iJRASET
International Journal For Research in Applied Science and Engineering Technology

INTERNATIONAL JOURNAL FOR RESEARCH

IN APPLIED SCIENCE & ENGINEERING TECHNOLOGY

Volume: 9 **Issue:** IX **Month of publication:** September 2021

DOI: https://doi.org/10.22214/ijraset.2021.38154

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International Journal for Research in Applied Science & Engineering Technology (IJRASET)
ISSN: 2321-9653; IC Value: 45.98; SJ Impact Factor: 7.429
Volume 9 Issue IX Sep 2021- Available at www.ijraset.com

E-commerce now Bigcommerce: E-commerce Industry and Consumer Internet sector & its Effect on the World Today

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Abstract: ***The Covid19 pandemic has made a huge impact on the ecommerce industry. The industry has experienced some benefits and problems during the pandemic. People tend to buy more items online as it can be more secure when it comes to the spread of disease. The repocommerce industry is having an increased sales growth. Many methods and techniques are being used by the e rts are saying that overall ecommerce industry to make Covid19 pandemic. This sup the negative impacts that happened to online business during the study is done to deeply analyse the problems and factors that are affecting the Online businesses and to know about the situations of ecommerce business in different parts of the world.The COVID-19 pandemic has had a significant impact on the Indian economy, which saw one of the largest lockdowns globally. The Indian internet economy, which was one of the most attractive markets worldwide, saw a 90% decline in April 2020, crippled by the shutdowns.1The decline was a result of steep falls in business for e-commerce and travel, the largest sectors in the internet ecosystem. However, the pandemic helped accelerate growth for segments such as hyperlocal delivery, edtech, healthtechand online payments as Indian consumers moved online to fulfil their daily needs. Despite a steep GMV fall in the initial months of the lockdown, India's internet economy is likely to be a net beneficiary in longer run, driven by multi-fold increase in digital interactions and adoption of digital platforms. The number of first time online users has witnessed an increase across segments, along with an increase in online activity from tier 2 and tier 3 cities, which indicates a strong opportunity for enterprises and start-ups to cater to these cohorts digitally as the new normal. What is also expected to drive growth for digitally native start-ups is rising adoption by small and medium businesses in the country. Small merchants across cities are now adopting mobile channels, implementing online payments and exploring collaborations with technology-driven start-ups.***

Keywords: Ecommerce, Eshops, Covid19, Lockdowns, etc.

I. INTRODUCTION

E-commerce business takes place when buyer and seller conduct their business transactions with the help of internet. It is the most considered and preferred way of purchasing all sorts of products and services by the consumers all over the world now. E-commerce businesses are of following major types like Consumer to consumer (C2C) Business to business (B2B), Business to government (B2G), Business to consumer (B2C),&Mobile commerce (M-commerce). ECommerce has become a part of our daily lives. We order clothes, electronics, and food online. We use credit/debit cards almost every day. Online shopping or e-commerce is fully integrated into our lives and it is hard to imagine our life without it. Covid-19 pandemic outbreak has affected all segments of population right from the rich to the poor, from prime minister to layman. Covid-19 has pressed the panic button not only in terms of increasing death tolls all over the world but also has its impact on population in terms of health concerns, stock market falls, job concerns, social concerns and day to day life routines. COVID-19 impact to the online sector is more in terms of volumes along with the concerns and anxiety regarding spread of virus. The emergence and prevalence of COVID-19 has significantly transformed consumer buying behaviour from the luxury to the basic needs, from leisure to survival stuff. This certain shift in online buying behaviour is for the Essential products which are needed most during lockdowns, restrictions and period of uncertainty. The pandemic has created a change in the way shoppers deal with the customers and raise out their activities, without delay affecting the ecommerce industry. COVID-19 is changing the e-commerce landscape. Retail companies around the world over are being affected by way of COVID-19 through everything from unexpectedly altering patron behaviour to provide issues.The Indian internet and e-commerce sector has mushroomed to become one of the fastest growing sectors of the country, even in the pandemic-hit economy.

