

Impact of Online Shopping Over Offline Shopping during Covid-19 (with special reference to Kashipur, Uttarakhand)

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ABSTRACT

The purpose of this paper is to study the impact of online shopping over offline shopping during the pandemic i.e. Covid-19. The basis of the research study was the quantitative approach. Through Simple random sampling method the sampling was done from the population. The primary data collection method was undertaken for collecting data using a self-administered questionnaire. Then data was analysed and interpreted with the help of simple percentage method to draw meaningful conclusions. People had good experience and benefitted with online shopping during covid-19 due to lockdown and safety protocols. Covid-19 somewhere pushed people towards online shopping and led the growth of online shopping companies. The proposed study will help the marketers and customers to choose best alternatives of business and shopping specially during any unavoidable situation or medical emergency like Covid-19. Online mode was more adopted as a measure of safety of purchasing products and became more popular too. This has lead strong influence towards online shopping by the consumers.

Paper Type: Research Paper.

Keywords: Online Shopping, Offline Shopping, Consumer, Covid-19.

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INTRODUCTION

The COVID-19 pandemic has accelerated the shift towards a more digital world. Changes we make now will have lasting effects when the world economy starts to pick up again. This survey offers valuable insights that can inform our digital strategies and policies, as we turn the page from pandemic response to recovery." Mukhisa Kituyi, Secretary-General of UNCTAD [1]

Online Shopping Trend and Growth before Pandemic

Undoubtedly, e-commerce industry has become the fastest growing industry in terms of trade and commerce in the world. India is one of the largest markets of internet users and online shoppers too. Online shopping came to India since 1990s became popular since 2000 and keep on becoming famous after the technology had spread contagiously. Innovations and technological advancements in the field of communication through internet increased the number of internet users and social media

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applications, which also led to the number of online shoppers and keep on increasing each day.

The e-commerce sector with other sectors was on good place and growing at rapid rate with usual ups and downs, before pandemic entered India. But the lockdown had changed the market trend a lot and especially affected the buying behaviour of consumers. It brought people to the path of digitalisation through online shopping and changed

their way of shopping which now has become the necessity of their lives. [2]

With the slow and steady growth after Online shopping came to India, it became trending reaching 2015. In 2020, it accounted for 18 percent worldwide online retail sales and expected to 21.4 percent till 2024 [3]. Online shopping became the most enjoyable thing to do, as it offers convenience, safety, 24×7 service, quality, handsome deals and offers etc. All this specially made it popular and also many technological advancements and fast and hectic life schedules of the people contributed towards its tremendous success and made it a trend now. E-commerce has turned towards reshaping itself due to advancements in payments options, mobility, user friendly websites etc. No doubt, it has the brightest future worldwide seeing its pace of growth.

Online Shopping During Covid-19

Enjoying the worldwide growth in e-commerce sales, then came Covid-19 outbreak in 2019 in China and then it unrolled to many countries of the world including India in March 2020. Due to which the people heard and faced the complete lockdown in the country, including shutting down of markets, banking and educational institutions etc. It forced people to be locked at their houses due to safety protocols, health and hygiene and as a preventive measure to face and fight the breath taking disease and declared the pandemic by the WHO.

Covid-19 brought fear in the market, when it arrived, as was no assurance of anything. From the Global Financial Crises happened in 2008, the level of markets is not witnessed around the crashing world. With global market's indices and trends, the strong correlation is followed as by 38 percent, Nifty 50 and BSE Sensex fell down. From the starting of the year, 27.31% of the staggering is lost by the total Market Capitalization.[4]

Despite all the live losing problems faced by the people, one thing favourable happened was increase in e-commerce sales. It boosted up the online sales in the country. Due to shutting down of brick and mortar stores, people started to use online shopping channels for completing their needs which saved them from moving outside and bringing home the dangerous virus disease.

