

COVID -19'S EFFECTS ON INDIA'S E-COMMERCE AND DIGITAL PAYMENT SYSTEMS

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Abstract

E-commerce is the most common and preferred method of buying various goods and services. Nowadays, conventional shopping must take the place of E-commerce. The only reason for this is that customers have access to a wide range of products from all over the world at their fingertips. E-Commerce businesses are now facing some unexpected problems as a result of the covid-19 pandemic. Since 2014, the Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India and Innovation Fund. The timely and effective implementation of such programs will likely support growth of E-commerce in the country. This paper investigates how Covid-19 affects e-commerce businesses and digital payment, as well as the abrupt shift in customer appetite and purchasing behavior.

Keywords: E-commerce, Digital Payment, Covid-19 pandemic

1. INTRODUCTION

India has been cashing driven economy. The growth of E-commerce is enormous in Indian sense, given that historically India has been cashing based economy with offline retail stores pushing transactions by the customer. Every month, India adds 6 million new customers to the e-commerce industry. This level of growth has never been seen in any other country, demonstrating the Indian E-commerce market's enormous potential. E-commerce players to win customer interest and dispel the notion that goods sold on some of the biggest online marketplaces were formerly used which used to sell used products in India and operated in a marketplace environment, the growth of E-commerce has been phenomenal. However, as major players entered the market, backed by a strong supply chain and effective marketing and communications, the traditional shopping must now take the place of E-commerce. The only explanation for this is that consumers have instant access to a diverse variety of goods from around the world. As a result of the covid-19 pandemic, E-commerce companies are now experiencing some unforeseen issues. Average Indian consumer realized the benefits of e-commerce and began to trust the portal. The government of India's Digital India initiative has been a critical force in increasing internet penetration across the region, resulting in the digital delivery of a wide range of services.

2. METHODOLOGY

The research is analytical of nature. The knowledge was gathered from secondary sources such as the internet, periodicals, research journals, and survey reports performed by numerous reputable and trustworthy organizations. We're attempting to make certain conclusions and suggestions based on the knowledge we've gathered.

3. OBJECTIVE OF THE STUDY

1. To briefly study the emerging trends of e-commerce and its development in Indian perspective.
2. To briefly study the impact of Covid- 19 on the E – Commerce and digital payment of India

4. THE EMERGING TRENDS IN THE E-COMMERCE INDUSTRY OF INDIA

Despite the pandemic, India's ecommerce sector advanced substantially in 2020. Let's take a look at some of the major developments that will shape the industry in 2021. Without a doubt, the year 2020 will be remembered as a year that changed the world in nearly every way. The year has been a rollercoaster ride for industry, with repeated shocks, widespread confusion, and a newly relaunched revival phase. However, some industries, such as ed-tech, ecommerce, and others, have had an unusually positive year. Despite massive transformations, the ecommerce market triumphed over all odds in this particularly difficult year.

Even in the wake of the pandemic, the Indian ecommerce industry has made tremendous strides, expanding the sector's potential for future development.

5. TECHNOLOGY

The silver lining

Technology has been rapidly adopted across industries in recent years, and the pandemic has intensified this trend. Consumers are shifting to online shopping approaches such as mobile commerce and social commerce on social

due to increased internet proliferation and quick access to technology, as well as rising smart-phone use.

Ecommerce companies will also experiment with live and pre-recorded video commerce, both on third-party sites and on their own. This will make it easier for them to integrate social commerce as a separate channel.

Bolstering omnichannel strategies

Customer tastes and desires are still changing, and this year, customers have placed a premium on protection and comfort. According to the Deloitte State of the Consumer Tracker, 73 percent of Indian consumers will be able to pay more for convenience. As a result, ecommerce players have adjusted to the new standard by stepping up efforts to ensure that the shopping experience is consistent across all platforms. Additionally, they have begun to place a greater emphasis on delivering tailored and personalized services in order to improve customer engagement, loyalty, and acquisition. Brands are strengthening their omnichannel plans as they transition to consumer-centric market models.

Integrated payment solutions

Payments are critical for any company, and providing streamlined payment systems would improve revenue significantly, as customers favor automated payments with a variety of options. Customers are becoming more technologically savvy as a result of the pandemic, which has facilitated a significant increase in the use of digital payments. In addition, the National Payments Corporation of India (NPCI) is advising people to avoid using cash for purchases, and even non-tech savvy or first-time users have hopped on the digital payment's bandwagon.

