

# “Influence of E-Commerce Growth on Retail Market along with Covid Impact”

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**Abstract**— Since the outbreak of the new coronavirus ailment (COVID-19) pestilence, there's raising advertency on the breaks arising from the boiling point through aggrandizing the uptake of E-commerce and digital answers. As a new form of commerce, E-commerce shopping is coming popular among consumers in India, which has aroused great interest among exponents and experimenters. Building a theoretical model from the perspective of IT affordance, our study examines about effect of E-commerce on retail market and its growth. The e-commerce industry continues to evolve and experience high growth in both developed and developing markets. Due to this our retail markets or local markets have shown a critical downfall, which includes various reasons, Reasons have been studied in detail. This proposed research adopts a questionnaire survey method to collect data from people working on E-commerce business model and people on traditional market. It has been used done on traditional retailers about interest in starting E-commerce model business. I empirically measure the model by surveying customers who have shopped via live streaming shopping platforms which plays a vital role such as flipkart.com/mynta.com/amazon.com/nykaa.com and trust on online shopping during covid. I have studied about the customer satisfaction from E-commerce shopping. Industries from Sanganer, Jaipur have been studied as it is considered to be biggest growing E-commerce industries.

**Keywords**- E-commerce; COVID-19; Online marketing,; Social distancing.

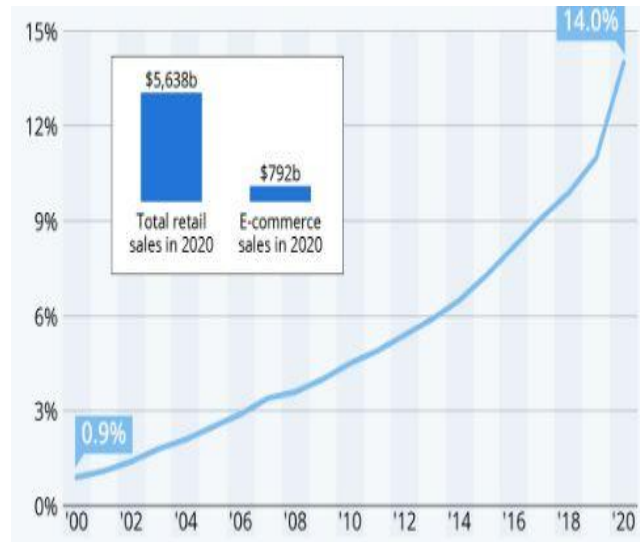
## I. INTRODUCTION

E-commerce refers to the buying and selling of staples, products, services, or any other kind of goods and services by the buyer, retailer, or business over an electronic medium (the internet). E-commerce retail, on the other hand, is the exchange of goods and services between an online retail company and its customers (generally end-users). Business to Business or B2B (Cisco, Alibaba), Business to Consumer or B2C (Amazon, Walmart), and Consumer to Consumer or C2C (Amazon, Walmart) e-commerce transactions are common (eBay).

Before the COVID-19 pandemic, factors driving the expansion of the e-commerce market included robust and consistent growth of internet users and rising awareness connected with online shopping, increased online product launches, low prices due to mass purchases, and so on. Additionally, the global e-commerce market is expanding due to a greater number of exclusive products on the market, as well as cheaper product pricing due to direct channels and economies of scale.

In India, e-commerce has changed the way people do business. The e-commerce industry provides the ability to provide innovative, sustainable, consistent, and seamless buying experiences across all channels, with appealing and convenient purchasing options at the centre of the buyer-facing business. E-commerce presents a significant opportunity for developing countries like India. E-commerce in India is still in its early stages, yet even the most gloomy forecasts point to a boom. It's

only going to get bigger. COVID-19 has had a tremendous impact on global e-commerce, both positive and negative, but overall, e-commerce is increasing rapidly as a result of the virus.



