



GROWTH OF ONLINE GROCERY BUSINESS DURING PANDEMIC COVID – 19 WITH SPECIAL REFERENCE TO NAGPUR REGION: A CRITICAL STUDY

POOJA GADWE

Department of Management
Prerna College Of Commerce, Nagpur
(MS) INDIA

ABSTRACT

The COVID-19 pandemic has been labelled as a black swan event that caused a ripple effect on every aspect of human life. This research provides critical study about the impact of pandemic covid -19 on online grocery business with special reference to Nagpur region. Corona virus impacts the whole e-commerce of the world; it has changed the nature of business. This study presents the growth of online grocery business during pandemic covid- 19 and also the changing behaviour of consumers towards online purchasing. E-commerce becomes a substitute source for retailers and consumers. In these pandemic e-retailers provides goods that usually consumers bought in superstore traditionally. This study examines the growth of online grocery business during pandemic covid -19 and customers experiences.

Keywords: Growth, Grocery, Online Business, Covid – 19, Pandemic

INTRODUCTION

Online shopping is buying products electronically by using devices such as mobile or computers with the help of internet. Most of the people prefer buying products by going physically in the markets rather than buying it online. There are various reasons behind this and the prominent reason from them is concerns of quality of products that people buy online; this is what insists them buying products physically. Although there are several advantages of online shopping like less expensive, time saving, various offers and discounts, fast and convenient delivery, variety of products at single place etc. but they are quality conscious. But now as we all are aware about one of the worst disasters that the world is facing now i.e. pandemic covid - 19. As the world was in the disastrous situation and countries have been put under lockdown as well as various

POOJA GADWE

1P a g e



restrictions have been imposed on going out of homes, going in markets to avoid the crowd, etc. In this situation it was not safe for people to go in markets for essentials also and people are stressed to stay in homes. Hence people avoided to go in markets for buying essential products also like groceries.

In this destructive situation, most of the people preferred online shopping of the products like groceries also. In fact we can say that this situation pushed people to opt for the online shopping and online shopping allows people to fulfil their needs by staying at home and without going to the markets.

This research intends to investigate the growth of online grocery business during this pandemic covid – 19. Also this study is focussed on the impact of covid – 19 on online grocery business as well as the shifting of customers from traditional to online grocery buying and rise of online grocery business during this pandemic covid – 19.

Transformation of retail From Conventional to modern

Retailing started with barter system where products were exchanged between the two parties. Over the period of centuries, retailing had witnessed many transformations and evolutions. If we talk about India specifically, India has great variety of organized and unorganized retails stores. Be the product be goods or services, retailing is one of the famous choices for the people who intend to start their own businesses.

Then the introduction of information technology in the field of retail, this sector witnessed another transformation. The big retailers like eBay and Amazon from all over the world entered the Indian market. After that, Indian entrepreneurs and existing business also stepped in. The companies like Flipkart, Myntra, Jabong started their etailing operations. Over the last decade the etailing has emerged as preferred option for many of the Indian consumers.

Today in India almost everything can be bought online including the services also. With the tremendous growth in the information technology and the fact that internet is everything, etailing spread its wings across the small cities too in just a matter of few years. For the households in major Indian cities, the working class usually prefers to buy their monthly supply of groceries online.

And now during this pandemic situation many customers has shifted to online grocery buying as it is not safe for the people to step out into crowded marketplaces and spending hours at times for waiting for their items getting billed.



Advantages of online retail:

- ☐ **Easy access to market** – Access to market has never been easier for entrepreneurs. Online marketplaces such as eBay, flipkart and Amazon allow anyone to set up a simple online shop and sell products within minutes.
- ☐ **Reduced overheads** – online selling can remove the need for expensive retail premises and customer-facing staff and allows you to invest in better marketing and customer experience on your e-commerce site.
- ☐ **Potential for rapid growth** - selling on the internet means traditional constraints to retail growth - eg finding and paying for larger - are not major factors. With a good digital marketing strategy and a plan a scale up order fulfilment systems, you can respond and boost growing sales.
- ☐ **Widen your market / export** - one major advantage of online retailers is the ability to expand your market beyond local customers very quickly. You may discover a strong demand for your products in other countries also which you can respond to it by targeted marketing, offering website in a different languages or partnering with an overseas company.
- ☐ **Customer intelligence** – The advantage of using online marketing tools is to target new customers and website analysis tools is to gain insight into customer's needs.

