

A Study of Growth of E-Commerce Business of India in Post Pandemic Era: An Overview

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ABSTRACT: *Nowadays, e-commerce industry in India, emerges one of the largest growing retail industries in India, during the period of pandemic almost all the sectors or business operations remain closed, but e-commerce industry providing all essential goods and services to the people of India by following COVID related guidelines. Therefore, people of India relying on e-commerce industry instead of local retail market and outcomes of that, e-commerce industry in India increased by 21.5% in 2022 and reaching US \$ 74.8 billion. It is also expected that e-commerce industry will grow 84% to \$ 111 billion by 2024 as well as US \$ 350 billion by 2030. This is the sign of growing and development of e-commerce industry in India. About 830 million (2021) of people using smartphones in India and e-commerce industry is also mainly driven by mobile shopping, social media, etc. So, it is predicted that mobile shopping is increase by 21% annually in next four years. As per the data available 40% of people using mobile wallets, 15% Credit Cards, 15% Debit cards and remaining using other payment system for shopping, this payment mode is also playing vital role in the growth of e-commerce industry in India. Because currently e-commerce industry is not limited up to traditional website, e-commerce players or retailers develops their smartphone-based applications to ease of access and shopping, this system helps to grow number of users of application and it will be converted in to end user or consumer. Therefore, it is become necessary to study the growth and development of e-commerce industry in post pandemic era in India.*

KEY WORDS: e-commerce, social media, online shopping, consumer behaviour, growth,

INTRODUCTION

E-commerce industry is the one of the largest growing industries in India and shopping through e-commerce site become very popular in India in these days, around 830 million people using smartphones and online shopping or shopping through mobiles becomes very popular. out of which 40% using different mobile wallets, 15% credit cards, 15% debit cards, etc. for making payment. The consumer of India, very speedily adopting new technology of smartphones i.e.,

5G. After the US and China India had the third largest online shopper base of 150 million users in financial year 2021 and it is expected to be rise 350 million by financial year 2026. India has a turnover of \$ 50 billion in 2020, and became the eighth largest market for e-commerce by pushing down France and Canada. So, currently e-commerce industry is not limited up to traditional website, e-commerce players or retailers develops their smartphone-based applications to ease of access and shopping, this system helps to grow number of users of application and it will be converted in to end user or consumer and the results are clear that the e-commerce industry is continuously growing in India.

LITERATURE REVIEW

To find out right research gap the researcher review most related literature and trying to find out suitable research gap for this study.

Sharma (2020) the research paper entitled A Surge in E-Commerce Market in India After Covid-19 Pandemic, focuses on growth of ecommerce market due to COVID-19 and it became very popular and parallel source of retailing in post pandemic era.

Gose, et al., (2021) the research paper entitled E-commerce in India and the impact of COVID-19, focuses on overall impact of COVID-19 pandemic on e-commerce in India as well as factors influencing consumer behavior towards shopping online.

Basheer (2020) the research paper entitled an Analytical Study of E-Commerce in India, enlighten that the current status, importance and contribution of e-commerce industry in India as well as challenges for e-commerce industry in India.

Shewale, (2021), the research paper entitled Future of E-commerce in India-2021, focuses on growth and development of e-commerce industry in India as well as new trends and future prospects on e-commerce industry in India.

Research Gap

On the basis literature review the, most of the study based on e-commerce industry in India is only focusing on growth of e-commerce industry in pre-pandemic era or during the period of pandemic and also focuses on the new trends in e-commerce as well as prospects of ecommerce in India, very less study found to observe the growth of e-commerce industry in post pandemic era in India. Therefore, the researcher trying to set research problem to analyse the growth of e-commerce industry in Post pandemic era in India.

Significance of the study

E-commerce industry is fast growing industry in India and it puts India on third place in the world after US and China and contribute US \$ 74.8 billion, it is one of the largest revenues generating industry or retail industry in India which become very popular after pandemic; therefore, it is become necessary to take an overview of role e-commerce industry in India.

Objectives of the Study

1. To overlook the e-commerce industry or market in India
2. To study the major player of e-commerce industry in India
3. To analyze the growth of e-commerce marketplaces or companies in India.

Hypothesis of the Study

H0: There is no significant relationship between growth of e-commerce industry in India and COVID-19 Pandemic.