**Figure: 1 Pandemic Accelerates Shift to Online Retail [1]**

Furthermore, numerous obstacles facing shops in e-commerce, such as extended delivery time, difficulty faced during movement control, social distance, and lockout, drove customers to use the internet and make it a habit in their daily routine. In traditional commerce, "friction" is defined as a pause in a transaction that must be compensated for by the payment of "transaction cost." Such costs are discovered in a weak market because they are based on an inefficient structural model combined with inadequate technology support. Such a scenario is no longer possible because to e-commerce. Marketing is probably one of the most fascinating aspects of business relationships, because producers and consumers can't do business unless they can discover each other. This is frequently the reason for how a marketing strategy aids humans in achieving their goals. Internet marketing is a type of focused marketing that aids websites in attracting more visitors and introducing products or services via the internet. Marketing is a storey that aims to attract and persuade people to trade. Traditional and modern marketing tactics are the two most common types. Traditional marketing is becoming less and less effective at getting clients to buy their products or services. Modern marketing is a new way of acquiring customers through the use of modern tools and technologies. E-marketing is a word that refers to marketing activities conducted via the Internet/Web and related information technologies (Krishnamurthy, 2006). E-marketing, on the other hand, is the use of digital technology and electronic media, particularly the internet, for the purpose of trading or selling goods.

Disputes or dispute are quite widespread in the traditional market environment, and they are easy to effect and resolve thanks to the character and form of transaction. However, in the online context, an equivalent is harder to find because online merchants and digital consumers make a bargain without knowing who they're dealing with. People can now sit in one spot and buy any product or obtain services from any trader online anywhere in the world because to technological breakthroughs and increased internet penetration across jurisdictions. Customers are concerned that they will not be protected if something

goes wrong with their transaction with the trader in this case. They are concerned about how they will address any conflicts or issues that may occur as a result of their transaction.

➤ **E-COMMERCE IN DEVELOPING COUNTRIES**

The adoption of B2B E-commerce in underdeveloped countries differs significantly from that in industrialised countries. In the event of E-commerce, developing countries frequently lack the necessary financial, legal, and physical infrastructures. Furthermore, emerging countries generally have different cultures and business philosophies, limiting the application and transferability of Western-designed E-commerce platforms. For organisations expanding into the business-to-business E-commerce market, it's critical to assess all parts of their structure and performance. The company must first identify the variables that will decide whether or not the transformation will be successful, and then focus its strategy and resources on those variables.

➤ **RESEARCH APPROACH**

The research was founded on a survey of the literature in order to identify and assess existing information on the many characteristics, attributes, types, and business value of E-commerce. Focused on four angles when defining e-commerce: online purchasing and selling, changes in buying behaviour, customer pleasure, and covid influence on consumers. This definition, on the other hand, does not place enough emphasis on transaction costs and other features of e-commerce.

## **II. LITERATURE REVIEW**

The research team conducted significant primary and secondary research as part of the study. Secondary research was carried out to improve the data that was already available. The market price and market rate of increase are calculated using a variety of methods [6]. The country is examined in the research by examining major regional players, laws and regulations, consumer behaviour, and macroeconomic issues. The research provides an examination of numerous areas and countries, as well as the impact of COVID-19 on each region's e-commerce industry. In addition, the industry's estimated recovery period will be presented, along with the best- and worst-case scenarios, to assist clients in determining their next actions in the decision-making process.

For three key reasons, we picked online apparel sale as the backdrop of our inquiry. For starters, clothing is the most often purchased item in German e-commerce [7], and apparel e-commerce has gradually increased over the last decade [8]. Second, the clothing sector is highly volatile; as a result, most company models rely on high sales and must be able to respond swiftly to market changes as well as provide frequently changing designs [9]. To maintain their economic advantage, garment firms must respond swiftly to changes in consumer demand; as a result, they must have exact information of consumer desires at all times, particularly during the COVID-19 pandemic. When there are unanticipated shifts in consumer demand and lower sales quantities, such as those that occurred during the COVID-19 crisis. Overstocked items may swiftly go out of favour, rendering them unsellable [10]. As a result, it's critical for garment companies to predict customer behaviour. Third, the garment business, particularly the fast fashion portion, is frequently chastised for its negative environmental impact and breaches of worker rights in the nations where it is produced. Fast fashion is linked to excessive