POOJA GADWE

3P a g e



OBJECTIVES:

1. To study the impact of pandemic covid – 19 on online grocery business.
2. To study the customer experiences of online grocery purchases during pandemic covid – 19.
3. To study the growth of online grocery business during pandemic covid – 19.

LITERATURE REVIEW:

Susmitha Kunchaparthi (Kunchaparthi, 2021) highlights how e commerce provides alternative way to people to meet their demands.

(Staulp, 2020) concluded that, there is enormous uptick in online grocery shopping during this pandemic covid - 19.

(Rajesh, April 2019) Concluded online grocery is the fastest growing segment within e-commerce.

RESEARCH METHODOLOGY

The research methodology is comprised of the sources of data and various methods adopted to collect the required data, analysis of the data, and data interpretation.

Sources of Data Collection

For this study, the data have been collected from the primary as well as secondary sources. Primary data was collected from the customers as well as retailers. The questionnaire has been made using Google forms and distributed amongst the various customers and retailers to collect the data.

The questionnaire for customer survey was distributed amongst 50 customers whose age is more than 20 years and frequently use internet for online shopping in Nagpur city out of which 43 customers have submitted their feedback through the Google forms.

The questionnaire for retailer's survey was distributed amongst 30 online grocery retailers out of which 29 have submitted their feedback through Google forms.

Secondary data is collected through reports, journals, articles, websites etc.

LIMITATIONS OF THE STUDY:

POOJA GADWE

4P a g e

As this study is limited to the Nagpur region only and the survey has been done only for the Nagpur region. Therefore we can't apply this study to other cities. May be the result for other cities can be differ from this result of Nagpur region.

Due to time constraint and pandemic covid – 19, it was not possible to reach to the maximum online grocery customers as well retailers due to which some areas of Nagpur region are uncovered in this study and face to face conversation was not possible with them.

Google form was distributed amongst various online grocery buying customers and retailers out which some customers and retailers had not filled this online google form.

DATA INTERPRETATION:

The collected data is classified, tabulated and represented through charts and bar diagrams.

The following data is collected from the customer survey in which the impact of pandemic covid – 19 on online grocery shopping, the overall experience of the customers of online grocery shopping and the growth in online grocery shopping during pandemic covid – 19 has been studied as well as recorded and conclusions are drawn from it.

