

# The Phenomenal Rise of Online Shopping During the Pandemic -A Customer's Perspective

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**Abstract -** The Covid 19 pandemic has pushed people to resort to online shopping and this trend will continue even after the pandemic is over. The main purpose of the study is to analyze the impact of online shopping on people's lives and examine the key drivers that affect shopping. The data for this article has been collected by administering a questionnaire using google forms. The questionnaire comprises of a combination of closed ended and open-ended questions. A survey of 118 people was conducted. The report is comprehensive and tries to investigate the future changes that may affect the modalities and framework of shopping online. The conclusions provide a note to leverage digital opportunities for the disadvantaged nations, which are backward and have suffered during the pandemic, without any help. The collective efforts of the international community can aid to harness this online tool to benefit the world at large.

**Index Terms –** Pandemic, Online Shopping, framework.

## INTRODUCTION

The Covid 19 pandemic has accelerated the usage of e-commerce platforms in retail products. Just prior to the pandemic, consumers were wary of purchasing goods online, but with the restrictions imposed due to pandemic norms such as lockdowns, social distancing and self-quarantine efforts, customers are relying on lock stock and barrel. Which rippled an enormous demand for e-commerce platforms for making a purchase of products, right from essential goods to luxury products. Many first timers have shifted their shopping preferences to an online mode and have learned to maneuver E-carts using the virtual aisles and have found shopping online a convenient way to buy grocery goods at the comfort of their homes.

“The early bird catches the worm”

The pandemic has presented an opportunity for digitalised transformation enabling companies to expand their businesses exponentially. Popular digital

players like Amazon, Snapdeal, Flipcart, Big bazaar, Grofers, Myntra and Jiomart, have ‘made hay when the sun shines’ by cashing in on the situation created by the pandemic. They were already tech-savvy and were utilising tech-disruptive innovation facilitated through bar-code, scanner data, statistical packages, relational data bases, etc. Which in turn has helped them to triple their profits, as they vied with one another to serve the eager customer online. The ERP system, CRM and Artificial Intelligence have assisted them to forge alliances with multiple brands, partner with firms thereby building a strong value proposition and making an impact on the consumers. Thus, The COVID-19 pandemic has enhanced the shift towards a more digital world.

Victor Hugo, the French Poet and novelist famously said, “nothing is more powerful than an idea whose time has come”. It seems to be perfect description of e-commerce today.

## OBJECTIVES OF THE STUDY

The Objectives of the present study are to:

- highlight the current trends of the importance of E-Commerce.
- examine the key drivers of E-shopping during the pandemic.
- Analyse the impact of Covid 19 on Online shopping.
- Explore the changes and challenges for future e-buying after the pandemic ends.

## METHODOLOGY

The methodology of the study uses both Primary Data and Secondary Data. In the collection of data, primary data uses a questionnaire consisting of 19 questions- both closed and open-ended questions, administered through google forms, which was mailed to 120

respondents across select states in India, but only 118 people responded. To strengthen the study, secondary sources of data were employed consisting of books, published reports, published research papers in journals and existing literature on this topic. The gathered information was analyzed using simple statistical tools such as charts and graphs. A percentage analysis has also been used in the study.

#### REVIEW OF LITERATURE

Susmitha (2021) opines that 'E-commerce' and 'Online' shopping are synonymously used. E-commerce is a broader term, as it encompasses online business and incorporates a variety of different services e.g. making online payments, booking flights etc.

The pandemic created a "structural shift" in shopping behavior with more and more customers and businesses banking on e-commerce. Players like Amazon and Flipkart as well as industry watchers observed that the need for social distancing and prioritizing safety during the pandemic, led to millions of people turning to e-commerce platforms the past year, not only in metros but also in tier III regions and beyond.

The pandemic has driven consumers to shift their shopping habits rapidly, forcing many to either increase their online spending or try shopping online for the first time. Although eCommerce has steadily grown for many years, this is the first time that we have experienced such an unexpected and widespread shift from shopping at brick-and-mortar stores to shopping online.

Online shopping has seen a demographic disparity in the study. Specifically, between age and genders, 24% men have been found to be shopping online more frequently during the pandemic, compared to 18% of women. One third of men, compared to 25% of women, said that Covid-19 impacted their expenditure on products.

The UNCTAD report expresses that despite e-commerce gaining momentum and showing an increase in overall e-commerce sales growth, the average online monthly spending per shopper has dropped due to the pandemic. An uncertain gloom hovers around the consuming public in both emerging and developed economies delaying the purchase of

more expensive items where possible, with those in emerging economies focusing on affording essential products and those in developed nations saving for any future financial hardships.