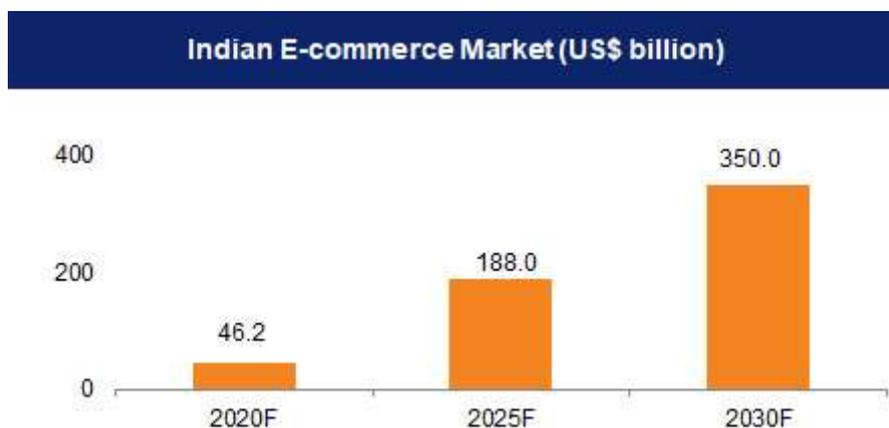
H1: There is significant relationship between growth of e-commerce industry in India and COVID-19 Pandemic.

RESEARCH METHODOLOGY

To justify this study, the researcher mainly using secondary data like different e-commerce websites, various e-commerce related websites, etc. as well primary data collected through personal discussion and observations only.

Impact of COVID-19 on E-Commerce Industry in India

March 2020, Government of India imposing country wide lockdown and during the period of lockdown almost all the sectors or business operations remain closed, but e-commerce industry providing all essential goods and services to the people of India by following COVID related guidelines. Therefore, people of India relying on e-commerce industry instead of local retail market and outcomes of that, e-commerce industry in India increased by 21.5% in 2022 and reaching US \$ 74.8 billion. It is also expected that e-commerce industry will grow 84% to \$ 111 billion by 2024 as well as US \$ 350 billion by 2030. This is the sign of growing and development of e-commerce industry in India. About 830 million (2021) of people using smartphones in India and e-commerce industry is also mainly driven by mobile shopping, social media, etc. So, it is predicted that mobile shopping is increase by 21% annually in next four years. As per the data available 40% of people using mobile wallets, 15% Credit Cards, 15% Debit cards and remaining using other payment system for shopping, this payment mode is also playing vital role in the growth of e-commerce industry in India.



According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025 as well as it is also expected to US \$ 350 by 2030, it is more than six times of US \$ 46.2 in 2020 i.e., during the period of pandemic.

As per the data available currently 5127 plus active e-commerce startups working in India with 24+ E-Commerce Unicorns with the expected contribution of US \$ 400+ billion against US \$ 46.2 in 2020.

DATA ANALYSIS AND DISCUSSION

After the COVID-19 pandemic is over many new startups introduced in India, during the period of new normal following few to Indian E-commerce startups introduced their business in the economy.

Some of the top Indian E-Commerce startups in 2021:

- | | |
|------------------|-----------------|
| 1-KikoLive | 6-Grabgear.in |
| 2-KiranaKart | 7-SpotKwik |
| 3-Otipy | 8-Getstors |
| 4-AgrimWholesale | 9-SmolCoach |
| 5-Owo | 10-WikQik Rento |

Along with these Zomato, Sweegy, Big Basket, etc. is the influencing startups playing very vital roles during the period of pandemic and new normal era and afterwards, it also contributing a lot in the economy by providing food services in the country.