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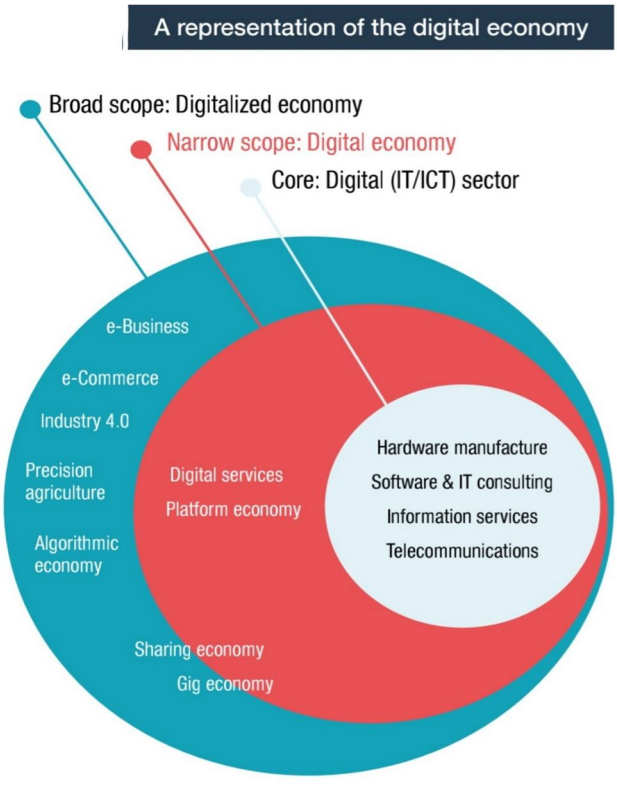
E-commerce, or electronic commerce, refers to the commercial transactions that are conducted electronically through the internet. It involves buying and selling consumer products, marketplace services and customer support, along with other activities, such as online auctions, payment gateways, online ticketing and internet banking. E-commerce is usually classified based on numerous business models, which include Business to Business (B2B), Business to Customer (B2C), Customer to Business (C2B) and Customer to Customer (C2C). It offers various benefits to the seller, such as a global reach, minimal transaction costs, higher margins of profit, direct communication between the parties involved and quick delivery of goods and services.Rapid urbanization across the globe is one of the key factors driving the growth of the market. Furthermore, increasing internet penetration and usage of devices, such as smartphones, laptops and tablets to access e-commerce portals, is also providing a boost to the market growth. E-commerce enables organizations to conduct business without maintaining a physical presence, thereby minimizing the infrastructure, communication and overhead costs. The market is further driven by the increasing preference for online shopping, especially among women, and the growing influence of social networking platforms on shopping habits. Online retail channels provide a hassle-free shopping experience to the consumers while displaying a wide variety of products to choose from, at affordable price-points. Additionally, the advent of private-label and direct to consumer-based business models is also creating a positive outlook for the market growth. This enables the organizations to collect and use consumer data and provide personalized products and experiences to the consumer.

II. OBJECTIVE OF STUDY

We are exploring some of the key trends which have been seen across the consumer internet and the ecommerce sector for the last 12 months hold the potential to take forward the growth of this upcoming sector in the future as well.

1) *Government Initiatives:* Government is embracing e-commerce digital platforms to transform and organize traditional offline markets. It is taking various initiatives to boost the e-commerce sector in the country such as Start-up India, Digital India, Skill India, Innovation Fund and BharatNet(to grow rural broadband penetration). Various regulatory reforms such as new draft e-commerce policy, the national retail policy and consumer protection rules 2020 showcase the government's inclination towards building this sector further.
2) *Evolution Of The Digital Economy Concept:* Since first coined in the mid-1990s, the definition of the digital economy has evolved, reflecting the rapidly changing nature of technology and its use by enterprises and consumers.



Source: Bukht and Heeks, 2017: 13.