Chang, and Meyerhoefer (2020) expressed in their article that need for cereal, fruits, fresh vegetables, and precooked foods have risen, benefiting small-scale farmers in agronomy. As per latest Nielsen report, there is a rapidly increase in online demand of India's FMCG goods that increased nearly 50%. The purchase of facemasks, hand sanitizer, face shield mask are more preferred products during this critical situation. There is a rapid rise in the Indulgence Food segment with the increase in the sales of cooking oil, soft drinks, pulses, snacks etc. Demands for laptops in India also increased due to work from home, online classes, teaching etc. During the lockdown, almost all services and industries were suspended. Online mode has grown astronomically and, in some cases, have become essential.

Several users utilized communication platforms such as WhatsApp, Instagram and Facebook Messenger, Zoom and Microsoft Teams to officially communicate virtually. These platforms have benefitted enormously using video calling applications in workplaces.

India has been an attractive ecommerce market due its large population. The pandemic has made its people to be heavily dependent on mobile devices, with 96% of internet users between the ages of 16 and 64 owning a smartphone. Ecommerce is surging ahead thanks to the pandemic, especially with the raging increase in hospitalizations and deaths. Consumers became tech-savvy at home and learned to shop online.

"Merchants will be better positioned to be successful if they put customer experience at the heart of the checkout process. Businesses that have positioned themselves with digital payments capabilities will be well-equipped to capture the next wave of growth in the retail and Ecommerce market in India," said the 2021 Global Payments Report by Worldpay FIS.

Sadly, the pandemic has benefitted only those nations which have the world's leading digital platforms. "Countries that harness the potential of e-commerce will be better placed to benefit from global markets for their goods and services in this digitalizing economy, while those that fail to do so risk falling behind even further," expressed Shamika N. Sirimanne, UNCTAD's technology and logistics director.

RESULTS AND DISCUSSIONS

The study findings reveal that across demographic characteristics such as age, marital status, occupation, income and education, the pandemic has created a rise in demand for online shopping as the smooth channel for purchase of all types of goods-both durable and non-durable. This was re-emphasized in a finding researched earlier.

Table 1: General Information of the Respondents in the Study

Number of Respondents	Age	Marital Status	Education	Employment
118	Below 25	Married/Unmarried	Inter & below-13%	Private-70%
	25-35		Graduate-53%	Government-09%
	35 and above		Postgraduate & Above-32%	Business-21%

Online line shopping is the new norm today. At the click of the mouse, products can be bought with ease and elan. Many first-timers who learnt to steer Ecarts through virtual aisles in the previous year have progressed smoothly and are shopping online, shifting from the realm of leisure to being a part of normal routine.

Table 2: Online Shopping- A Necessity

In your opinion, is the Internet facility a necessity?  
116 responses



The need for the internet facility is not a luxury anymore but a necessity. Table 2 reveals that 98.3% of the respondents found it a necessity, while 1.7% did not find it a necessity as they shopped physically at brick and mortar stores. (Table 2).

The COVID-19 crisis has required consumers to alter their shopping habits and patterns rapidly, making many to either resort to online spending or shop online for the first time. E-Commerce has been popular since a few years, but the pandemic has augmented its immediate need, as we see a sudden surge and an extensive shift from shopping at brick-and-mortar stores to shopping online. Table 3 emphasizes this

reality, as 78 % of the respondents felt that online shopping has shown an exponential growth while 12% did not feel its growth and importance.

Table 3: Growth and Importance of Online Shopping During the Pandemic

Growth & Importance	Number of Respondents	Percentage
Yes	92	78
No	26	12
Total	118	100

An opinion of Online Shopping was sought from the respondents in the form of an open-ended question had brought out several responses which were unique and interesting. 86% of those surveyed said that their opinion of online shopping was good. They expressed key drivers which motivated them to shop online such as convenience, time, and cost saving, display of variety of authentic products, multi-brands, limited movement, reasonable prices, contactless delivery, flexibility, good deals, user friendly, easy exchanges, ease of purchasing from any location, safe online mode of payment etc. On the other hand, 14% had a bad opinion of online shopping, stating reasons such as inability to use the online mode, lack of trust and human connectivity etc.

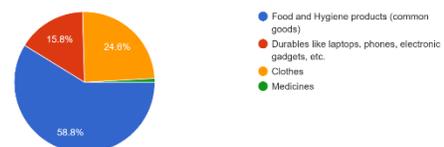
Table 4: Opinion of Online Shopping

Opinion of Online Shopping	Respondents	Percentage
Good	102	86
Not so good	16	14
Total	118	100

The pandemic has caused a structural shift in demand for varied products such as food and hygiene, home office necessities like laptops, headphones, office chairs and other electronic products, clothes and health and medical products. 59% of those who responded frequently bought food and hygiene products, followed by home office essentials (24%), 15% bought clothes and a minimal 2% bought medicines. (Table 5).

Table 5: Which Online products did you buy frequently since the out-break of the pandemic?

