

# Impact of COVID 19 on E-Commerce

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## ABSTRACT

**E-commerce is a business model that lets firms and individuals buy and sell products and services over the internet. Today 40% of internet usage made for online purchase. According to IBM'S report covid-19 pandemic pushed the industry ahead by around five years. Moreover, after the covid-19, social distancing and staying home is further expected to push the consumers towards online shopping. This study examines the growth of e-commerce due to covid-19 pandemic and also find that e-commerce became substitute source of traditional marketing or not with the help of secondary data taken from authorized websites.**

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## INTRODUCTION

Electronic commerce, commonly written as E-COMMERCE is the trading (buying and selling) of product and services using computer networks, such as internet. E-commerce has helped businesses establish a wider market presence by providing cheaper and more efficient distribution channels for their products or services. Nearly every imaginable product and service is available through e-commerce transactions, including books, music, clothing, electronics travel tickets, and financial services such as stock investing and online banking. As such, it is considered a very disruptive technology. These business transactions can be done in four ways: Business to Business (B2B), Business to Customer (B2C), Customer to Customer (C2C), Customer to Business (C2B). The standard definition of E-commerce is a commercial transaction which is happened over the internet. Online stores like Amazon, Flipkart, Shopify, Myntra, eBay, Quikr, Olx are examples of E-commerce websites. By 2020, global retail e-commerce can reach up to \$27 trillion. E-commerce is one of the fastest growing industries in the global economy. As per one estimate, it grows nearly 23% every year. And it is projected to be a \$27 trillion industry by the end of this decade. India is 3rd largest e-commerce economy in the world after China and U.S.A. According to TRAI (Telecom Regulatory Authority of India) by the end of 2021 82 crore population will be use internet and 40% usage of internet usage made for online purchase. By the help of the flexibility offered by computer networks and 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 improve customer relations; companies working together to design and build new product/ services; or multinational company sharing information for a major marketing campaign.

### Objectives

The objectives of present study are:

1. To understand the present status and trends of E-Commerce
2. To reveal the key variables influencing the increased usage of E-Commerce.
3. To analyze the impact of Covid 19 on E-commerce

### Benefits for People Buying Online

**1. Lower Prices:** Managing an online storefront is far cheaper than an offline, brick and mortar store. Typically less staff are required to manage an online shop as web-based management systems enable owners to automate inventory management and warehousing is not necessarily required (as we discuss later). As such, e-commerce business owners can afford to pass operational cost savings on to consumers (in the form of product or service discounts) whilst protecting their overall margin. Furthermore, with the rise of price comparison websites, consumers have more transparency with regard to prices and are able to shop around, typically purchasing from online outlets instead.

**2. Accessibility and Convenience:** Unlike many offline stores, consumers can access ecommerce websites 24 hours a day. Customers can read about services, browse products and place orders whenever they wish. In that sense, online



shopping is extremely convenient and gives the consumer more control. Furthermore, those living in more remote areas are able order from their home at a touch of a button, saving them time travelling to a shopping centre.

**3. Wider Choice:** For the past twenty years, the growth of online shopping has to a large extent been based around increased choice. With an almost endless choice of brands and products to choose from, consumers are not limited by the availability of specific products in their local town, city or country. Items can be sourced and shipped globally. Interestingly, one recent study found that consumers are actually starting to become frustrated by e-commerce sites that offer too much choice. Whichever way you look at it though, more choice has likely been a good thing over the long term.

On 25th March, 2020, Big Basket - a key online grocery player in India had the following message “We'll be back soon! We are currently experiencing unprecedented demand. In light of this, we are restricting access to our website to existing customers only. Please try again in a few hours.” So overwhelming was the response that it faced a breakdown due to a steep increase in demand amid COVID-19. Grofers – a rival, had a similar kind of message which said “Due to the sudden rush, we have stopped servicing many locations, but we are working to increase capacity and will be resuming operations shortly.” Amazon – one of the leading ecommerce players in the country, and the world, has announced on its site that the customers are relying on them like never before in their social distancing and self-quarantine efforts. Hence Amazon is temporarily prioritizing its available fulfilment and logistics capacity to serve essentials such as household staples, packaged food, health care, hygiene, personal safety and other high priority products. It is temporarily going to stop taking orders for lower-priority products. Globally too Amazon has seen a surge in orders and is raising overtime pay for associates working in its warehouses, during the corona virus outbreak.

### CONCLUSION

In this article, we have review and deliberate disparagingly COVID-19 outbreak. We are primarily interested in how corona virus spread and affects the e-commerce globally. Awareness almost this topic can countersign better information in people and deliberation to how ecommerce, business, and economies of countries effected by corona virus. How e commerce provides alternative way to people to meet their demands. E-commerce enhanced by COVID-19. How it impacted e-commerce will be encouraging other researchers to investigate more deeply in this area such as ecommerce trends how changed by corona and future trends.

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