce sites witnessing an enhance in sales by 23%. This is preceded by the entertainment category –electronics (17%), music and movies (21%), fashion and beauty (12%) , home improvement and decor (15%), and toys and games (12%).

In consonance with the Gulf News, e-commerce sites have begun proposing large discounts on insignificant products to woo shoppers. The sites have exhibited discounts on some of the best-seller brands to magnify their sales. To enhance the sale of electronics that have a superior price index, e-commerce companies are giving them at a much lower price. For example, iPhone XS is being sold at a clear discount of 47%— and so are clothing and accessories, where some of the new offers often see cuts between 30-45%. On noon.com, the price drop for the iPhone Xs is from Dh4,406 to Dh 2,399.

RY Kim stated that COVID-19 has influenced consumers and the consumption culture has received relatively limited attention. COVID-19 has affected everyone's daily lives. In this aspect, businesses have been susceptible to make substantial transformations. Workplace operations of many businesses went virtual. Examining the pandemic as an accelerator of the structural change in consumption and the digital transformation in the marketplace. Managers might adapt to the digital transformation in the market to recover or even grow further the sales after COVID-19.

II. ONLINE SHOPPING FOR ELECTRONICS/HOME APPLIANCES IN UAE

A. Purpose of Study

The view of the survey is to furnish insight into the real-world scenario of utilizing the internet as a shopping gateway and to know the voluntary of respondents to buy Electronic/Home Appliances throughout the internet. The survey also enquired about

- The Perspective of the Online Purchases
- The Demographics of the Customer
- Types of Products purchased

B. Methodology

The survey was planned in nonrepresentational structure in which the examination was carried. To find out the solution to the issues, the examination was projected to a close path. It embraced the program for the data collection and measurement for analysis of the same, through sampling techniques. Based on the appliance of the researcher, the pattern was chosen. It's a non-probability sampling that includes the sample being drawn from the part of the population. Sample population is taken because it is promptly acquirable and convenient. The researcher, using such a sample can't scientifically make generalizations about the total population from this sample, because it wouldn't be representative enough. Here the population is countless and finite sample is being taken for data collection. The sample was obtained from the selected shoppers from all over UAE, who are using internet for making online purchases. The sample size is 100.

C. Sources of Data

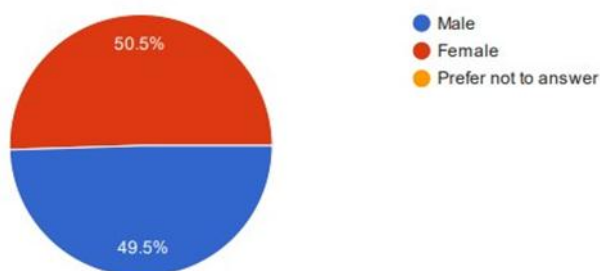
- Primary Data: A well-prepared questionnaire is used as a tool to obtain the primary data. The questionnaire was propagated to 100 respondents using convenience sampling method and the

study replies were examined using percentage analysis, bar graph and pie chart representations. Further to the replies on the questionnaire, the researcher also gathered data through a series of discussions and scheduled interviews with the respondents.

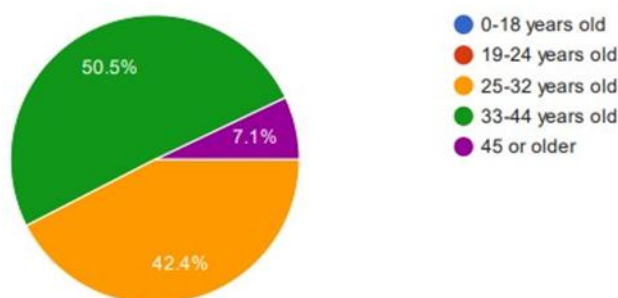
□ Secondary Data: These data were taken from the business records and industry knowledge of the respective respondent firms. Questionnaire was prepared to project the effects which the shoppers are anticipated to face with the complication of present online environment. It shielded multiple choice questions and open-ended questions.