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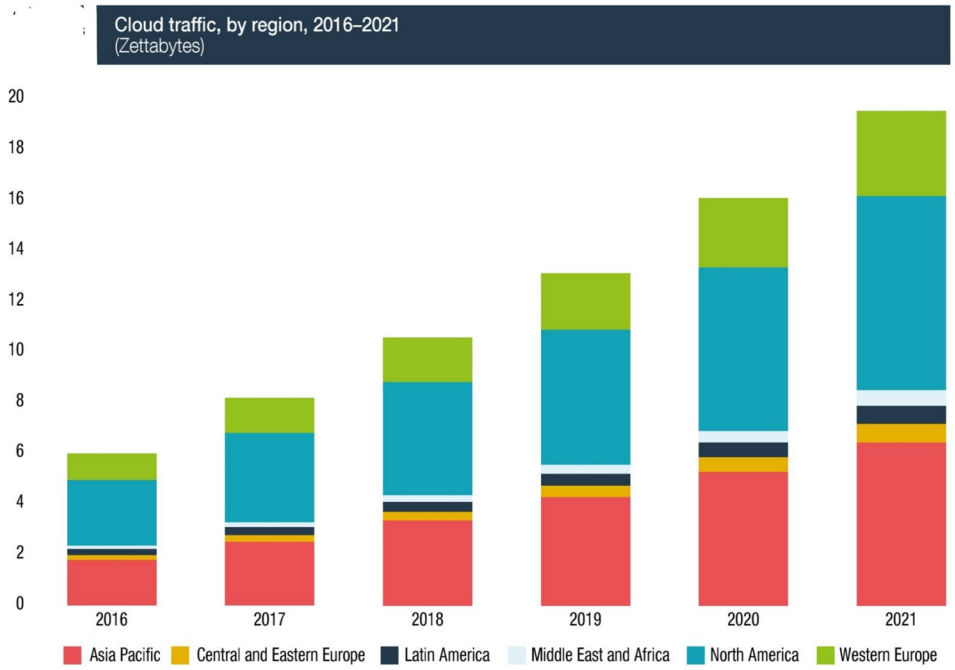
3) *Rise of the direct-to-consumer (D2C) Model:* Direct-to-consumer selling has been growing among retailers across various categories including FMCG, electronics, furniture, apparel and luxury goods. Multiple Indian brands are focusing on the D2C strategy, selling and delivering merchandise directly to consumers without depending on intermediaries such as third party sellers, wholesalers and distributors and leveraging digital or online channels. A D2C model offers multiple opportunities to businesses to increase profit margins, enhance personalization and improve digital payment capabilities.
4) *The industry Goes omni-channel:* The changing mindset of consumers and greater competition from etailers is driving brick and mortar retailers to launch their omni-channel strategies and websites. With the onset of lockdowns, multiple small and medium businesses are also ramping up their online presence, Adoption of the omni-channel strategy can help the organized retailers and online players to connect with customers seamlessly through their channel of preference.
5) *Increasing use of Deep Tech:* E-commerce players continue to invest in technology to cater to the growing number of customers. Cutting-edge technologies such as AI/ML, IoT and big data analytics, are helping in application of chatbots, image recognition and recommendation engines which are contributing towards better customer services. Voice/image enabled search is helping to tap the local masses who are not fluent in English language. Food delivery start-up Swiggy is leveraging data science to optimize its logistics and manage inventory through predictive demand forecasting to provide an enhanced experience to consumers.4
6) *The Emergence of Super Apps:* Leading internet players are looking to transform into super apps, by bringing multiple segments onto a single platform which acts as a gateway to consumers, encouraging consistent customer interaction with the platform throughout the day, by offering solutions to their daily needs. Indian super app space is being explored by global players, home-grown start-ups as well as established conglomerates such as the Tata Group and Reliance as they foray into multiple consumer segments including e-commerce, fintech, telemedicine and digital services.5
7) *Continued Consolidation:* Consolidation appears to be the theme running across e-commerce companies serving different sectors. Inorganic growth through partnerships, acquisitions and alliances have helped industry players plug digitization gaps, enter new markets, diversify their service offerings and acqui-hire for talent. The industry witnessed reduced M&A activity in 2020 due to the COVIDimpacted corporate spending, however the B2C, edtech and healthtech segments saw rising traction.

The ecommerce industry is always changing and this year has been no different. More than ever, merchants are creating and/or improving their ecommerce businesses to meet customers where they are. While it may seem like everything in ecommerce is evolving, we narrowed it down to the biggest trends that will affect businesses in the coming months and years.



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III. FOURTEEN ECOMMERCE TRENDS LEADING THE WAY

A. *Augmented Reality Enhances The Reality Of Online Shopping*

Augmented reality (AR) has been a complete game changer for ecommerce. With this type of technology, shoppers can truly see the item they're shopping for, which helps them make a buying decision. AR really changes the shopping experience in specific industries, such as fashion and home decor because the customer can get a better feel for the item without seeing it in-person.In 2019, Gartner predicted that 100 million consumers will shop using AR by 2020, so it will be interesting to see how that shakes out next year.Michael Prusich, Director of Business Development at Digital Agency, agrees with this prediction:

"Polls have shown some really powerful numbers in regards to AR too: 35% of people say that they would be shopping online more if they could virtually try on a product before buying it, and 22% would be less likely to visit a brick-and-mortar store if AR was available via their favorite ecommerce store. AR grants a person with the ability to not just see a 3D model of a product but lets a user see how it looks if they were actually wearing it. Some products and industries lend themself better to traditional shopping methods, but AR is going to shake things up sooner than later."

Tessa Wuertz, Director of Marketing & Partnerships, efelle.com, also sees the potential for even smaller to midmarket businesses joining the trend:"We are expecting a lot more businesses to utilize AR for their products and businesses — so much so that it will become more standard in ecommerce and social media platforms. We're seeing it put to use with larger companies, but I think we're soon going to start seeing it become mainstream for businesses of all sizes."

B. *There Will Be A Growing Volume Of Voice Search*

Not only do more people own smart speakers, but they also rely on voice assistants to complete daily tasks. Loop Ventures forecasts that 75% of U.S. households will own a smart speaker by 2025.As more homes adopt smart speakers, more consumers will utilize voice search to shop online, order food and organize their lives. The rise of voice search creates an opportunity for ecommerce businesses in terms of keywords and content.

