

A Study of Impact of Covid 19 on E-Commerce

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(A) ABSTRACT

"E-commerce is also known as internet commerce or electronic commerce which means buying and selling of goods and services by using internet, and transfer money and data to execute the function.

On the other hand, Coronavirus disease (COVID-19) is an infectious disease caused by a newly discovered coronavirus." Most people infected with the COVID-19 virus will experience mild to moderate respiratory illness and recover without requiring special treatment. Older people, and those with underlying medical problems like cardiovascular disease, diabetes, chronic respiratory disease, and cancer are more likely to develop serious illness.

The Covid-19 is affecting the e-commerce business in a very good and a positive way. crisis is accelerating an expansion of e-commerce towards new firms, customers and various types of products. It most likely involves a long-term shift of e-commerce transactions, from luxury goods and services to day to day necessities. According to IBEF, the market opportunities for online commerce in India are expected to touch \$200 billion by 2026 from \$30 billion in 2017. The report also states that the Indian e-commerce industry is expected to overtake its US counterpart to become the second-largest market for e-commerce in the world by 2034.

In this paper we study the E-commerce trends during Covid-19 pandemic, determined the ecommerce trends in coronavirus predicament and how imminent is the progress of e-commerce that might affect consumer behaviour in future.

Keywords- E-commerce, Covid-19, behaviour, industry, impact.

B) INTRODUCTION

COVID-19 has changed thinking of world, towards personal hygiene and social distancing. It has

emerged as top priorities. As a result, online shopping has become necessity as well as normal lifestyle. The pandemic is a sort of inflexion point for the ecommerce industry in India as more consumers are now willing to shop online. "COVID-19 has caused an inflexion in ecommerce penetration globally. Consumers driven by consumers need for safety and convenience.

Ankur Bisen, Senior Vice President - Retail and Consumer Products, Techno Pak, says, "Prior to COVID-19, ecommerce in India was driven by consumer electronics and fashion. Now, consumers ready to shop online for food and essentials, and it is ready from a demand point of view."

Devangshu Dutta, Chief Executive of Third Eyesight, says, "The lockdown has certainly provided ecommerce a unique environment to expand its footprint, but the first several weeks saw them falter due to lack of product availability as well as breaks in the supply chain."

Paras Fatnani, Founder of Honey Twigs, which retails honey-based products says, "We have seen increased demand in online. Our segment sales for both (offline and online) have gone up month on month by 20 percent in May and June when compared to the prior three months."

Outside this large horizontal ecommerce marketplaces, there are other independent brands also which have created their own niche spaces in digital commerce and are only keen to strengthen their presence.

The ecommerce industry in India is projected to grow at 30 percent compounded annual growth rate (CAGR) over the next five years.

COVID-19 has been exceptionally different from what we have ever witnessed. As the world was forced into complete shutdown, it's safe to say that e-commerce was the saving grace, helping millions of people stay home and procure what they wanted at their doorstep. According to IBEF, the market

opportunities for online commerce in India are expected to touch \$200 billion by 2026 from \$30 billion in 2017.

The downside of this, there is lack of productivity during the nationwide lockdown resulted in the loss of jobs, pay cuts, and nances. Shutting down of shops and family-based businesses has made many people sway towards online retail to meet their nancial requirements.



C) Objectives of Study

The main objectives of the study are,

- 1) To study the impacts of Corona-19 on E-commerce.
- 2) To study the E-commerce trends during COVID-19 Pandemic
- 3) To study positive and negative impacts of Covid-19 on E-commerce.

D) RESEARCH METHODOLOGY

In this research the data is collected is secondary in nature. The data related to this paper is collected from various journals, Books, magazines, through net, Government organisations repot, Company websites and their product catalogues blogs etc in this paper exploratory research is used to present and understand research topic.

E) SIGNIFICANCE OF STUDY

The main significance of the paper is to study the E-commerce trends during Covid-19 pandemic and also to determine the ecommerce trends in coronavirus predicament as well as how imminent progress of e-commerce.

F) LIMITATIONS OF STUDY

This paper is based on secondary data so that this

paper possesses all inherent limitation of secondary data. Time constrain is also one of the limitations of the study.

G) E-COMMERCE AND COVID -19

The World Trade Organization indicated that it is the right time for e-commerce to save the world economy and that it is to intervene with vigour and vitality to prove e-commerce of its importance and effectiveness in the field of trade and online shopping (WTO,2020). E-commerce affected various regions such as America, Europe, Asia. Countries in which most cases were recorded includes Italy, Spain, Germany, France in Europe and China in Asia.

There are several pandemics in the history that has caused the change in human life COVID-19 is one of them. COVID-19 has initiated on 12 December in Wuhan city of China, and it was noticed that people are infected by pneumonia by illusory link to a shop that retails fresh sea food to people. Within a week millions of people infected with this virus in China. Furthermore, at the present time 205 countries are infected with this virus.