III. ANALYSIS OF DEMOGRAPHICS

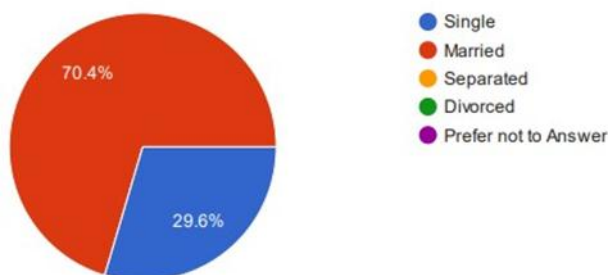
A. Gender wise Online Shopping for Electronics in UAE



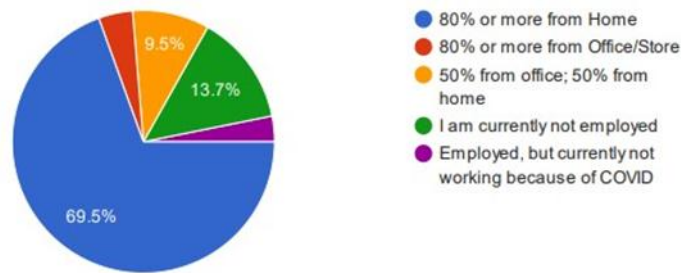
B. Age wise Online Shopping for Electronics in UAE



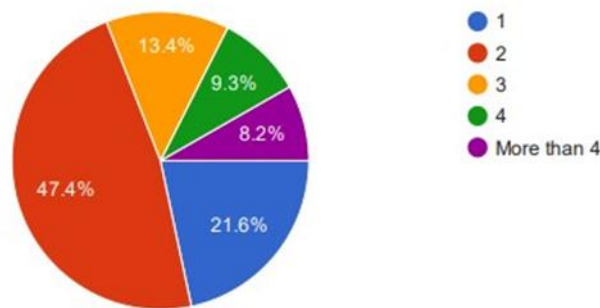
C. Marital Status wise Online Shopping for Electronics in UAE



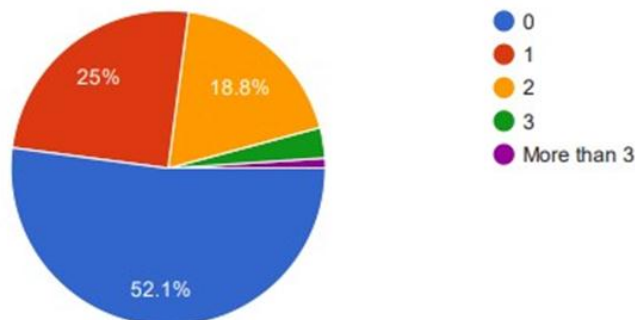
D. Method of Working, after the COVID Outbreak



E. Adults in Household during the COVID period



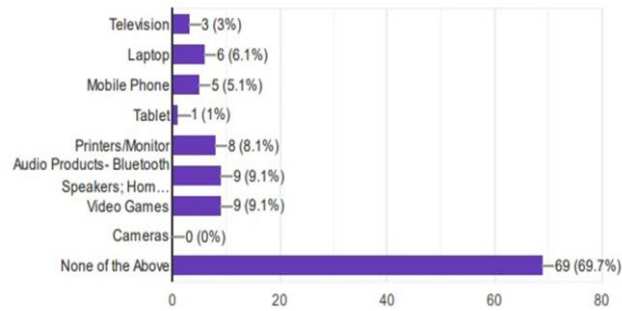
F. Children in Household during the COVID period



proximately 8 to 12 point type.

G. Purchasing of Electronic Products through Online Shopping over the last one month

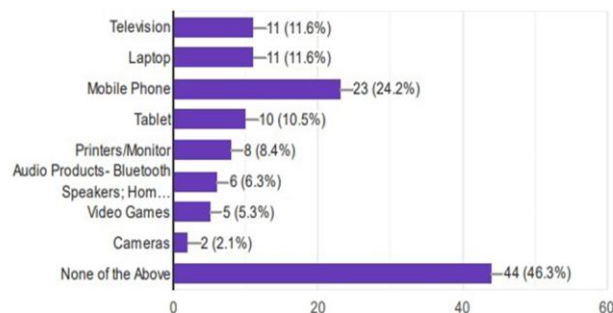
Through online shopping, 3% of people purchased Television, 6.1% of people bought Laptop, 5.1% of people shopped Mobile Phone, 1% of people got Tablet, 8.1% of people obtained Printer/Monitor, 9.1% of people acquired Audio Products such as Bluetooth, Speakers and Video Games, 0% of people purchased Cameras and 69.7% of people bought None of the Above Electronic Products over the last one month. M Kinker and NK Shukla said that Online shopping provides a good example of the business revolution. E-commerce has made life simple and innovative of individuals and groups; consumer Behavior in online shopping is different from the physical market where he/she has access to see the



product.