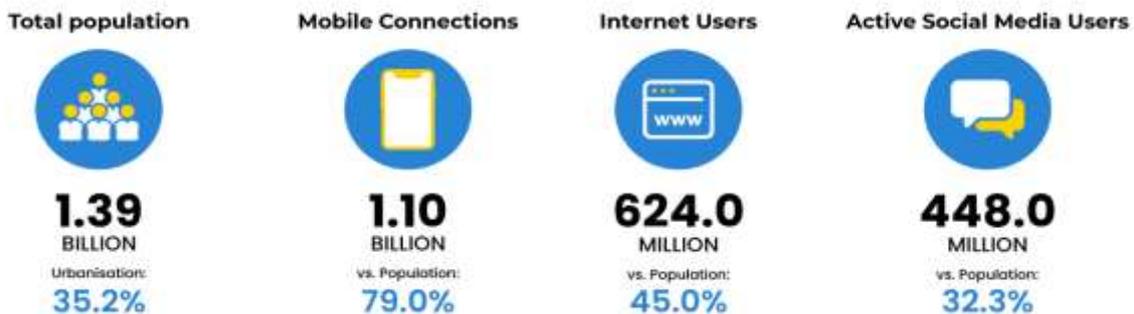
Growing e-Commerce

The e-commerce industries or e-commerce players like Amazon, Flipkart, Myntra, Ajo, Jio Mart, Shopsy, Meshoo, etc. playing a vital role in the retail market, by providing different goods at affordable prices with different attractive schemes, like Indian Festival Offer of Amazon, Big Billion Days of Flipkart, etc. Amazon and Flipkart are the largest players in e-commerce retail industry, currently Amazon announced to offer goods or product produced by Self Help Group of rural India. Apart from these, many e-commerce players providing affordable platform of online shopping across the India by providing various marketing and selling option at discounted or concessional rate to the Indian consumers through different online platform apart from regular mobile application. Currently e-commerce companies offering different product through smartphones and social media platform, which we also called social selling.



From the above figure, it is found that, clothing, cell phones, jewellery, beauty and personal care, stationery and books, electronics, toys and games, baby care products, footwear and home décor are the top 10 most demanded and hot selling products in India online in 2021. During the year 2022, these products or apparels are trending more in e-commerce business.

Growth of Social Selling in India



From the above table, it is found that, 1.10 billion of population using mobile phones in India out of which 830 million using smartphones, 624 million using internet and 448 million population of India is active on social media. The result of that, most of the e-commerce companies using social media platform to reach consumers through different marketing strategies, like marketing automation, programmatic marketing, Artificial Intelligence, machine learning, etc, and the outcomes of these, many consumers enjoying these different and unique ideas of the e-commerce of companies. Many of the Indian consumers are opted ROSO concept Research Online and Shopping Offline. The result of these, social selling is becoming most popular ways to growing online selling, especially for individual sellers and startups, social

media platforms have helped them to improve their online sales. Few Social Media Platforms are as follows:

1. Whatsapp Business



There are 2.5 billion active users across the world, out of which 390 million in India alone, Whatsapp is the one of the largest time spending applications, in which average 17 hours spending every week on whatsapp. Whatsapp launched upgraded version for Business in 2018, since the launched upgraded version for business, 5 million business started using this upgraded app to promote their business activities through this social media platform, this one of the popular social media platforms for promoting business with compare to other social media platform like facebook, Instagram, etc. as per the data available 50 million businesses active on daily business and 15 million monthly of active users in India is the biggest market for the Whatsapp Business app today. Finally, it is concluded that, 84% of social media business in India believe that, whatsapp helps them to communicate with customers and 80% believe whatsapp helps them to grow their business.

2. Facebook for Marketers and Business



According to the data available, 599 million of Indian users using social media platform, 1.93 billion active users on facebook in quarter 3 of 2021, on an average every user spending 20 minutes while every visit. Therefore, facebook is also becoming most important social media platform to promote business by using different marketing strategies and the outcomes of this 81% of businesses prefer video marketing on facebook, 50% of marketers plans to increase investment in 2022 and 79% of marketers reported buying paid advertising on facebook.