David Zimmerman, Director of eCommerce Solutions, Kensium, included "more involvement of voice-enabled solutions in the commerce space with Amazon Alexa and Google Home" high on his list of 2020 trends to keep an eye on.

C. *Ai Helps Shops Learn About Shoppers*

Artificial Intelligence (AI) and machine learning make it possible for the customer to have automated, personalized shopping experiences. AI is continuously collecting data on how a customer shops, when they buy purchases and what they're looking for in a product or a service. It's a piece of technology that really can't be replicated in-store.Ron Smith, Editor in Chief, The Digital Outdoor, emphasizes how the complexity of AI and the ability to make it more human is also increasingly important:

"People want to know that brands care about them, and AI will be programmed accordingly. We have currently seen the opposite behavior on social media, where AIs learn from humans' more negative remarks, but it's highly likely that consumers will crave the impact. If bots can learn how to form sentences to convey an emotion, companies can soon teach them to offer comfort and products based on customers' moods."

D. *On-Site Personalization Uses Those Insights To Create Individualized Experiences*

Buyers of all sorts — including B2C and B2B — are looking for personalized, custom shopping experiences online. The data collected from AI is what makes it possible for a buyer to get personalized product recommendations and detailed customer service.Implementing personalized experiences on-site or in marketing efforts has been shown to have a strong effect on revenue, with one study finding it had a 25% revenue lift for retailers scaling advanced personalization capabilities.For further context, this accounted for 19% of participating companies while retailers that were "building basic personalization capabilities" achieved "a revenue lift of 10% or more; the retailers in this tier account for 40% of the participating companies. Kaleigh Moore, freelance writer and ecommerce specialist, sees AI-powered personalization becoming increasingly relevant in 2020:

"As brands harness and leverage more data, they'll be able to create incredibly relevant experiences for shoppers that feel tailor-made."

E. *Big Data Plays A Role In Creating Personalized Experiences*

Today, many consumers are more aware that ecommerce sites are collecting personal data, which puts them at risk. Because of this, experts have mixed feelings about the benefits of big data and how it affects the personalized shopping experience.Luis Catter, Conversion Rate Optimization Expert at Kensium Solutions, has his own predictions for how personalization will continue to evolve alongside data concerns.

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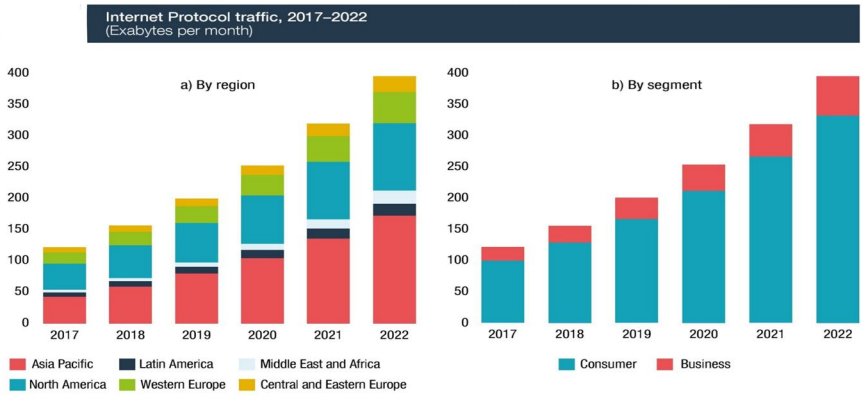


"As the tech giants continue to expand and bring more services in-house, personalization will eventually make its way to the internet of things. In addition to seeing suggestions on search engines or shopping platforms, we'll also see them on our thermostats and our doorbell cameras. However, with some of the legislation being enacted, we'll be able to opt out of it. This will create an interesting dichotomy — people who have ultra-personalized experiences and those who do not. This will have interesting impacts on how we as marketers are able to reach new users."

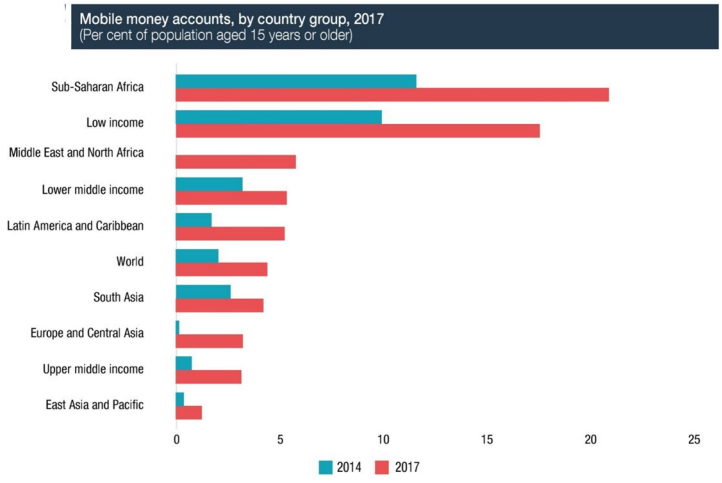
F. Chatbots Improve Shopping Experiences