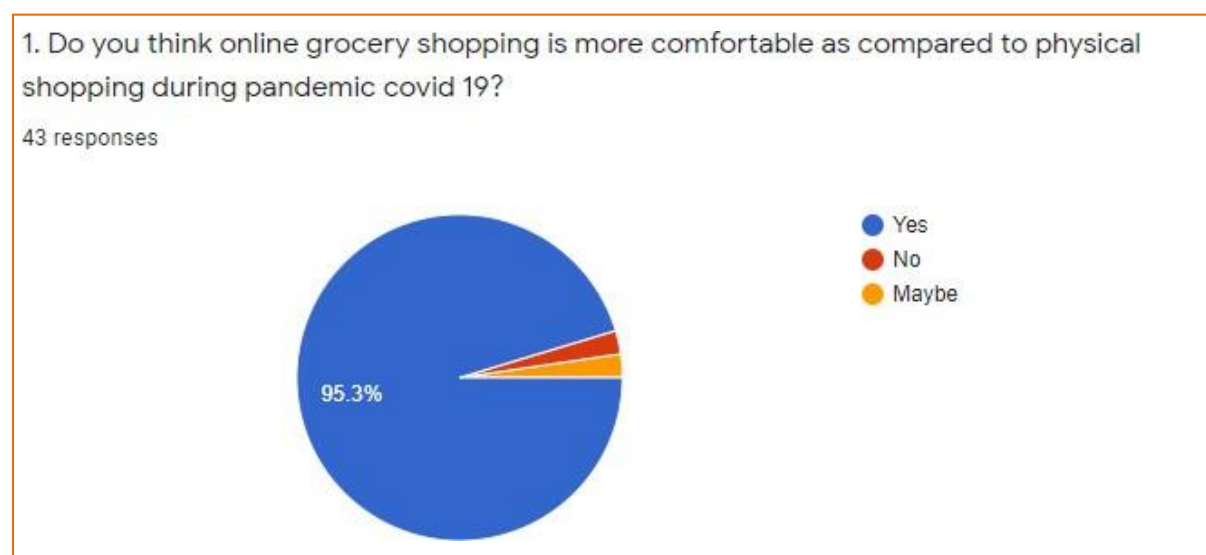


Fig. 1

From the above fig. it can be concluded that online grocery shopping is more comfortable as compared to physical shopping during pandemic covid – 19. As 95% people said that it is comfortable to order online groceries during pandemic.

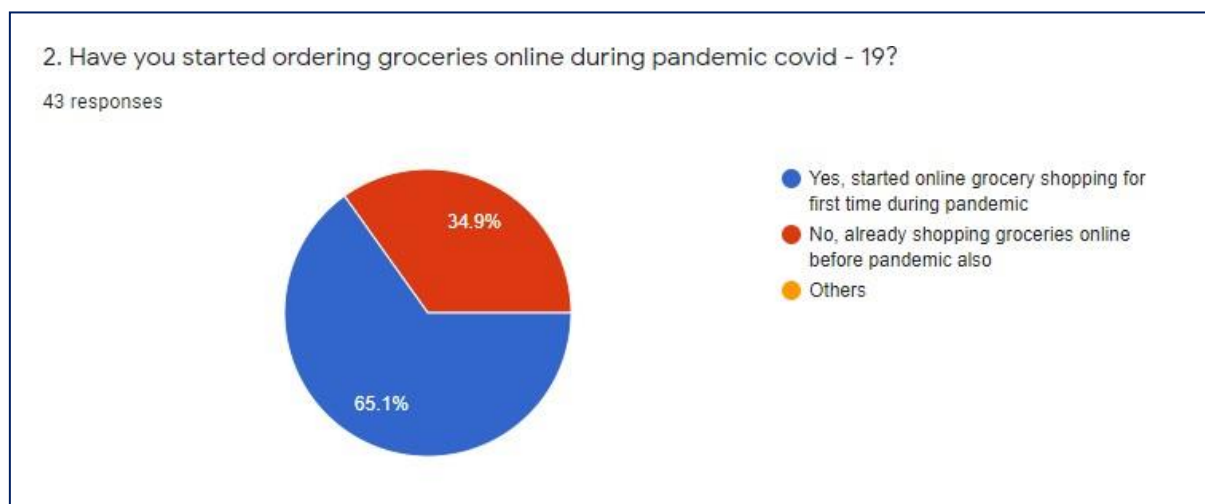


Fig. 2

Above fig. shows that 65% people have started ordering online groceries first time during pandemic covid – 19 while 35% of people were shopping groceries online before pandemic also. Therefore from above char, it can be concluded that online grocery business has rise during pandemic covid – 19 as many people had started ordering groceries online in this pandemic.