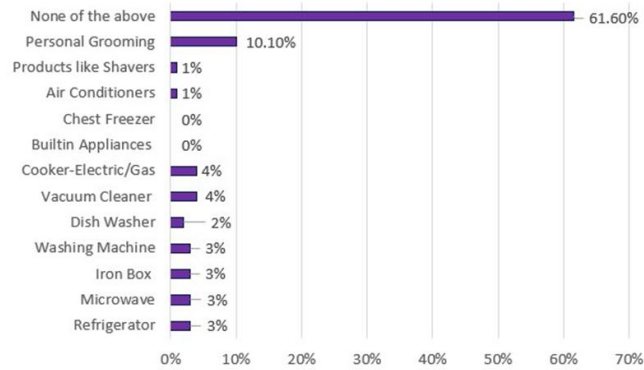
H. Purchasing/Upgrading the Electronic Products in the next 3-6 months through Online Shopping

Through Online Shopping, 11.6% of people will buy Television and Laptop, 24.2% of people will purchase Mobile Phone, 10.5% of people will acquire Tabet, 8.4% of people will buy Printer/Monitor, 6.3% of people will obtaine Audio Products like Bluetooth and Speakers, 5.3% of people will get Video Games, 2.1% of people will buy Cameras and 46.3% of people will get None of the above Electronic Products for the next 3-6 months. D Wang and L Yang mentioned that Online shopping in EU has been shown to a good potential market. The electronic equipment takes a high percent of the individuals shopping. Compared with other goods, online shopping of electronic goods adds great convenience to the life of the people. Buying electronic gadgets online gives customers an opportunity to find a great variety of product online, and customers can review a wide selection of products and find special offers and discount with the best deals online.



I. Purchasing of Home Appliances through Online Shopping over the last one month:

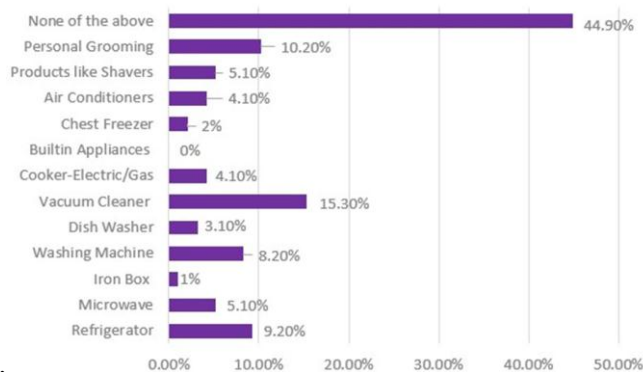
3% of people purchased Refrigerator, Microwave, Iron Box and Washing Machine, 2% of people bought Dish Washer, 4% of people got Vacuum Cleaner and Cooker-Electric/Gas, 0% of people acquired Builtin Appliances and Chest Freezer, 1% of people got Air Conditioners and Products like Shavers, 10.1% of people purchased Personal Grooming and 61.6% of people bought None of the above Home Appliances through Online Shopping over the last one month.



J. . Planning to upgrade/purchase Home Appliances in the next 3-6 months

9.2% of the people will get Refrigerator, 8.2% of people will acquire Washing Machine, 3.1% of people will buy Dish Washer, 4.1% of people will purchase Cooker-Electronic/Gas, 0% of people will get Built-in Appliances, 4.1% of people will get Air Conditioners, 2% of people will buy Chest Freezer, 5.1% of people will get Microwave, 10.2% of people will obtain Personal Grooming, 5.1% of people will get Products such as Shavers, 1% of people will buy Iron Box, 15.3% of people will get Vacuum Cleaner and 44.9% of people will buy None of the above

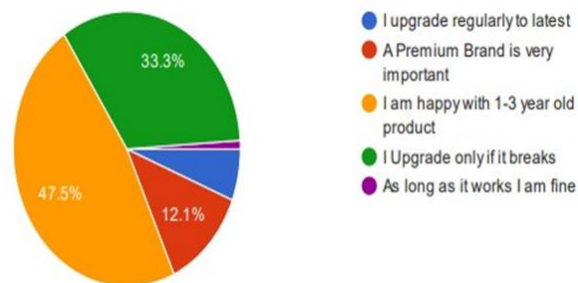
Home Appliances through Online Shopping in the next 3-6



months.