Growth of Online shopping during and post covid-19

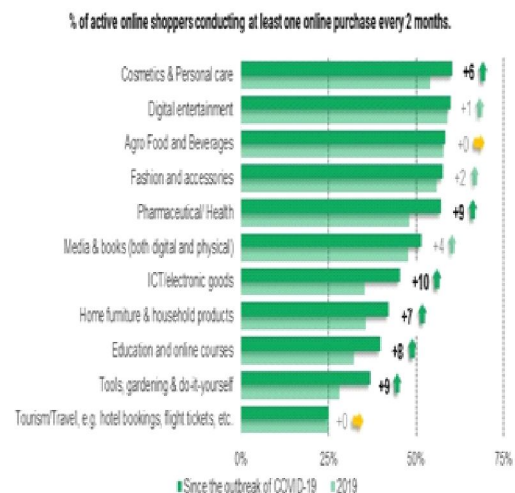
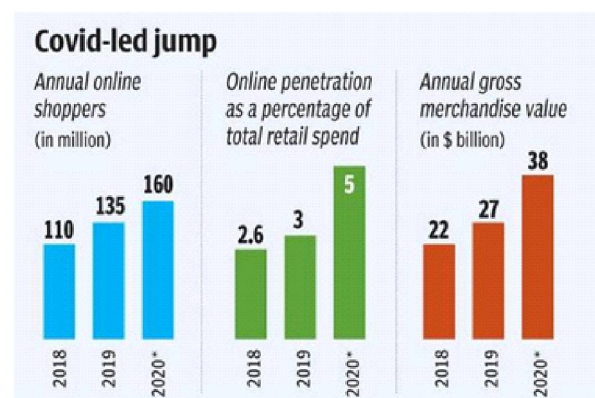


Figure 1: Percentage of online shoppers making at least one online purchase every two months [5]

Undoubtedly, the pandemic boosted up the online retail sales worldwide and the unexpected growth was seen in e-commerce sector in India too. It provided the huge opportunity to the e-commerce companies to double up their sales compared to previous years and many has encashed the opportunity at that moment. Indian e-commerce, a \$27 billion market in calendar 2019, is all set to achieve 40% growth in 2020, compared to 23% in 2019, as per business growth data extracted from brands, e-tailers, e-commerce enablers and analysts.[6]



*estimates Source: Redseer Consulting

Figure 2: Annual Online Shoppers after Covid-19[7]

E-commerce has experienced rapid growth since its humble beginnings with e-commerce sales projected to grow to 599.2 billion USD by 2024. The COVID-19 outbreak saw e-commerce sales spike 25% in March 2020 alone. [8]

According to a survey by NRF, following changes can be seen in the consumer behavior:[9]

- 9 in 10 consumers have changed their traditional shopping habits.
- More than 50% of consumers have ordered products online that they would normally purchase at the store
- Nearly 6 in 10 consumers say they are worried about going to the store due to fear of being infected

Downfall in Offline shopping due to covid-19

On the one hand, the pandemic boosted up the online sales and led to rapid growth in online shopping, on the other hand it hindered the offline sales. In fact success of online shopping became the drawback for the offline shopping somewhere. Shutting down of brick and mortar stores was the cautionary measure taken by the Government for the safety of the people but it hindered their earning and affected their livelihood too. This pandemic destroyed the offline sellers in two ways i.e., by restricting their earning and hampering their livelihood and health.

Despite destroying, it also showed the path for modification and succeeding in it was shifting the business from offline to online or the combination of both. This cannot bring the lost time and money back but will prepare for future. Following are some of the ways of adaptation for retailers:[10]

- Digitization should become a priority.
- Focus on improving the visibility of own e-commerce website.
- Become innovative with personalized engagement.

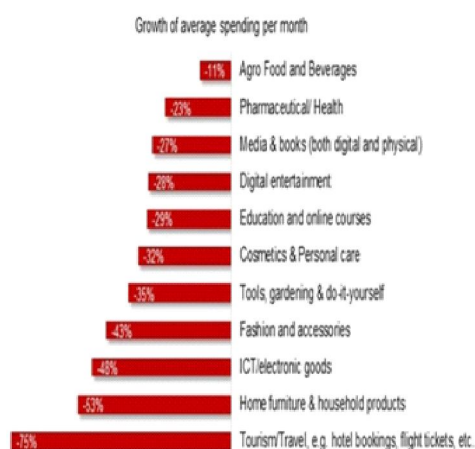


Figure 3: Fall of average online spending per month since COVID-19, per product category [11]