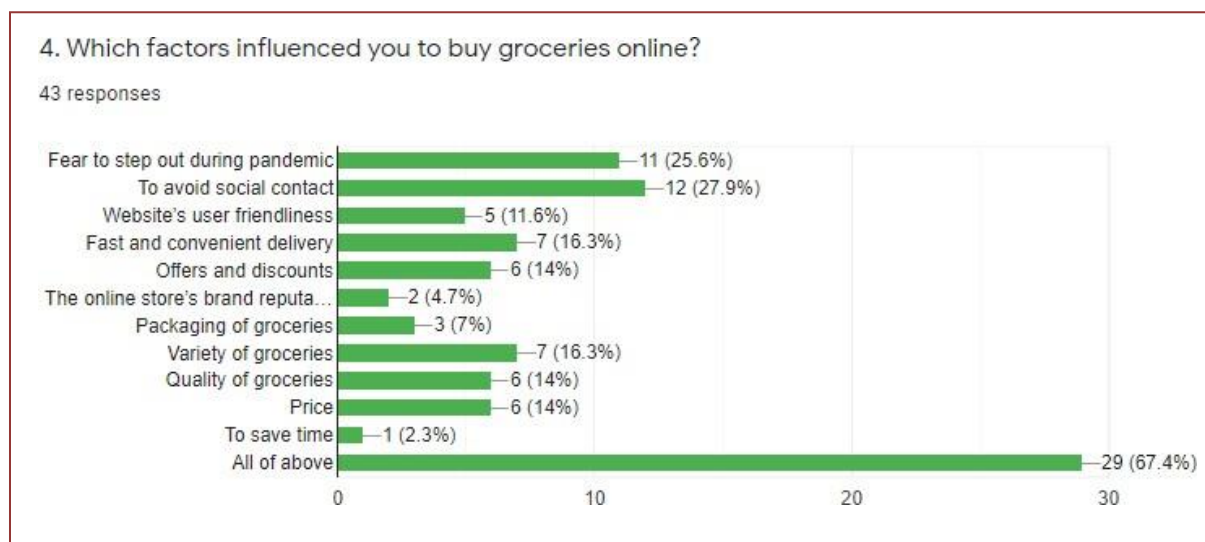


Fig.3

Above fig shows that the various factors such as fear to step out during pandemic, avoiding social contact, website's user friendliness, fast and convenient delivery services, saving time, offers and discounts, the online store's brand reputation, packaging, variety and quality of groceries as well as price of groceries influenced people to buy groceries online during pandemic. As the above chart shows that all the factors are most influencing and pushing people to buy the groceries online in which fear to step out and avoiding social contact during pandemic are most influencing factors.



Fig. 4

The above chart shows that 91% people said that the rate of ordering groceries online has been increased in this pandemic covid – 19 while 7% people are not sure about the increase or decrease in online grocery business and remaining 3% said that there is no increase in ordering online groceries. Therefore it can be concluded that there is remarkable growth in online grocery business during this pandemic covid – 19.

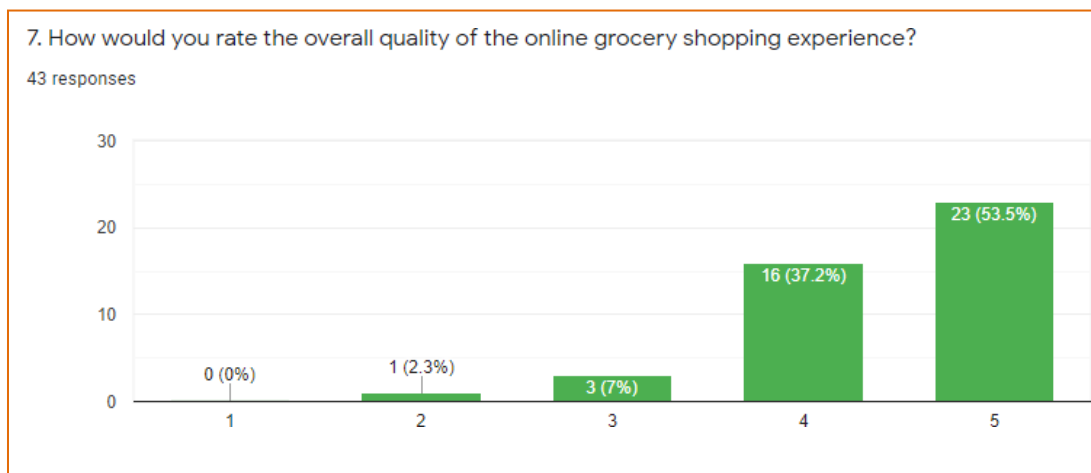


Fig. 5

The above fig shows the overall quality of the online grocery shopping experience. From the above fig it can be noticed that 54% people said that they have excellent experience of the online grocery shopping while 37% people have very good experience of online grocery shopping, 7% people had good experience and 2% people had poor experience of online grocery shopping. Therefore it can be concluded that almost people have very good and excellent experience of online grocery shopping.

