

Impact of E-Commerce during COVID-19 Pandemic Situation in Kerala

Megha Mahesh

Research Scholar, Department of Management Studies, Noorul Islamic Centre for Higher Education, Kanyakumari, Tamil Nadu, India
E-mail Id: [meghamahesh00.mm\[at\]gmail.com](mailto:meghamahesh00.mm[at]gmail.com)

Abstract: *E-Commerce is the most popular and preferred method of purchasing various items and services. Conventional purchases must currently be substituted by E-Commerce. The only explanation behind this is that wide arrays of products are offered to clients from across the world to choose their own goods. As a result of this pandemic, e-commerce also faces some unforeseen hurdles. This paper analyses how COVID-19 suddenly affects e-commerce and changes in consumer demand and buying.*

Keywords: E- Commerce, COVID-19, Pandemic

1. Introduction

E-commerce is the activity of purchasing and selling things over the Internet or through online services. Mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management systems, and automated data gathering systems are all examples of e-commerce technology. E-commerce, which is the largest sector of the electronics business, is driven by technological breakthroughs in the semiconductor industry. Although it may also use other technologies such as e-mail, e-commerce normally employs the web for at least a portion of the transaction's life cycle. The purchase of goods or services is a common e-commerce transaction. E-commerce is divided into three categories: online retailing, electronic markets, and online auctions. Electronic business helps to boost e-commerce.

In March 24, 2020, India's government, led by Prime Minister Mr. Narendra Modi, imposed a 21-day statewide lockdown, restricting movement of the country's 1.3 billion people as a preventive step against the COVID-19 pandemic. After imposing a series of prohibitions in the country's COVID-19 impacted districts, a 14-hour voluntary public curfew was imposed on March 22. Ever Since then, corona virus positive cases have been rapidly increasing, and the lockdown has been prolonged. When a buyer and a seller make commercial transactions through the internet, this is referred to as e-commerce. Electronic commerce, sometimes known as e-commerce, refers to any type of economic transaction that involves the transmission of data via the internet. The major categories of e-commerce enterprises are as follows that is Business-to-Business (B2B), Business-to-Consumer (B2C), Business-to-Government (B2G), Consumer-to-Consumer (C2C), Mobile Commerce (M-Commerce).

E-commerce and "online shopping" are commonly used interchangeably, but e-commerce is much more than that – it is a concept for conducting business online, encompassing a variety of services such as making online payments, booking flights, and so on.

Since its humble origins, e-commerce has undergone remarkable growth, with revenues expected to reach \$590.5 billion USD by 2024. E-commerce sales increased by 26% in March 2020 due to the COVID-19 epidemic. E-influence commerce's should not be underestimated, as it continues to saturate daily life and offers substantial prospects for small, medium, and large enterprises as well as online investors'-commerce firms have a lot of promise, and you don't have to go far to find it. Amazon, for example, which pioneered customer - centric websites and a lean supply chain, sells over 4000 things each minute from small businesses alone.

Objectives of the Study

- 1) To study and gain a better understanding of the current state and trends in e-commerce.
- 2) To identify the critical factors that influences the increased use of E-Commerce.
- 3) To study the effects of COVID-19 and impact on e-commerce.

Period of the Study

The period of the study is between the months of April 2020 - June 2021.

Research Methodology

The present study is based on the secondary data which includes journals, articles, newspaper articles, magazines, reports, other publication source and books.

2. Review of Literature

- Das and Ara (2015) examines with an increase in the number of players in the B2C segment, competition for the top spot is expected to heat up, forcing businesses to improve service quality and invest in logistics in order to reap the benefits of rising household disposable income, rising internet subscriptions, and the infiltration of mobile commerce.
- Reghunath (2014) The paper Analyzing many aspects of e-commerce while emphasizing that, in today's world, any commercial activity, including advertising, ordering, and payment, may be carried out through the digital ecosystem. The study discusses a variety of factors that contribute to e-growth commerce's as a new convention. It has made it possible to create and exploit new business

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opportunities while also allowing customers to have a greater voice in the development of new products and services. E-commerce has improved internal business management performance as well as consumer connections by encouraging a business strategy that is primarily based on information.

- Agrawal (2014) the researcher studies the face of increasing competition, the firms' existence will be determined by their ability to bridge current gaps in e-commerce transactions. After successfully tapping its potential in metropolitan cities, the nature of the internet has enabled e-commerce to transcend geographical boundaries and pervade multiple markets, eliciting demand from sub-urban and rural locations. Many e-commerce companies are expanding their reach by investing in stronger infrastructure in anticipation of increased demand from Tier 2 and 3 locations. In view of the expanding number of websites offering identical goods and services, Internet is gaining more importance.
- Deshmukh & Thampi (2013) examines the current and potential status of e-commerce and memorandum of business in the Indian market as well as the future of the latter. The report identifies m-unique commerce's advantages as ubiquity, personalization, flexibility, and immediacy. The authors support the notion that smart phone adoption and an increase in internet user base, fueled primarily by young, will drive e-commerce growth.
- McGaughey, & Nebhwani (2002) The paper details the revolutionary changes brought about by internet technologies in manufacturing, marketing, purchasing, design, production, selling and distribution, warehousing, and human resource management, as well as the revolutionary role played by earlier internet applications such as e-mail and electronic data interchange. By facilitating close contact and constant communication, internet-based technologies have enabled businesses to shorten development, purchase, and procurement cycles, maintain up-to-date product and market information significantly increase the speed of communications, and improve the quality of customer relationships.