LITERATURE REVIEW

Chauhan S. et al., 2020 found that covid-19 pandemic pushed people of all ages towards online shopping and make them familiar with it. Due to this situation, people became unable to go out for shopping and other works, so online shopping option proved to be very helpful and convenient for them to shop sitting at home and can have the latest updates and fashion products in some clicks only ensuring safety and security. [12]

Maximilian P. 2021, aimed at identifying the influence of covid-19 on the retail industry's digitalisation process and impact of covid-19 on consumer buying decision to shop online or offline. He found in the study that covid-19 strongly affected consumer buying decision and their frequency of buying online showed a great high. Physical touch and evaluation is the reason buying offline but in the outbreak of covid-19 when all locked the markets, cities, states, people highly got influenced through online shopping due to convenience, safety, cheap prices, offers and discounts, home delivery of products etc. Online shopping has become the most preferred option during the pandemic times.[13]

Tyagi P. et al., 2021, revealed that covid-19 pandemic has changed the perspectives of the consumers on a large scale and their buying behaviour has shifted from offline stores to online websites. Still the situation is same and everything is not normal yet which influences more people towards online stores for shopping different necessary items including food, clothing & accessories, etc. The behaviour of the consumers cannot be predicted exactly as it is rapidly changing. Every consumer has different perspective which requires a thorough and deep study of the same. [14]

Tripathi G. et al., 2021, said that people became aware about online shopping, its websites and usage due to covid-19 outbreak, as everybody were at home, the children and parents and give it try while learning to use smartphones and ordering online. This learning made people more familiar about online shopping, placing order, payment systems etc. This made them realize the importance of online shopping too and also the difference between physical markets and online markets. Safety is the utmost reason of going online during Pandemic situation.[15] On the contrary, it also affected the health as education sector, service sector, and administration sector, etc also adopted

the online mode for working, teaching and learning, etc.[16]

After studying thoroughly the research papers of above authors, an idea has been generated by me to find out the impact of Covid-19 on offline shopping through consumers' point of view, especially in my area i.e., Kashipur (Uttarakhand). They stated that how Covid-19 impacted many countries including India and forced towards more digitalisation in different sectors. These researches helped me a lot in framing the proposed research study and also provided the path of accomplishing its objectives.

STATEMENT OF THE PROBLEM

Rapid growth of online shopping has proved the increasing importance and craze for online shopping in the customers by each passing day. This has become more useful when pandemic in the country arrived in 2019, when everything stopped and closed to overcome the situation and safety of the people. This also created fear and disturbed the life of peoples and many systems in the whole world [17]. People were afraid to move outside and shop their necessary and latest fashion goods and items [18]. This brought up the idea of conducting the current research study to find out the impact of online shopping over offline shopping during Covid-19? And, were customers satisfied with the online shopping during Covid-19?

OBJECTIVES

- To study the impact of online shopping over offline shopping during covid-19.
- To find out the satisfaction level of consumers from online shopping during covid-19.

HYPOTHESIS

H (0): There is no relationship between product purchased by the customers online and offline during Covid-19.

H (A): There is a relationship between product purchased by the customers online and offline during Covid-19.

RESEARCH METHODOLOGY

The present study was conducted on the customers to know their preferences from online and offline shopping during covid-19. For the purpose of achieving the objectives of the study the sampling was done using simple random sampling and data was collected from 150 respondents through a self-

structured questionnaire. But after going through the filled questionnaires only 130 were found to be properly filled and useful and rejected the misappropriate ones for the study. The data was collected during July 2021 to September 2021. The analysis and interpretation was done using simple percentage method to find out the final results and for drawing meaningful conclusions from them.

Analysis of Demographic Profile

The data analysed from the questionnaire depicted that the people aging between 20-30 yrs mostly does online shopping with 49.2% followed by people aging between 15-20 yrs with 29.2%. People from age group 30-40 yrs come third in the race with 19.2%. And other groups above these are less or almost not interested in online shopping. This can be seen in Table-1.