Chatbots interact with online shoppers much like an in-store sales associate would do. Today's shopper wants to be able to find and buy a product in just a few clicks, and if they can't, they get frustrated. This is where a chatbot can step in and save the sale.Experts predict that 80% of businesses will be using chatbots in 2020.Shane Barker, Founder and CEO of ecommerce thought leadership blog shanebarker.com/blog posits:"Chatbots are all the rage today for customer support. However, I think they'll drastically change the way people shop online. They'll become one of the most important marketing tools. In the retail space, self-checkout kiosks will probably become the norm and in-store marketing will increase."Duran Inci, CEO of Optimum7, sees chatbots becoming increasingly personalized to improve the customer experience:

"The same way chatbots are becoming more intuitive, so do I think that personal shopping assistant bots online will become more prevalent, using previous data to help anticipate new products that you'll like. Similar to Amazon's suggestions for similar products."

G. Mobile Shopping Is Still On The Move

Mobile shopping allows customers to make purchases from anywhere, which is vital in today's world. However, if your ecommerce site isn't responsive on mobile or through web apps, you'll be missing out on big opportunities. Shoppers who are mobile users want the added convenience, plus the ability to pay digitally.In 2019, Statista estimated that by the end of 2021, 73% of ecommerce sales will take place on a mobile device.Corey Dubeau, VP of Marketing at Northern Commerce, is one of many who see "improved quality and more mobile payment integrations" to be a harbinger of change in 2020.



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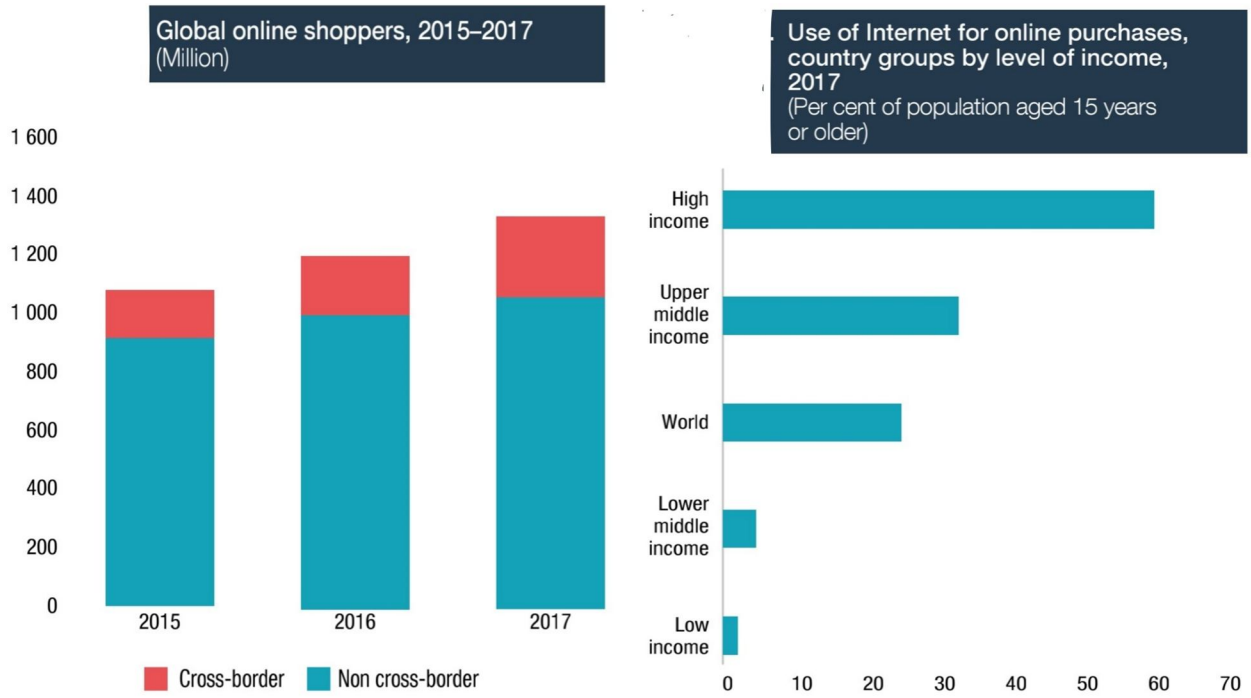
H. More Ways To Pay

Customers have individual needs when it comes to payment methods, but they might cancel a potential sale if they can't pay how they want on an ecommerce website. Offering a wide variety of ways to pay is a good way to increase conversion rates on mobile devices. Plus, if customers can save their payment information on your site, they'll be able to checkout even faster the next time they make a purchase.Joe Chilson, Head Writer and Account Manager, 1Digital Agency sees centralization of payments also making strides in 2020.