Benefit of Buying in Online Mode

Lower Costs: Running an internet store is much less expensive than running a traditional brick and mortar store. Because web-based management solutions enable owners to automate inventory management and warehousing is not always required, an online shop typically requires fewer employees. As a result, e-commerce firm owners can pass operational cost reductions on to customers while still maintaining a healthy profit margin. Furthermore, with the rise of price comparison websites, consumers now have more pricing transparency and are able to browse about, often purchasing from online retailers.

Convenience and accessibility: Consumers may browse ecommerce websites 24 hours a day, seven days a week, unlike many offline establishments. Customers may learn more about services, shop for items, and place orders at any time. In this way, online purchasing is quite convenient and provides the customer more control. Furthermore, individuals who live in more remote locations can order at

the touch of a button from the comfort of their own homes, saving them time from having to travel to a shopping Centre.

Expanded Choice: For the past two decades, the expansion of online commerce has been largely based on increased choice. Consumers are not limited by the availability of certain products in their local town, city, or nation because there is an almost infinite number of brands and products to pick from. Items can be found and transported all over the world. Consumers are becoming increasingly dissatisfied by e-commerce platforms that provide too much options, according to a recent survey. More options, in any case, have almost certainly been a beneficial thing in the long run.

While one Forbes survey found that women are more concerned about COVID-19's impacts, it also found that males are more prone to have it affect their spending habits. One-third of males, compared to 27% of women, said the epidemic had an impact on how much money they spent on things. Furthermore, 36 percent of men, compared to 29 percent of women, said it has an impact on how much they spend on experiences.

The unorganized retail sector, which includes roughly 14 million traditional family-run neighborhood establishments, and the organized retail sector, which accounts for less than 11% of the Indian retail industry, is vastly different. All organized brick-and-mortar establishments and internet shopping sites fall within the organized sector. Despite the growth of India's B2C e-commerce business, the majority of Indians still prefer to shop in their neighborhood brick-and-mortar stores because they prefer to touch and feel things and negotiate discounts over the counter before purchasing. In India, the vast majority of B2C ecommerce retailers entice clients to shop online by offering discounts, free shipping, buy-one-get-one-free, and exchange deals. However, many Indian customers, who are known for being cost-conscious and conservative as part of their value system, are unlikely to be swayed by promotions and marketing. Furthermore, internet consumers frequently encounter issues with product delivery schedules and customer care services. Customers' fear of online web sites is heightened by numerous e-trailers' inadequate IT infrastructure, which has resulted in personal information being hacked.

The new corona virus causes Corona virus disease (COVID-19), a highly infectious disease that has infected over 4 lakh people globally. Because HIV is transferred largely through contact with an infected person or by touching a surface that has the virus on it, staying at home is the best method to protect oneself. This has resulted in an upsurge in global internet shopping usage. It has resulted in an increase in the number of FTUs, or first-time ecommerce users, in India, who had previously been unable to shop online. The SARS pandemic in 2002, which affected over 3000 individuals, is also reported to have had a significant impact on people's shopping patterns, as many were frightened to buy outside.

Big Basket, a major online grocery retailer in India, issued the following statement on March 25, 2020 that is "We'll be back soon! The demand for our services is currently at an all-time high. As a result, we've limited access to our website to just existing clients. Please come back in a few

hours and try again.” The response was so overwhelming that it caused a system failure due to a surge in demand during COVID-19. Grofers, a competitor, sent out a similar notice, saying, "Due to the sudden rush, we have halted servicing numerous areas, " but adding, "We are striving to enhance capacity and will be restarting operations shortly. “Customers are depending on Amazon more than ever before in their social distance and self-quarantine efforts, according to Amazon, one of the country's and the world's largest e-commerce businesses. As a result, Amazon is temporarily allocating its fulfillment and logistical resources to service needs including domestic staples, packaged food, health care, hygiene, personal safety, and other high-priority products. It will temporarily suspend accepting orders for lower-priority items. During the corona virus outbreak, Amazon has witnessed a boost in orders and is increasing overtime compensation for colleagues working in its facilities throughout the world.

Given the corona virus outbreak and the government's imposed lockdown, the increase in B2C ecommerce in India is attributable to existing online customers filling up on supplies. However, it may include two other segments in addition to the one that buys online on a regular basis. Given the factors mentioned at the outset of this piece, there was a part that did not shop online, and another segment that was either unaware of online shopping or did not have a device or data plan. It will be fascinating to see how many customers from these two sectors convert to online purchasing after the Corona virus outbreak has passed.

3. Conclusion

In this paper, we evaluate and deliberately discuss the outbreak of impact COVID-19 in growth of e-commerce. We're particularly interested in how the Corona virus spreads and affects global e-commerce. Awareness of this problem can lead to better information among the public and consideration of how the corona virus affects ecommerce, business, and the economy of countries affected. How e-commerce gives consumers a another method to meet their needs. COVID-19 improves e-commerce. The impact on e-commerce will encourage other scholars to dig deeper into this subject, such as how corona changed e-commerce trends and future trends.

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