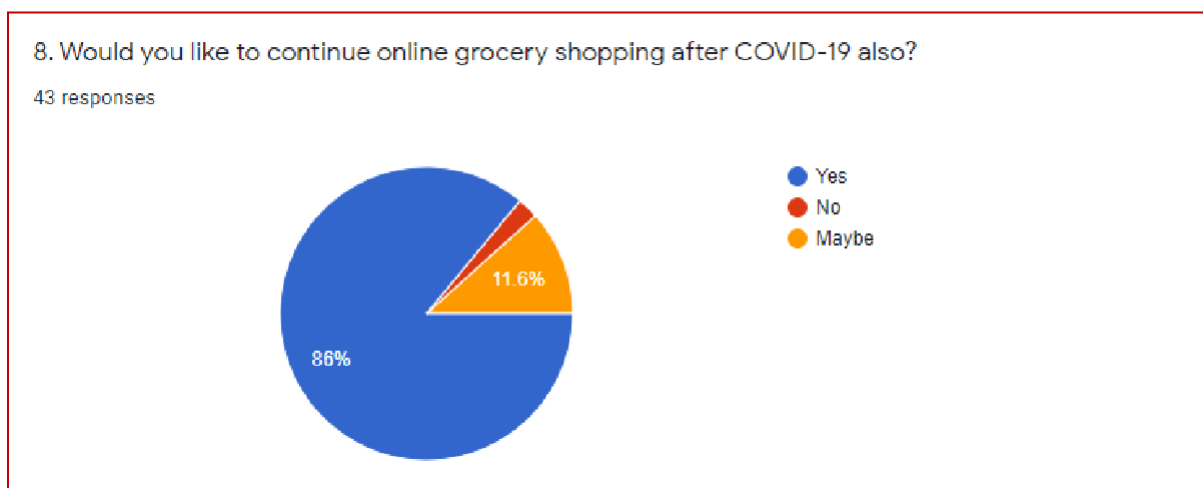


Fig. 6

The above picture shows that 86% people would like to continue online grocery shopping after the end of pandemic covid – 19 while 12% people are not sure that whether they are

POOJA GADWE

8P a g e

going to continue or discontinue the online grocery shopping. Therefore from the above fig. it can be concluded that the growth in online grocery shopping is going to be continued in future after the end of pandemic as most of the customers had very good and excellent experience of online grocery shopping as they find it more convenient, safe, time saving and they are satisfied with the online grocery shopping.

Retailer's survey

The following data is collected from the Retailer's survey in which the impact of pandemic covid – 19 on online grocery business or selling, the overall experience of the retailers of online grocery selling and the growth in online grocery business during pandemic covid – 19 has been studied as well as recorded and conclusions are drawn from it.