"Think about how easy it would be to buy a product on any website if, at checkout, you could simply give them an ID unique to you. This unique ID would be for a centralized wallet service that would securely store all your payment info, shipping and billing addresses, preferences, etc. Companies like Apple and PayPal have taken shots at this in the past, but I think it could become more normalized."

I. Headless And Api-Driven Ecommerce Allow Continued Innovation

Headless commerce is a solution that allows an online store's ecommerce platform to be completely decoupled from the frontend presentation layer.More ecommerce businesses are adopting headless because of its flexibility on the backend, plus the added SEO, content marketing and digital experience capabilities.LARQ Ecommerce Architect Antonio Kaleb explains: "With headless, we get more control over our content and customer journey through checkout. We had a multi-region need that was solved for with the headless BigCommerce solution, allowing us to combine all of our stores into one single domain, for which we have developed additional features."

J. Customers Respond To Video

Video proved to be a great way to engage customers in 2019, and it's not going away anytime soon. Creating videos for your website is a great way to instantly grab and engage a customer and inform them about your product or service.Ron Smith, Editor in Chief, The Digital Outdoor considers how video can be used to help educate customers:"I see the use of podcasting and short video content to augment the opportunity for buyers to learn about how an ecommerce brand's products and services provide the solution to the opportunity, challenge or problem a buyer is looking to answer. With these two forms of content development comes the technology to micro track a viewer's engagement…"Shane Barker further emphasizes the importance:

"The importance of videos can't be understated. Videos can help you explain and showcase your products better than images ever can. You should consider adding videos of your products in your ecommerce store."

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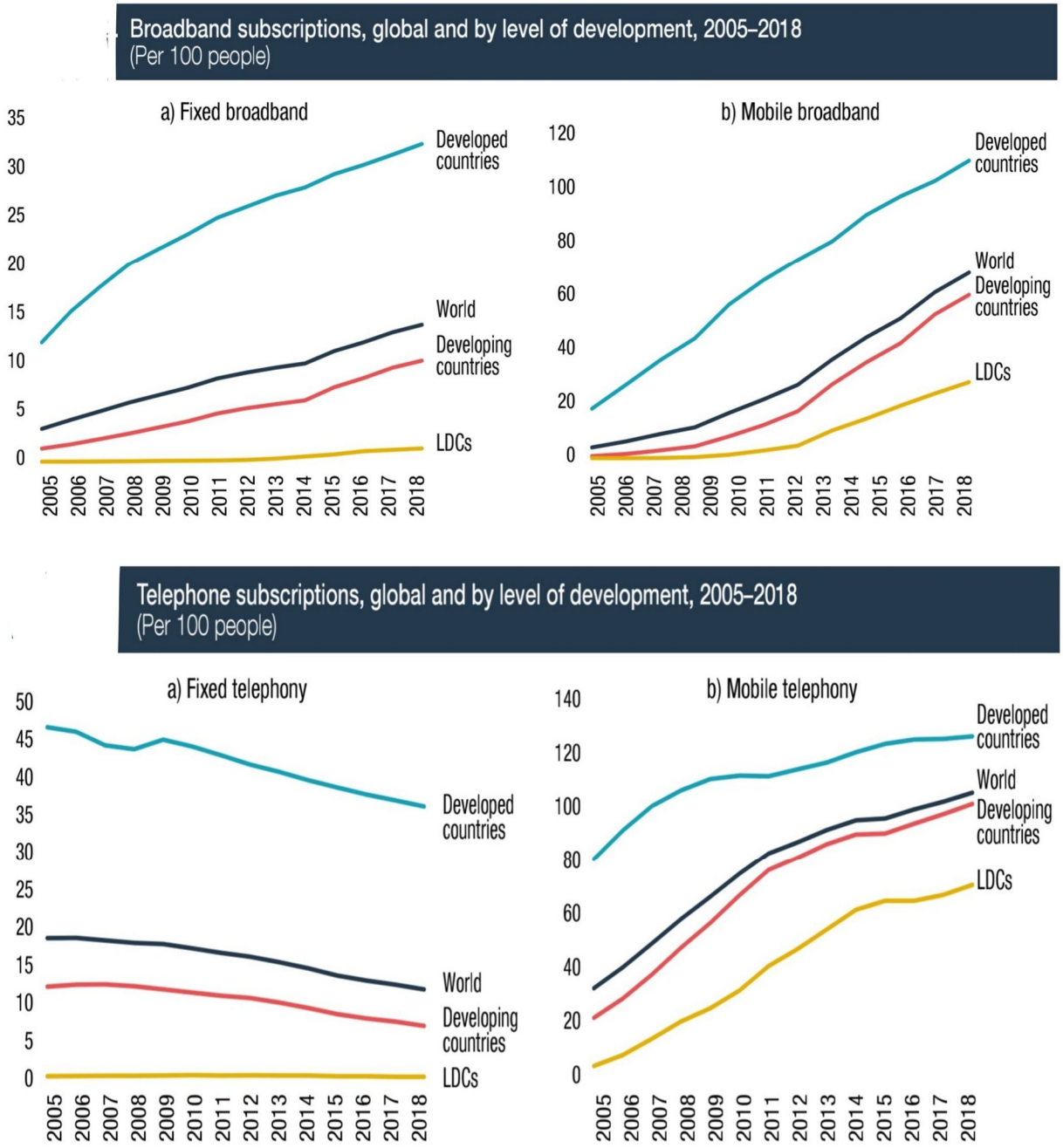
K. Subscriptions Keep Customers Coming Back