Make in India

In recent years, the 'Vocal for Local' campaign has gained enormous momentum, aligned with India's goal of being Aatmanirbhar. With increased customer recognition and brand encouragement, 2020 saw a spike in inclination towards 'Made in India' products. Consumers are already making a conscientious decision to help local companies, and advertisers will use optimistic attributions such as 'Vocal for Local,' 'Made in India,' and 'Locally Sourced' to leverage virtue-signaling online.

Ways gig workforce can enhance customer excellence

Rising organizational efficiencies and achieving more profitable results have always been top priorities in every industry. Although a few businesses were aware of how to get more out of fewer before the 2020 lockdown limits, even more were made aware of their "secret" – the gig economy. More businesses are looking to the gig economy in 2021 to achieve improved results. Although the gig economy has many advantages, the following are five of the most notable:

Extended team to support customer queries

Domain experts are only consumed about 60% of their shift time in traditional call centers, according to studies. Nonetheless, to allow for fluctuations in call numbers, changes are often overstaffed. However, this reduces their productivity. Furthermore, since customer service executives do not plan to advance their careers, turnover

rates are usually high. Customer appetite has since shifted dramatically as a result of the pandemic. The multiple lockdowns have had a significant effect on retail, leisure, and other markets, resulting in significant fluctuations in consumer demand. Many of these elements combine to render the conventional call center model unsustainable and costly.

Human touch is a must

Because of the time versatility and higher earnings associated with more time invested, this freelance model draws a higher quality of domain professionals as customer service executives. Because of the advantages of flexible hours and remote working, these professionals will devote more time to being the best in their field. Customers benefit from more personalized and productive experiences as a result. Customer retention increases as a result of higher customer loyalty rate as a result of prompt question resolution.

Micro-level customer support

In some cases, certain companies, such as hospitality, can need micro-level customer service. In certain scenarios, the circumstances are likely to be out of the ordinary. Bots or less qualified customer service representatives would be at a loss to manage certain issues deftly in these situations. Highly trained gig professionals, on the other hand, would be well prepared to handle the situation, either by thought on their feet or by proposing an out-of-the-box approach to the unusual dilemma. Again, such high-level experience is provided on a pay-as-you-go basis rather than at fixed prices charged to full-time employees, avoiding the latter's recurring costs.

E-commerce and digital purchases will increase as a result of the pandemic.

The corona-19 pandemic has altered people's lives. The pandemic is pushing a large portion of today's e-commerce purchases through digital transfers, positioning customers for a long-term transition. According to industry analysts, the increase of E-commerce and digital payments would be consistent. More people are using digital payments as a result of the corona-19, and experts predict that this trend will continue and expand. It's worth noting that India's online shopping rebounded fast after the national shutdown and had its best holiday season ever. Fresh online shoppers, current shoppers purchasing more food and groceries, and mature shoppers shifting more of their shopping to online channels all boosted the market. Companies, on the other hand, are optimistic and anticipate solid revenue increases in 2021. The categories that are predicted to see the most activity in 2021 are online grocery, E-pharmacy, and social commerce. "E-commerce companies have discovered that in order to meet people's demands, they must stock a wide range of goods on their platforms. People will not only be searching for branded brands, but also what they expect from small shops or make in India items, thanks to the increase in demand and desire for buying from online platforms. To do so, e-commerce firms must ensure that vendors who can meet those needs are eligible on their websites. Around the same time, businesses must appeal to customers who have the financial means to purchase packaged goods."

6. CONCLUSION

Because of two compelling causes, the corona-19 pandemic has significantly altered customer buying behavior: first, shopping sprees were curtailed due to lockdowns, and second, the economy's downward trend curtailed expenses. Online retailers, on the other hand, grew in popularity during this period of transformation. And those who had never shopped online before realized that they could now do so from the comfort of their own homes. These FTUs (First Time Users) on e-commerce platforms often became aware of huge discounts/bargain prices available online, which they may not have known about before. As a result, even after the covid-19 imposed lockdowns have been removed, many shoppers have moved from stores, supermarkets, and shopping malls to online outlets for the purchasing of items ranging from essential staples to packaged goods. To do so, e-commerce companies must make sure that vendors who can satisfy those demands are allowed to sell on their platforms. Businesses must therefore cater to consumers who have the discretionary resources to buy branded goods at the same time.

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