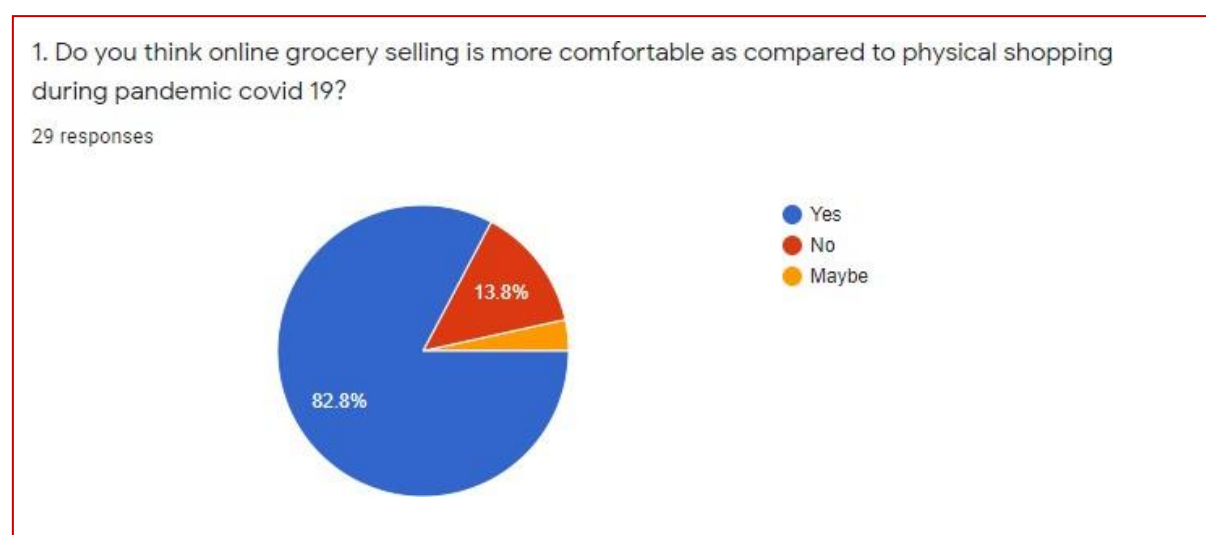


Fig. 7

The above fig. shows that 83% retailers said that online grocery selling is more comfortable as compared to physical shopping during this pandemic covid – 19. Therefore from the above fig, it can be concluded that online grocery selling is more comfortable and safe during this pandemic.

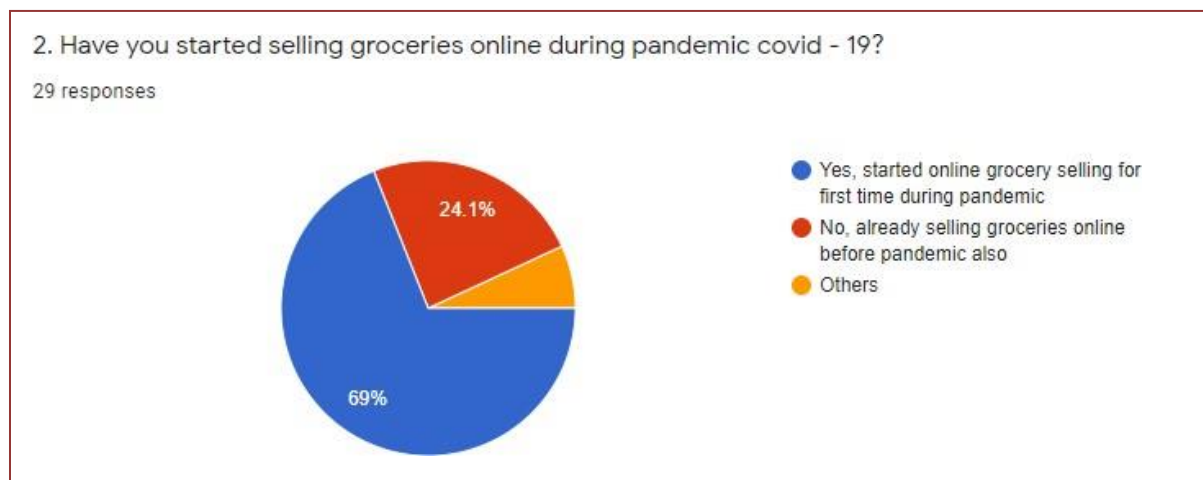


Fig. 8

The above fig. shows that 69% people had started online grocery selling for the first time during this pandemic covid – 19 and 24% people were already in online grocery business before pandemic. Therefore the above fig shows that there is a remarkable growth of online grocery business during pandemic covid – 19.