Table-1: Age of the respondents

Age (in years)	Responses (in no.)	Percentage (%)
15-20 yrs	*38	29.2
20-30 yrs	64	49.2
30-40 yrs	25	19.2
40-50 yrs	01	0.8
50-60 yrs	01	0.8
60 yrs & Above	01	0.8
Total	130	100

The Figure 4 also shows clearly, the division of different age groups who does online shopping the most and least i.e., 20- 30 years and 50-60 years and above respectively.

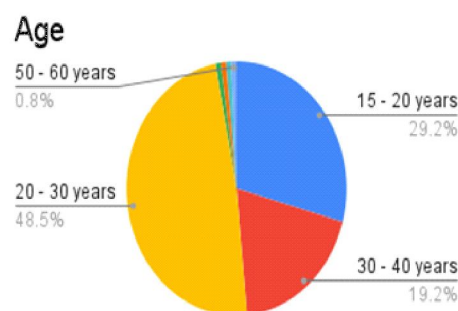


Figure 4: Age of the respondents

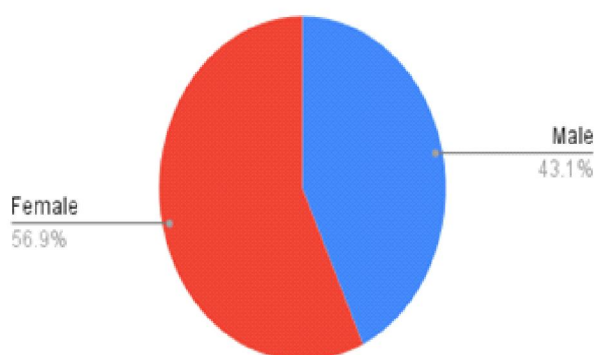
Similarly, genderwise, female does more online shopping than males with 56.9% and 43.1% respectively as shown in Table-2.

Table-2 : Gender of the respondents

Gender	Responses (in no.)	Percentage (%)
Female	74	56.9
Male	56	43.1
Total	130	100

Source: Questionnaire

The pie chart in Figure 5 shows the highest no. of females and than males in terms of online shopping habits i.e. 74 and 56.

Gender**Figure 5:** Gender of the respondents

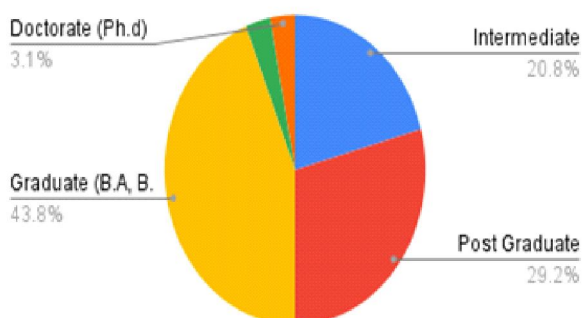
It we talk about education, educated people goes for online shopping more than less or uneducated ones, as shown in Table-3.

Table-3 : Education of the respondents

Education	Responses (in no.)	Percentage (%)
High School	04	3.1
Intermediate	27	20.8
Graduate	57	43.8
Post Graduate	38	29.2
Doctorate	04	3.1
Total	130	100

Source: Questionnaire

Similarly Figure 6 clearly shows that Graduates does more shopping online followed by post graduates i.e. 43.8% and 29.2% respectively than illiterate ones.

Education**Figure 6:** Education of the respondents

Analysis of Questions on Online and Offline Shopping

Through the self administered questionnaire the respondents were asked some of the questions regarding online shopping especially, during covid-19 outbreak which will become helpful for achieving the objectives of this study. Following are the questions and their recorded responses with percentage:

Table-4: Analysis of Questions on Online and Offline Shopping

Questions	Options	No. of Responses	Percentage
1. How much did you spent for online purchase during Covid-19?	Less than Rs.5,000	74	56.9
	Rs.5,000 - Rs.10,000	23	17.7
	Rs.10,000 - Rs.15,000	6	4.6
	Rs.15,000 - Rs.20,000	8	6.2
	Rs.20,000 and Above	19	14.61
2. Did Covid-19 pushed you to purchase online?	Yes	68	52.3
	No	33	25.4
	Maybe	29	22.3
3. Did you purchased anything online during Covid-19?	Yes	117	90
	No	13	10