There are subscriptions of all sorts these days and their convenience is attractive for consumers. For companies, subscription services create a way to plan for inventory and sales that are already locked in.David Zimmerman, Director of eCommerce Solutions, Kensium still predicts that "more companies will offer subscription services or monthly payment options for larger purchases" in the coming year.

L. Sustainability Is Becoming More Important

Consumers and businesses alike are becoming more aware of the environment. Because of this, consumers are being more conscious about where they shop and the impact it has on the environment and related effects.One survey found that 50% of respondents wanted more sustainability in the fashion industry, and 75% wanted to see less packaging.Many businesses are finding ways to be more eco-friendly by going paperless when possible, using biodegradable packaging, and using recyclable supplies.



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M. Businesses Should Optimize Digital Strategy For Conversion

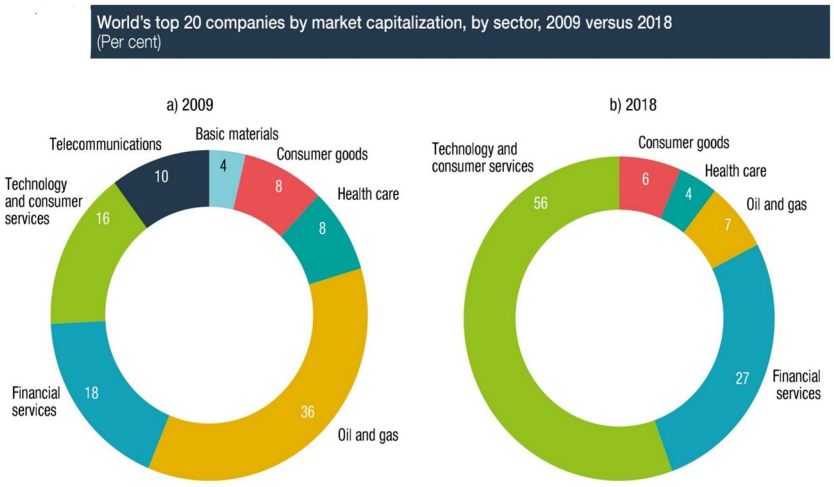
Getting potential customers to your site is one task but getting them to convert is another. In 2020, businesses are looking to improve their conversion rates by optimizing their product pages. Multi-channel selling is also another way to get conversions, whether through Facebook advertising or shopping ads on Google. Scott Ginsberg, Head of Content, Metric Digital adds:

"More and more brands are competing for the same eyes. Facebook's algorithm rewards video and motion-based creative that are more likely to hook your audience quickly. And customers are also more demanding, impatient and curious than ever before. Make sure you understand the ins and outs of Performance Ad Creative that doesn't only look cool, but also drives conversions. Using those channels intelligently is the best way to make sure your brand will be uniquely positioned to stand out in the continually changing digital marketing landscape."

N. B2B is growing...and Changing

Global retail ecommerce sales for B2B are expected to reach $1.1 trillion in 2021, according to data from Statista.Forrester predicts that by 2020 almost half of all adults will be Millennials, which also means an increase in Millennial B2B buyers. Both of these audiences want to be able to easily research their needs and related products without conversing with salespeople.B2B ecommerce brands are working to meet these needs. Connie Wong, Marketing Manager, Silk Software, talks about this transition:

"The days of orders needing to be placed through fax order forms or phone calls only are shrinking. More and more businesses are beginning to see the value in servicing their customers online. By automating these tasks through their ecommerce site, teams are moving away from spending the bulk of their time on processing order entries from email spreadsheets or hard copy forms. Instead, they are shifting their focus towards what matters most: engaging with customers, providing them with an excellent customer experience, and establishing ongoing client relationship.