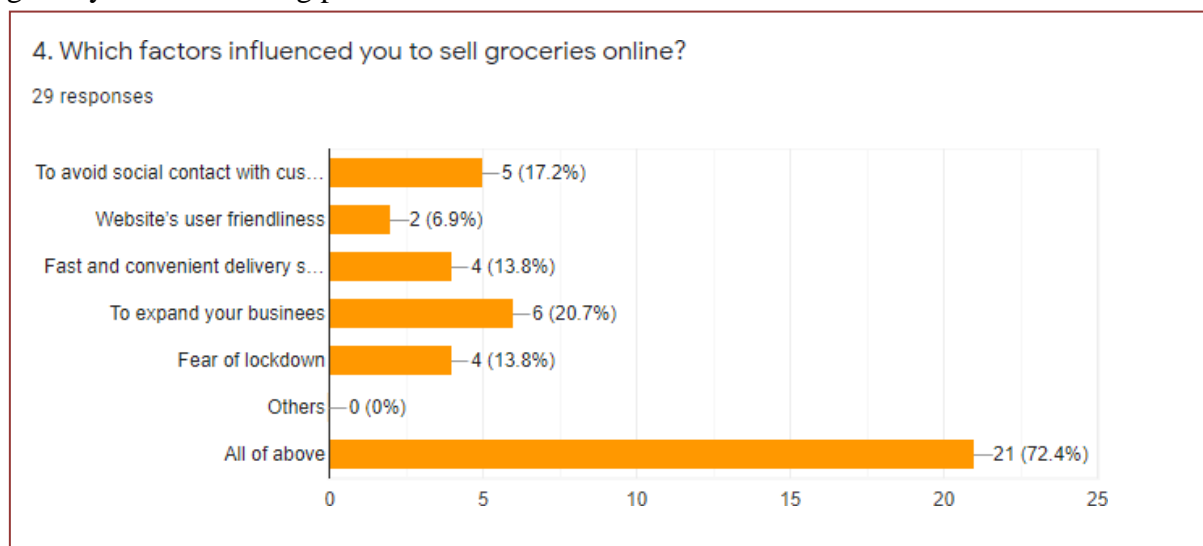


Fig. 9

The above fig shows the various factors such as to avoiding social contact with customers, website's user friendliness, fast and convenient delivery services, business expansion and fear of lockdown which influenced the retailers to sell the groceries online. From the above fig it

can be said that all these factors have influenced the retailers to start the online grocery business which gives rise to the online grocery business during pandemic.