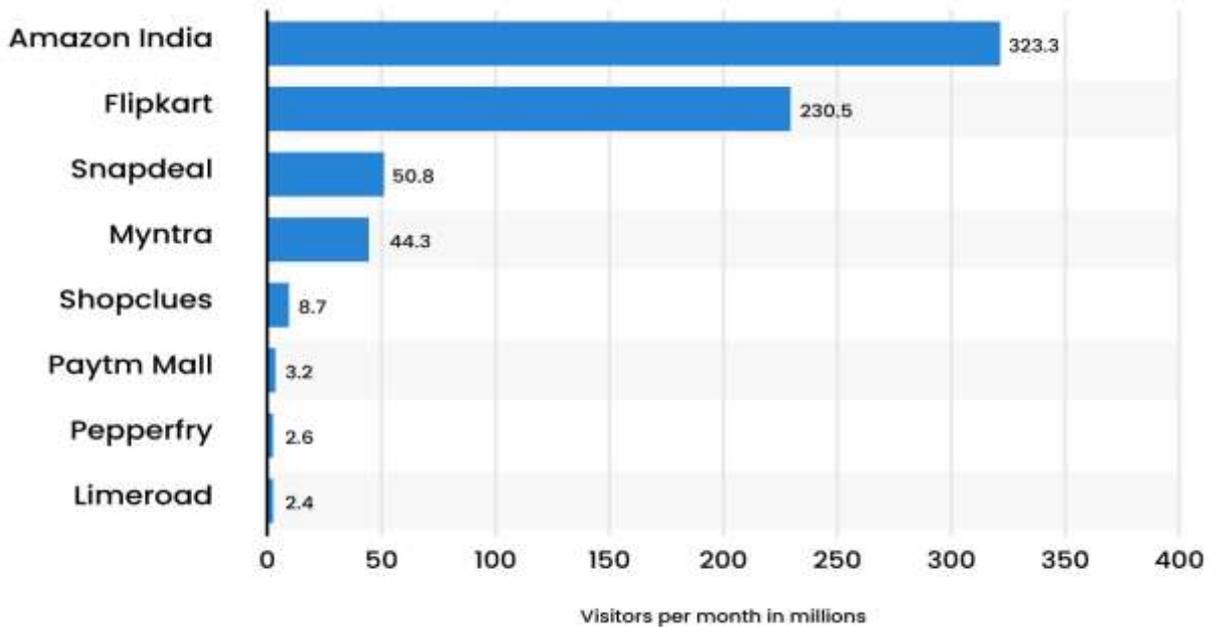
3. Instagram



According to the report, Instagram is the 5th most popular social media platform after Facebook, Youtube, Whatsapp and facebook messenger, it has 1 billion users, out of which 500 million log in daily to check stories and spending on an average 30 minutes a day. As the data shared by Instagram, 90% of users follow businesses. In

another survey of over 1000 marketers organized by HubSpot, 73% said they prefer Instagram for Influencer marketing.

E-Commerce Platform Visitors



According to the above figure, it is found that, Amazon India is the largest e-commerce players with 323.3 million active monthly visitors and flipkart is the 2nd largest e-commerce player with 230.5 active monthly visitors in India. Followed by Snapdeal with 50.8 million, Myntra 44.3, Shopclues 8.7, PayTm Mall 3.2, Perpperfry 2.6 and Limeroad with 2.4 million active users in 2021. Amazon India have on first position and flipkart is on 2nd position in India as top e-commerce companies.

1. Amazon

Amazon is the largest and top most e-commerce player in India and abroad, in 2020, Amazon sellers recorded sales of US \$ 300 billion, which is US \$ 100 billion more than 2019. In case of India, there are 218000 active sellers on Amazon India and has more than 100 million registered users till date selling 168 million products. The Amazon has a largest market share of 47% and generated revenue of 11,028 Crore in 2020, higher than 7,777 Crore in 2019.



From the above figure it is found that, the Amazon app has 63 million users in India with 82% growth rate, Amazon recorded sales of Rs. 10 lakh had over 4000 small businesses and the result of that, 209 sellers became Crorepatis on Amazon Prime Day 2020 and this data proves that Amazon has biggest e-commerce players or e-commerce leader in India.

2. Flipkart



According to the data available, Flipkart is one of the leading online marketplaces in India. It has over 200 million active users registered on it and it reported a revenue of INR 34,610 crore in the year 2020. which was 12% more than the year 2019 and

reduced losses by 18%. The Flipkart has over 4,00,000 registered sellers including the 2,50,000 small sellers like artists, craftsmen, and weavers. The Flipkart recorded on an average 8 million shipments every month. Apart from these 35% of sellers experienced more sales during the Big Billion Days, 2020 and the seller based also increased by 20% in during these days.

Testing of Hypothesis

H0: There is no significant relationship between growth of e-commerce industry in India and COVID-19 Pandemic.

H1: There is significant relationship between growth of e-commerce industry in India and COVID-19 Pandemic.

Hypothesis of the study were tested and verified on the data available and it is concluded that alternative hypothesis denotes; There is significant relationship between growth of e-commerce industry in India and COVID-19 Pandemic is accepted and prove that the growth of e-commerce industries has been growing in new normal era or post pandemic era.

CONCLUSIONS

Finally, it is concluded that, the e-commerce marketplaces or e-commerce companies are playing very vital role in during COVID-19 Pandemic and Post Pandemic era, it provides variety of products as per the choice of consumers or customers at cheap or low prices or discounted prices. They are very popular in Indian consumers, especially Amazon India, Flipkart, Snapdeal, Myntra, etc. is the major player in the online shopping platform. Most of the online shopping companies using social media platform to reach consumers to promote and succeed in a business and nowadays social media marketplaces became very popular to reach consumers or customers and it is one of the most popular and largest userbase platform available in India. Therefore, people of India relying on e-commerce industry instead of local retail market and outcomes of that, e-commerce industry in India increased by 21.5% in 2022 and reaching US \$ 74.8 billion. It is also expected that e-commerce industry will grow 84% to \$ 111 billion by 2024 as well as US \$ 350 billion by 2030. This is the sign of growing and development of e-commerce industry in India. About 830 million (2021) of people using smartphones in India and e-commerce industry is also mainly driven by mobile shopping, social media, etc. So, it is predicted that mobile shopping is increase by 21% annually in next four years.

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