4. What did you bought online the most during Covid-19? (Choose only one)	Food & Groceries	29	22.3
	Medicines	8	6.2
	Household Items	27	20.8
	Clothing & Accessories	45	34.6
	Other	21	16.1
5. Did you find easy and convenient to shop online during Covid-19?	Yes	97	74.6
	No	15	11.5
	Maybe	18	13.8
6. What reasons made you shop online during Covid-19?	Closed offline stores	26	20
	Health & Safety	43	33.1
	Convenient & Cheaper prices	36	27.7
	Without any reason	25	19.2
7. What mode of payment do you prefer to purchase online?	Cash on delivery	48	36.9
	Credit/Debit Card	33	25.4
	Net Banking	15	11.5
	Paytm	9	6.9
	Google Pay	16	12.3
	PhonePe	3	2.3
	Other	6	4.6
8. Did you worried shopping online during Covid-19?	Yes	25	19.2
	No	85	65.4
	Hardly	20	15.4
9. What was your experience shopping online during Covid-19?	Good	74	56.9
	Better	29	22.3
	Awesome	24	18.5
	Bad	2	1.5
	Very Bad	1	0.8
10. Are you satisfied with online shopping during Covid-19?	Yes	101	77.7
	No	7	5.4
	Not Sure	22	16.9
11. Do you continue to shop online after Covid-19 will get over?	Yes	94	72.3
	No	9	6.9
	Maybe	27	20.8

12. Which one of the products below you want to buy always through online mode?	Food & Groceries	16	12.3
	Medicines	7	5.4
	Household Items	27	20.8
	Clothing & Accessories	61	46.9
	Other	19	14.6
13. Which one of the products below you want to buy always through offline mode?	Food & Groceries	58	44.6
	Medicines	17	13.1
	Household Items	7	5.4
	Clothing & Accessories	33	25.4
	Other	15	11.5
14. Do you suggest your family, friends & Colleagues to buy online in future?	Yes	96	73.8
	No	8	6.2
	Maybe	26	20
15. Which mode of shopping you think the best?	Online	71	54.6
	Offline	59	45.4

Source: Questionnaire

Did Covid-19 pushed you to purchase online?

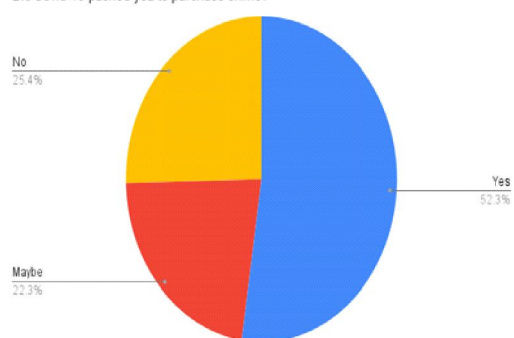


Figure 7: Did Covid-19 pushed you to purchase online?

Table-4 answers the questions framed above that - if Covid-19 pushed people more towards online shopping? This can be clearly seen in Figure 7 that around 52.3% people agreed that Covid-19 pushed them towards online shopping.

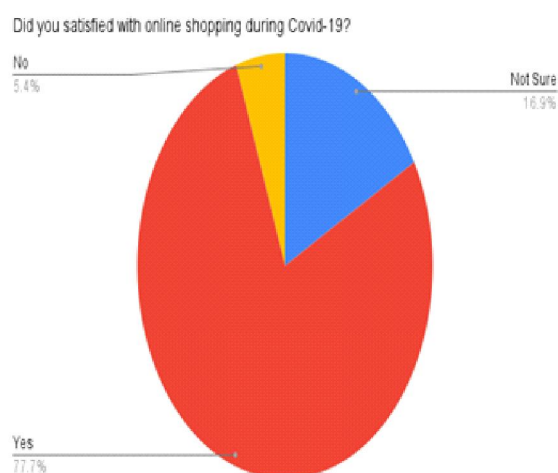


Figure 8: Are you satisfied with online shopping during Covid-19?