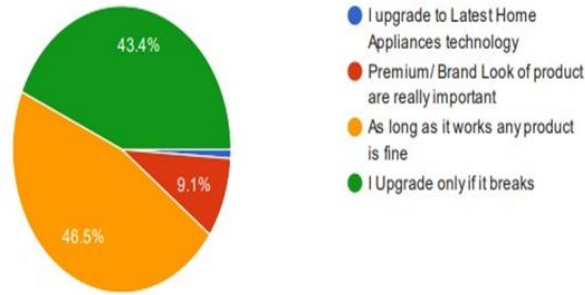
K. Frequent Shopping of Electronic Products

S Satapathy and SK Patel said that Phenomenal growth has been observed in electronic retailing (e-retailing) in the last decade. 47.5% of people is happy with 1-3 year old product, 12.1% of people need a Premium/Brand product and 33.3% upgrade only if it breaks. Some upgrade regularly to latest and few people don't upgrade the product.



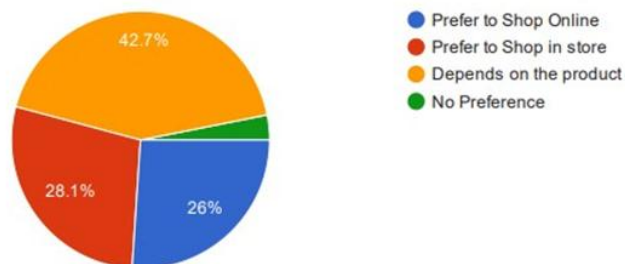
L. Familiar Shopping for Home Appliances

43.4% of people upgrade only if it breaks, 9.1% of people need only Premium/Brand product, 46.5% of people don't change the product and few people upgrade to Latest Home Appliances technology.



M. Preferences of people on buying any Electronics or Home Appliances, at the present age

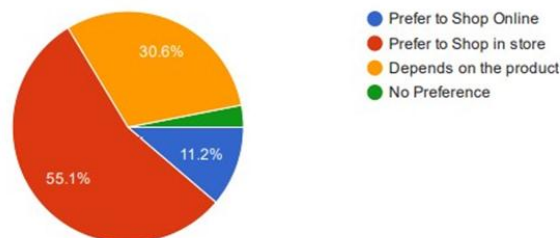
42.7% of people's preference depend on the product, 26% of people prefer to shop Online, 28.1% of people prefer to shop in store and few people have no



preferences.

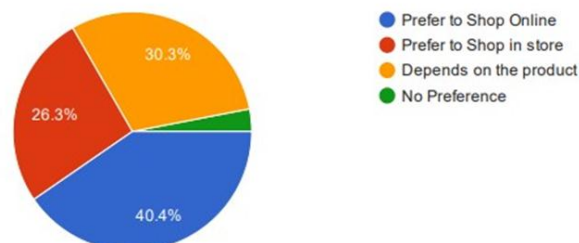
N. Preferences of people on buying any Electronics or Home Appliances, before the COVID outbreak

30.6% of people's preference depend on the product, 11.2% of people prefer to shop Online, 55.1% of people prefer to shop in store and few people have no preferences.



O. Preferences of people on buying any Electronics or Home Appliances, after the COVID outbreak

30.3% of people's preference depend on the product, 40.4% of people prefer to shop Online, 26.3% of people prefer to shop in store and few people have no preferences.