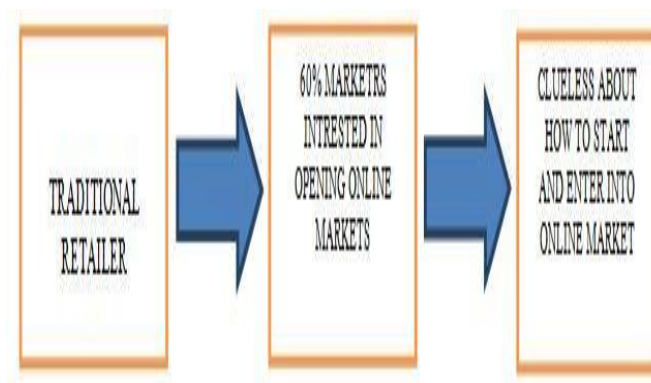
use of water, chemicals, and pesticides, as well as hazardous working conditions, such as those seen in substandard manufacturing structures, and a disregard for health and safety regulations [11]. Because of the significant environmental and social costs of clothing manufacture, it is even more critical to examine consumer behaviour during the COVID-19 crisis in order to prevent newly created clothing from becoming out-of-style and outmoded. Furthermore, shortly after the government declared the shutdown, some fast fashion companies announced that they may be cancelling orders [12]. Consumers' opinions toward fashion firms were negatively affected by these disclosures, as order cancellations would result in yet another issue, namely, unemployment and poverty among the workers at the affected production facilities [13]. As a result, it's critical to examine customer behaviour toward garment products during the COVID-19 crisis in order to minimise negative environmental and social consequences from overstock and order cancellations.

### III. METHODOLOGY

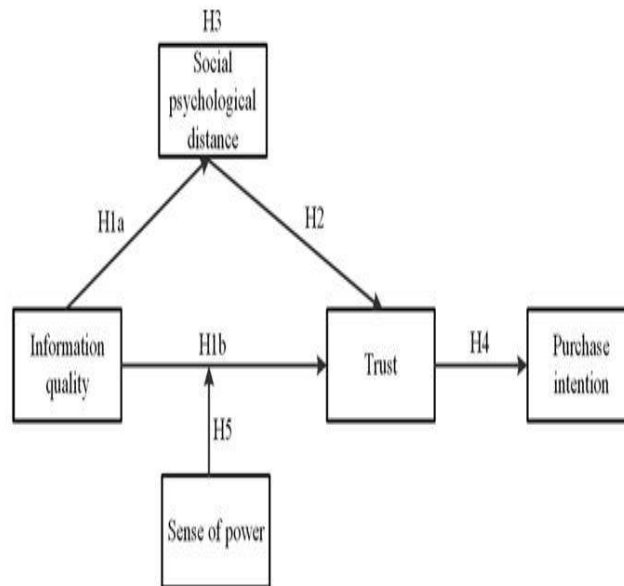
#### ➤ QUESTIONNAIRE DESIGN

This research adopts a questionnaire survey method to collect data from people working on E-commerce business model and people on traditional market. It has been done on traditional retailers about interest in starting E-commerce model business. I empirically measure the model by surveying customers who have shopped via live streaming shopping platforms including flipkart.com/mynta.com/amazon.com/nykaa.com. And trust on online shopping during covid. I framed questionnaire which includes what age group mostly likes to shop online and do online shopping helping them during covid. We observed what is real intention of consumer how much they do trust online shopping why they are trusting and if not what are reasons. and our survey shows majorly age group from 15-35 preferring online shopping and they trust the facilities online shopping giving and they are going on portals with right purchase intention.

#### ➤ QUESTIONNAIRE 1



➤ **QUESTIONNAIRE 2**



**IV. RESULTS & ANALYSIS**

As people adjust to their new living arrangements, their purchasing habits have changed to meet their demands. While panic shopping has slowed in certain nations, consumers are still stocking up on supplies, often known as "pandemic pantry staples." Many customers are also taking advantage of their newfound free time to focus on their health, with 85 percent of customers engaging in some form of exercise while in social isolation, and 40 percent intending to continue once limitations are relaxed. As a result of these shifting behaviours, a number of product categories have seen a boom in demand, and while many of them are useful, others are delightfully bizarre. With everyone's eyes trained on the CDC data, the general public expects significant changes to the way they used to live and consume the goods and services they want and need. As a result, businesses are becoming aware that these developments will have an impact on their entire company management systems, from supply chain to E-commerce acceptance and expansion. And they need to look at data to stay ahead of the game and make informed judgments. As a result, we've assembled the most up-to-date information on E-commerce trends, customer behaviour, and demand to assist businesses as they navigate through what may be the most difficult period in their history – the corona virus pandemic. According to our research, people's attitudes on online purchasing have shifted, and they are increasingly trusting of E-commerce shopping. It has a bright future because practically everything, including food, groceries, and medicine, is now available online.