The satisfaction from online shopping during Covid-19 can be clearly seen through Table 4 and Figure 8 that 77.7% people were satisfied with the online shopping during pandemic. This shows great success for online shopping companies.

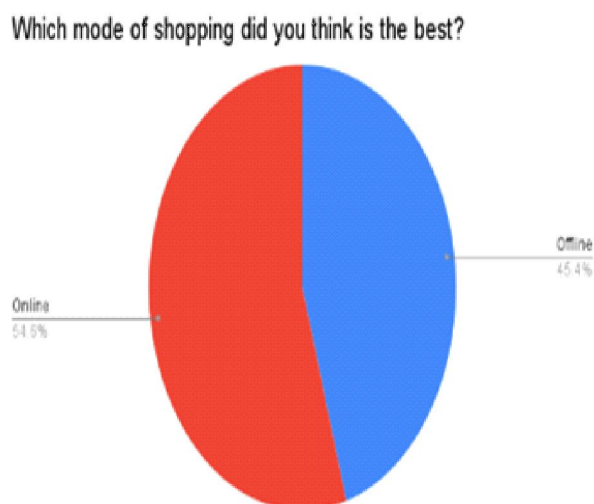


Figure 9: Which mode of shopping you think the best?

Around 54.6% respondents said that online shopping is the best option for shopping due to its many benefits, which means online shopping is now being preferred more by the people and has a great future too especially after pandemic, as shown in Figure 9.

Results of Hypothesis Testing

After testing of hypothesis the correlation between the two i.e., products purchased by the customers online and offline during Covid-19 (Corona Virus Disease) [19] was found 0.09, which clearly indicates that there was no relationship between the two so, null hypothesis get accepted and alternate hypothesis get rejected. This means people purchase according to their need and convenience and also keeping in mind the health and safety especially during Covid-19.

FINDINGS & SUGGESTIONS

Following are the findings of the study:

- Mostly the age group between 15-30 yrs does online shopping, above this group people are still less aware or less interested.
- Educated people shop more compared to less educated or uneducated. It attracts more to student group, females and working class.
- 52.3% of the respondents agreed that covid-19 pushed them towards online shopping. It shows the nice increment in the customers of online shopping.
- The data also revealed that around 90% of the respondents had purchased something during covid-19.
- Clothing & Accessories, food & groceries and household items were mostly purchased through online mode with 34.6%, 22.3% and 20.8% respectively.
- Shopping through online applications was very easy and convenient agreed by 74.6% of the respondents.
- Health & Safety and convenient & cheaper prices were the most forced reasons of online shopping during Covid-19 marked by 33.1% and 27.7% of the respondents. While 20% of them bought due to closed offline stores.
- As always cash on delivery is the most preferred payment option agreed by 36.9% respondents followed by Credit/Debit card and other payment applications with 25.4%.
- Around 56.9% respondents experience good while online shopping during Covid-19 and 77.7% were fully satisfied with the online shopping. Undoubtedly, 72.3% of them will continue to shop post Covid-19. And 73.8% will surely suggest and recommend online

shopping to their friends, family & colleagues too.

- Online mode of shopping is the best mode of shopping agreed by 54.6% respondents while 45.4% respondents liked the offline mode of shopping.

Suggestions

- The age groups above 30 years, less educated or uneducated people etc, must also be focused.
- Other payment options than cash on delivery must also be transformed and made transparent to be easily used by the people.
- Products other than clothing & accessories and household items etc, must also be focussed like medicines, health and hygiene products, other home services etc.

This study also leaves many other questions and variables to be examined, which will improve the overall prediction of the behavior of consumers in future.[20]

CONCLUSION

Online shopping has become the most trending shopping option due to its many handsome benefits not only in normal situation but it also was preferred by the people during pandemic due to its special benefits of home delivery of products and safety. During Covid-19 pandemic, when lockdown was announced and social distancing will be the precautionary measures for the safety of the people, the demand of products increased through online mode, which serves contactless home delivery of products. The growth of E-commerce market or online shopping impacted the offline shopping to a great extent and added in habits of customers too. Most of the people are satisfied with the online shopping and want to go with in future too.

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