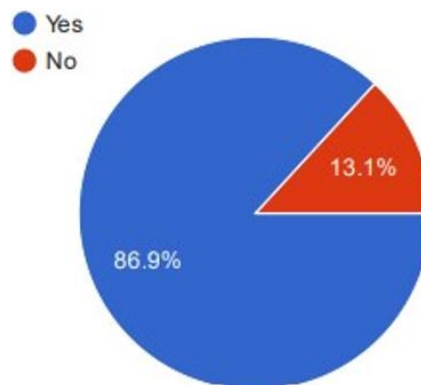
P. Payment Preference and Income for Online Shopping



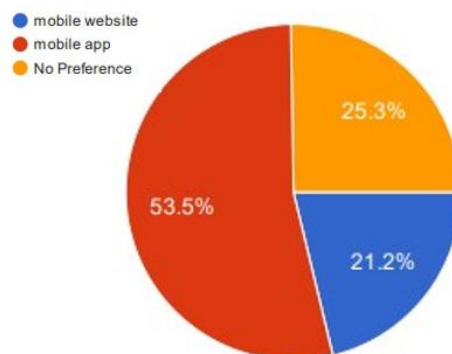
19.2% of people prefer to pay using Debit Card, 9.1% of people prefer to pay Cash on delivery, 69.7% of people prefer to pay using Credit Card and few people prefer to pay using Net Banking. 13.8% of people income is between AED 18000 – AED 24000, 14.9% of people are Student/Dependent, 31.9% of people income is between AED 6000 – AED 12000, 31.9% of people income is between AED 12000 – AED 18000 and few people income is less than AED 6000.

Q. Preference of people to buy using Mobile or Mobile Website or Mobile App

M Kim and J Kim proposed that Smartphones have penetrated rapidly, and mobile shopping provides promising market opportunities for retailers. Advancement of wireless communications has increased the number of people using mobile devices and has accelerated the growth of mobile shopping mentioned by SM Chiu.



People Purchasing on Mobile

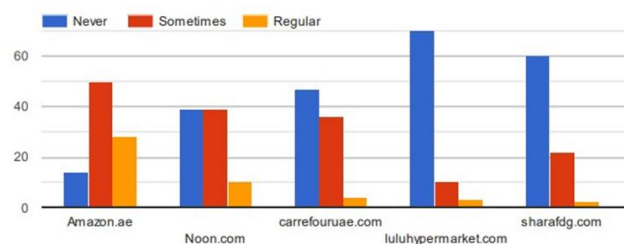


Preference for Apps Usage

13.1% of people doesn't prefer to purchase on Mobile and 86.9% of people prefer to purchase on Mobile. 25.3% of people have no preferences, 21.2% of people prefer to purchase using Mobile Website and 53.5% of people prefer to buy using Mobile App.

R. Ranking of people usage for shopping Online

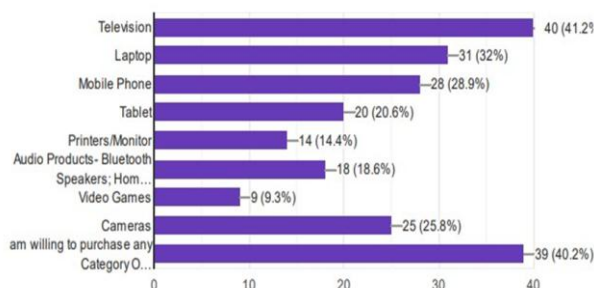
Sometimes, 50% of people use Amazon.ae, 28% of people use Amazon.ae in a Regular basis and 13% of people never use Amazon.ae. Sometimes, 39% of people use Noon.com, 10% of people utilize Noon.com in a Regular basis and 39% of people never use Noon.com. Sometimes, 38% of people use Carrefouruae.com, 43% of people never use Carrefouruae.com and 4% of people use Carrefouruae.com in a Regular basis. 70% of people never use luluhypermarket.com, sometimes 10% of people use luluhypermarket.com and 2% of people use luluhypermarket.com in a Regular basis. 60% of people never use sharafdg.com, 21% of people sometimes use sharafdg.com and 2% of people use sharafdg.com in a Regular basis.



S. People not prefer to purchase the Electronic Products through Online Shopping

41.2% of people not prefer to purchase Television, 32% of people not prefer to get Laptop, 28.9% of people not prefer to buy Mobile Phone, 20.6% of people not prefer to get Tablet, 14.4% of people not prefer to get Printer/Monitor, 18.6% of people not prefer to get Audio Products such as Bluetooth, 9.3% of people not prefer to acquire Speakers and Video Games, 25.8% of people not prefer to buy Cameras, 40.2% of people are willing to purchase any category through Online Shopping.