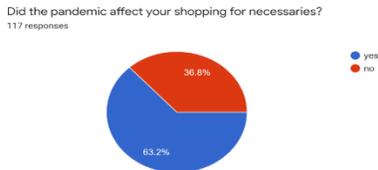
Which online products did you buy frequently ever since the break-out of the pandemic?  
114 responses



The pandemic has made the average e-shopper prudent. Consumers across economies have postponed

larger expenditures, with those in emerging ones buying more of essential products and those in developed economies saving for the future. Figure 6 too proves this fact, as we see that 63% of the respondents have been affected by the pandemic, while 37% have not been impacted by the pandemic in their shopping for necessities.

Figure 6: The Affect of the Pandemic on Shopping for Necessaries



The pandemic has witnessed the rise of key online grocery players across India. In the study, Amazon (38%) ranks first, followed by Big Basket at 22%, Flipcart (20%) came third, and other platforms like Grofers, JioMart, accounted for a meagre 8%, while there was still a section of the people who believe in buying from the Kirana store (12%).

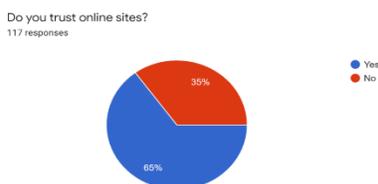
Table 7: Popular Online Players for Shopping

Online Platforms	Count of Respondents	Percentage
Amazon	45	38
Big Basket	26	22
Flip cart	24	20
Others	10	08
None (Kirana Store)	13	12
Total	118	100

To cash in on their profits the online players have initiated numerous selling tactics such as Buy now pay later, adding credit points, discounts etc, to increase their company’s revenues. Amazon also saw similar trends as thousands of neighborhoods Kirana stores and offline retailers also came aboard to leverage digi-technology to reach the customers.

A serious concern voiced by the respondents in the study is the concern of trust and credibility of online players and unreliable websites. Majority of those studied (65%) expressed that they trust online sites, but a glaring 35% felt otherwise. (Table 8).

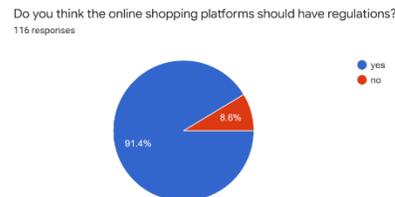
Table 8: Trustworthiness of Online Sites.



This indicates that some measures need to be promulgated by the Government to assure the gullible customers of their rights as Online Customers.

In tune with these concerns expressed, a query asked ‘Whether the Online Platforms needed regulations’ brought out several responses, which are projected in Table 9, 91.4% of the respondents are of the opinion that Online shopping platforms should have regulations to standardize their working effectively, while 8.6% did not think that they needed to be regulated.

Table 9: Need for Regulations of the Online Platforms



Regulations are needed to protect consumers from fraudulent traders, unreliable and fake websites and spurious products. There is a risk of stealing confidential personal information and this can be overcome by customers shopping from trusted websites.

Table 10: Opinion on Shopping Online Even After the Pandemic Ends

Opinion on Online Shopping after the Pandemic ends	Number of Respondents	Percentage
Yes	100	85
No	18	15
Total	118	100

The online platforms will race ahead unabated even after the pandemic ends. Table 10 discloses that 85% of the respondents will continue to shop online, while 15% wish to shop physically.

### THE ROAD MAP AHEAD: SUGGESTIONS

The study has brought out certain revelations which needs re-thinking and refurbishing. It is evident from the findings and discussions that online shopping is here to stay. It has been observed that many respondents expressed their concerns regarding the trustworthiness of the very labyrinth of online shopping. The ills of online shopping can be rectified by innovating new techniques of making the system right. Countries also need better capabilities to capture and harness data, and stronger regulatory frameworks

and an Institutional Regulatory Body for creating and capturing value in the digital economy.

Innovations in Digital technology, automation, artificial intelligence, and integration with multi-channel approach, can be beneficially utilized to create more job opportunities in all sectors and sustain economic growth, accessing places in rural and remote hinterlands. A 'holistic approach and innovative initiatives through policies to reduce 'digital divide' and foster 'digital empowerment and entrepreneurship', 'a well-structured reskilling' for small businesses and indigenous trade should be encouraged so that the big players can co-exist with small and medium enterprises. Creation of specialized talent pools, collaborating with international e-commerce investors to collaborate locally with start-ups and businesses can go a long way in expanding businesses.

#### CONCLUSION

The pandemic has struck countries and businesses badly. Those that were well-equipped with digital capabilities stormed the online market. Unfortunately, many emerging and underdeveloped nations were thrown off-gear, as they were ill prepared to ring in the new digital world. The international community can help find new, bold, and keen ways to work with governments and the private sector to leverage digital opportunities to aid these countries and struggling businesses, by bridging the digital divide, through collective efforts and international support E-commerce can offer immense potential across the SDGs. An across effort can be made to harness this rapidly emerging tool to the benefit of the world at large, without strings attached.

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