When comparing the two types of marketing, Internet Marketing is more cost-effective and speedier since it allows businesses to reach out to potential customers directly, and it is the best option for businesses to advertise locally or internationally. .

Following table shows the observation and their results by survey;

**Table: 1 Observation and obtained results**

Sr. No.	Observation title	Result of observation	Observation in %
1	Age group involved in ecommerce shopping	Majorly 16-35 age group are doing online shopping	70% -age group- 16-30 years. 20%-30- 40 years 10%- above 40 years
2	Age group above 35-40 yrs have distrust on online shopping	They have problem with typing and searching 2-applications are not much friendly 3-they need touch and feel of product	80% of this age group people do face problem of operating these apps , and they need touch and feel of product first remaining 20% of people are not even aware of online shopping
3	Most likely shopping apps	Myntra, amazon,	Amazon has ranked as best shopping app and most trustable shopping platform
4	Downfall on retail market	Online shopping has boomed in india and is growing like 300 %due to which reatil shopping markets have fallen down	Retail market has fallen by 60% due to covid and more trend of online shopping .
5	Covid impact on online market	Positive impact has been seen in online shopping due to covid	More than 70% from essentials to jewelers are not available online and covid has blessed us with this sudden growth in this particular market
6	Purchase intention on online shops	Consumers are reaching with purchase intention not scrolling intention	65% people are coming for purchase intention on portals and are converting into sales.

Following table shows the observation and their results by survey;

**Table: 2 Reasons to influence E-Commerce and suggestions to improve it**

Sr. No.	Reasons	Suggestions
1	Above 35 have trust issues and are less interested with online shopping	A friendly guidance should be there for online mode of business
2	Touch and feel of product cannot be given in online mode of shopping 2-deliveries take time 3-lack of easy and convenience return policies.	Ai and graphical user interface should be introduced to above 35 age group , voice search and easy convincing methods should be promoted more and more so that above age people can easily operate online shopping modes, facilities like try and shop can be helpful .
3	They are giving more genuine products and policies are very clear on that 2- deliveries are fast	Sellers should focus on providing genuine products with great services and giving best consumer experience
4	People are getting varieties on online portal. 2-they can compare rate on various platforms	Even retail chain and retail market is important without them online markets cannot survive, business

	3-consumer experience is getting better by time 4- various attractive discounts are available 4 digital marketing playing big role	collaborations can be done between online platforms and retail chains it can help both in maintaining pace in business
5	As due to lockdown and fear of corona people started buying online from food to clothes everything is available online very easily , people have switch their business to online mode	But due to lockdown and restriction sellers are facing issue for transportation and labors , government should appreciate and help people to expand their online business along with safety precautions
6	Varieties , easy return policies , exchange policies, and early deliveries helping in increasing purchase intention of people	Digital marketing can help to increase this and attract more genuine buyers according to their search and need, technologies can be used for increasing purchase intention.

Through path analysis, the following conclusions are obtained:

- (1) Old traditional marketers are interested in opening their own online model business
  - (2) Consumers are happy and satisfy in their online shopping
  - (3) Mostly youth is more into online shopping still age above 35 people are interested and trust in traditional shopping
  - 4) Trust is positively associated with purchase intention. People intend to buy online rather than from markets due to covid
- Finally, based on the research conclusions, we put forward suggestions for friendly study of E-commerce and online business model to everyone, to have better and fair market for consumers.

## V. CONCLUSION

Both types of marketing can assist traders and marketers in their efforts to do business. Each has its own set of benefits and cons. Consumers can see and touch significant items or services in traditional marketing, but the domain of effect is limited; on the other hand, employing E-marketing will push the boundaries and offer goods and services to a demographic of internet users. Also, using the web for marketing would be more pleasant, faster, and convenient. Approximately, the advantages of E-marketing outnumber those of traditional marketing. The internet plays an important part in our daily lives. Every day, we use the internet for almost all of our tasks. Prior to e-commerce, shopping and selling were handled physically inside business sectors without the use of the internet; nevertheless, the appearance of web-based business in our lives has grown increasingly useful due to its numerous benefits. E-commerce refers to any type of business transaction that takes place through the internet. The most well-known example of E-commerce is web-based shopping, which is defined as the buying and selling of goods over the internet on any device. The advantages of e-commerce include online shopping of anything at any time and from anywhere, clients can find items on web-based business sites that are not available in physical markets, it saves money and time, and it allows us to receive our items without leaving our homes.

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