S Grabner-Kraeuter proposed that Many consumers are skeptical or suspicious about the functional mechanisms of electronic commerce, it's in transparent processes and effects, and the quality of many products that are offered online.



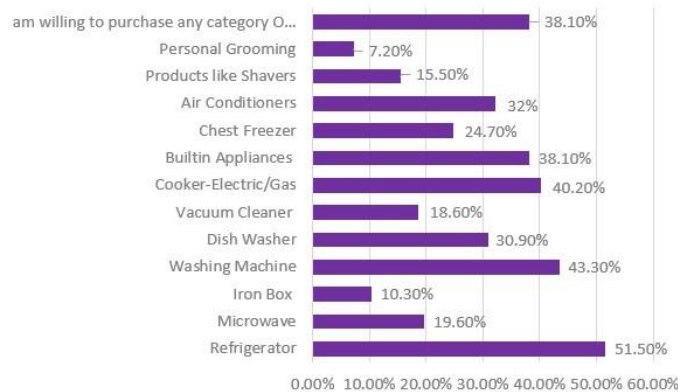
T. People not prefer to purchase the Home Appliances through Online Shopping

CA Chen mentioned that most online shoppers evaluate the product in the first phase and compare prices in the second. While the decision of sales channel selection is postponed, both traditional and electronic alternatives are jointly evaluated in retail markets.

51.5% of people not prefer to buy Refrigerator, 43.3% of people not prefer to get Washing Machine, 30.9% of people not prefer to buy Dish Washer, 40.2% of people not prefer to acquire

Cooker-Electronic/Gas, 38.1% of people not prefer to get Builtin Appliances, 32% of people not prefer to buy Air Conditioner, 24.7% of people not prefer to get Chest Freezer, 19.6% of people not ready to buy Microwave, 7.2% of people not prefer to acquire Personal Grooming, 15.5% of people not prefer to buy Products like Shavers, 10.3% of people not prefer to get Iron Box, 18.6% of people not prefer to buy Vacuum Cleaner and 38.1% of people are willing to buy any category through Online Shopping.

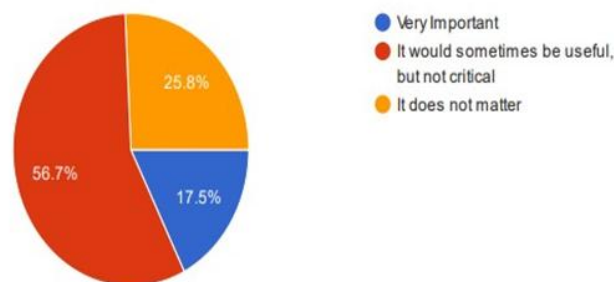
S Liao and Y Chen proposed that to increase the catalogue’s attraction to customers, hypermarkets are offered an online shopping and home delivery business model for sales services and propositions. With such a model, we can expect to attract more customers open up



broader markets, and earn the higher profits for hypermarkets.

IV. IMPORTANCE OF PURCHASING ON DIFFERENT CHANNELS (EG. ONLINE, MOBILE, STORE) OMNI CHANNEL

DY Zhang told that Developing with the updated network technology, the increasingly mature E-Commerce, more and more customers decide to select online shopping as the new shopping channel. Similarly, as the offline market, customers like to shop around before buying the goods when facing many online shopping websites; meanwhile, the price is the primary factor. Meanwhile, the same product has the different prices in different websites like the offline market.



25.8% of people doesn’t worry on purchasing in different channels, 17.5% of people think that purchasing on different channels is very important and 56.7% of people think that purchasing on different channel would sometimes be useful, but not critical.

2. CONCLUSION

The salesperson can determine the buying decisions of the consumer in Offline Shopping. But in Online Shopping, these options aren’t available. If the online presentation and sales techniques can be developed, they can defeat these present insufficiencies. Bit by bit advances

in the online marketing segment can cause the online buying trends to raise hugely. The operational overheads of operating online are minimal assimilated to that of the offline shopping. Thus, the online marketplace will change the shopping experience of the customer and induce about a large reduction in product pricing finally profiting the customer.

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