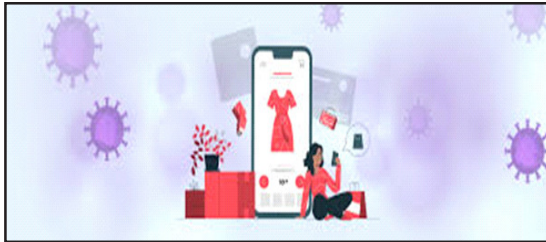
Ecommerce has proved itself essential in days of social distancing and shut-down storefronts. But some consumers have unfortunately found themselves with less or no work as a result of shelter-in-place orders and closures of nonessential businesses.

The factors which drive the growth of the e-commerce market before the COVID-19 pandemic include strong and steady growth of internet users and rising awareness related to online shopping, increasing online launching of products etc.

Coronavirus impacted whole commerce in the world. It has changed the nature of business. According to research 52% of consumers avoiding to go brick and mortar shopping and in crowded areas. Furthermore, 36% avoiding brick and mortar shopping until they get coronavirus vaccine.

The ongoing coronavirus pandemic has affected every part of our lives, from the places we can go to the way we spend our time, from the priorities we have and the way we spend our money. Of course, this has wide-ranging ramifications for

marketing, advertising and ecommerce - as well as a number of other sectors like travel, entertainment and FMCG.



To help marketers keep on top of what this means for them, their jobs and their industry, we're collecting together the most valuable and impactful stats in this roundup, updated on a weekly basis since 20th March.

H) POSITIVE IMPACT OF COVID-19 ON E-COMMERCE

1) The COVID-19 crisis accelerated an expansion of e-commerce towards new firms, customers and types of products. It has provided customers with access to a significant variety of products from the convenience and safety of their homes, and has enabled firms to continue operation in spite of contact restrictions and other confinement measures.

2) Despite persistent cross-country differences, the COVID-19 crisis has enhanced dynamism in the e-commerce landscape across countries and has expanded the scope of e-commerce, through new firms, consumer segments (e.g. elderly) and products (e.g. groceries). Meanwhile, e-commerce transactions in many countries have partly shifted from luxury goods and services towards everyday necessities, relevant for a large number of individuals.

3) Some of these changes in the e-commerce landscape will likely be of a long-term nature, in light of the possibility of new waves of the epidemic, the convenience of the new purchasing habits, learning costs and the incentive for firms to capitalise on investments in new sales channels.

4) Despite the efforts of some governments to foster e-commerce during the COVID-19 crisis, persistent digital divides imply that not everyone has been able to participate. Moreover,

regulations that are not adapted to e-commerce can create barriers to firms, such as in the case of emerging omni-channel sales models or new modes of delivery

5) For consumers, systemic challenges related to connectivity, financial inclusion, skills and trust (e.g. digital security, privacy and consumer protection) have been brought into sharp relief. To address this issue, governments could expand affordable and quality broadband to rural and underserved areas, enhance financial inclusion, and foster trust and the acquisition of skills to participate in e-commerce.

6) For firms, policy makers should reduce regulatory uncertainty to support the creation of innovative business models, e.g. in the context of an increasingly complementary relationship between offline and online sales strategies.

7) Governments also need to address the particular need of SMEs, including by ensuring a fair playing field in the context of intermediated services (e.g. online platforms). Ensuring sufficient competition in the retail sector, a well-functioning enabling environment for e-commerce, including communication services, logistics or trade, is also crucial.

8) Retail sales of e-commerce shows that COVID-19 has significant impact on e-commerce. There are many products which are significantly impacted by virus such as disposable gloves, cough and cold, bread machine, soup grains and rice, packaged food, fruits cups, weight training, milk, dishwashing supplies towel, hand soaps and sanitizer, vegetables, facial tissues and allergy medicine.

On the other hand, the products that declines by coronavirus are luggage and suitcase, briefcase, men's and women swimwear, bridle dress, men formal dress, gym bags, rash guards, shoes, toys, lunch boxes, wallets, watches, and coats, caps etc.

I) NEGATIVE IMPACT OF COVID-19 ON E-COMMERCE

COVID-19 has significant impact on e-commerce of the world negatively also. overall e-commerce is growing rapidly because of virus. Coronavirus compelled to customers to use and make it habit in

their daily routine (Abiad, Arao, & Dagli, 2020). Furthermore, many challenges by retailers in e-commerce, such as extend the delivery time, difficulty face during movement control, distance and lockdown (Hasanat et al., 2020). The process of shipment and supply is quite slow but still people buying because they do not have another alternative.

Furthermore, some products are very high in demand in market. Even retailers cannot fulfil the customer demands such as hand sanitizers, toilet papers, disposable gloves, grocery, and dairy products. There are negative effects of COVID-19 on tourism industry also. Flights are in loss, international trading become slow also stuck in their position.

J) CONCLUSION :

The COVID-19 crisis is likely to have long-lasting effects on e-commerce the COVID-19 outbreak has created unprecedented challenges for sellers of all sizes around the world. There are many businesses that have taken a hard hit as a result of these circumstances, but some sectors of the economy, like e-commerce, have experienced a boom in sales during the pandemic. Due to stay-at-home orders and social distancing, online shopping has become the preferred way to make purchases for many consumers, which has had a major impact on e-commerce sales across industries.

In this paper we seen positive as well as negative impact of COVID-19 pandemic on E-commerce sector.

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