IV. CONCLUSION

These were found that online companies are severely hampered owing to this disease outbreak virus when analyzed. The nation is experiencing severely as the death rate rises, but the economy of the country too has decreased throughout the upcoming months. It is expected to be quite hard to restore and to improve the economy as it ever was.Increasing the country's sales is often very challenging. It is recommended which investigators with every possible result must do their research mostly on Covid-19. This will continue to boost India's trading situation. so there's a lot of new things happening in ecommerce. Technology and people are always evolving, and since ecommerce brings it all together, we are always going to be looking toward the future. One thing is for sure, is that it's never too late to jump right in, learn something new, and evaluate if it's right for your business. For now, consumers are in the driver's seats and ecommerce businesses will be customizing the journey ahead for them.

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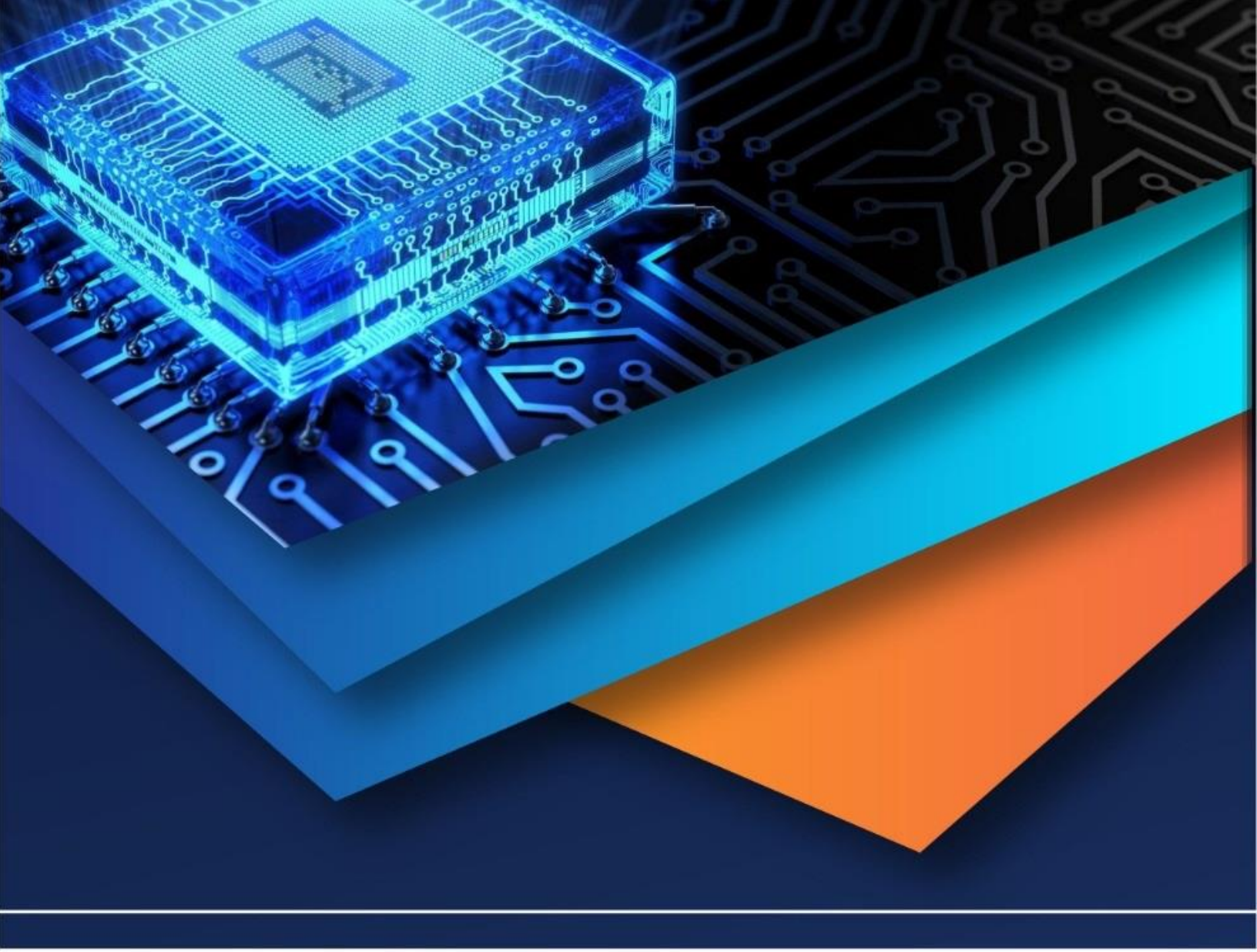

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