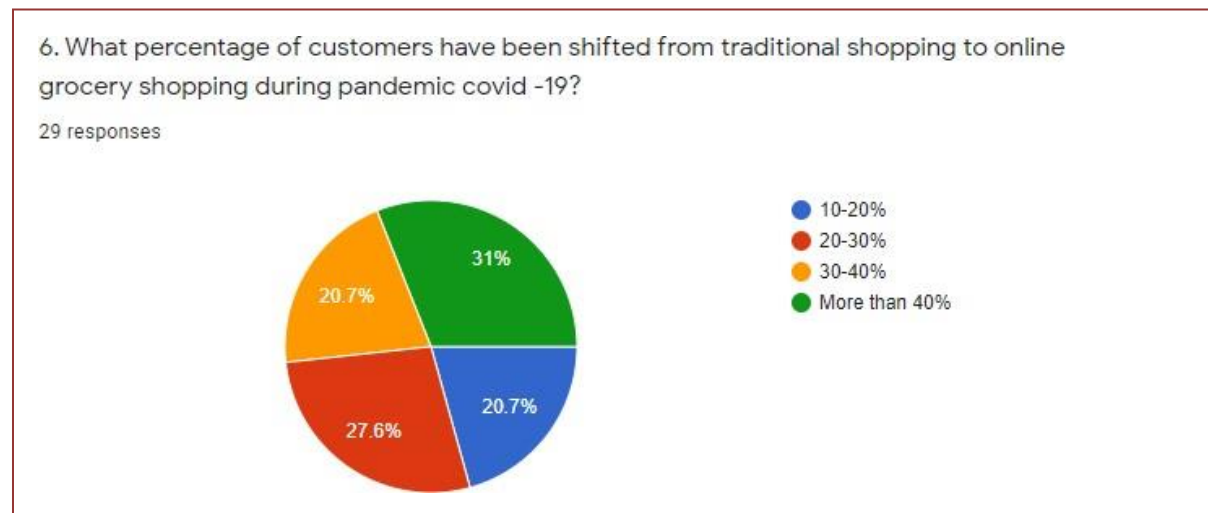


Fig. 10

The above fig. shows the percentage of customers shifted from traditional shopping to the online grocery shopping during this pandemic covid – 19 in which we can see that 31% retailers said that more than 40% customers are shifted from traditional shopping to online grocery shopping during this pandemic while 27% retailers said that 20-30% retailers are shifted from traditional to online grocery shopping and 21% retailers said that 10-20% and 30-40% customers are shifted from traditional to online grocery shopping.

Therefore from the above chart it can be concluded that there is rise in online grocery business during this pandemic covid – 19 as we can see the remarkable growth because many customers had shifted from traditional to online grocery shopping.

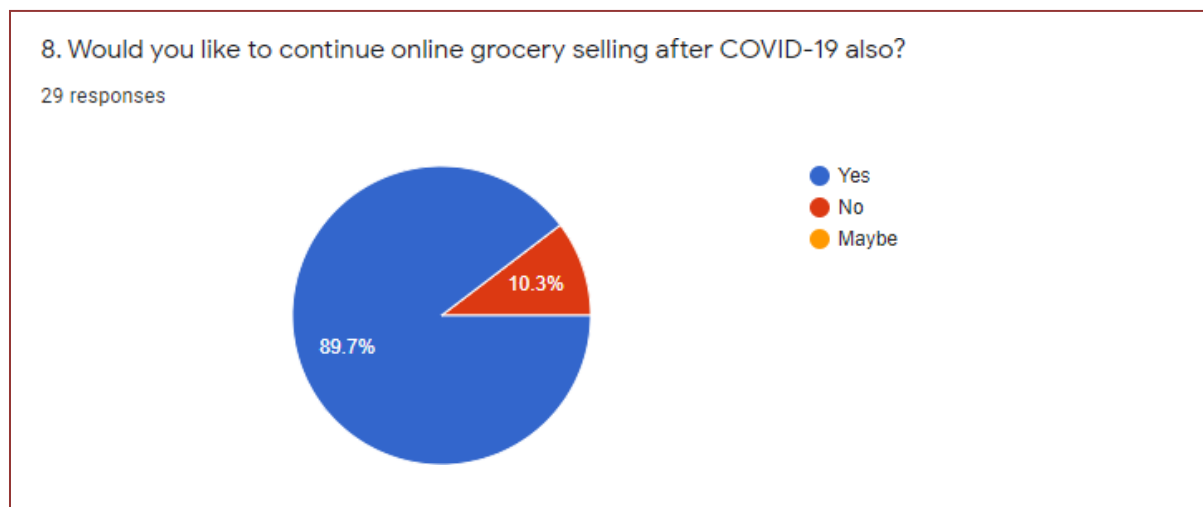


Fig. 11

The above chart shows that almost 90% retailers said that they are going to continue this online grocery business after the end of this pandemic covid – 19 also while 10% said that they will discontinue the online grocery selling after pandemic covid – 19.

Therefore from above fig. it can be concluded that there will be remarkable growth of online grocery business in future after the end of pandemic also as many customers are shifted from traditional shopping to online grocery shopping and retailers are also satisfied with the online grocery selling as they find it more convenient and safe.

CONCLUSION:

From the above study, it can be concluded that there is remarkable growth in online grocery business during this pandemic covid – 19 as we have seen that almost 65% of customers have started buying groceries online during this pandemic covid – 19 for the first time. Also the retailers had given the feedback that many of the customers have been shifted towards online grocery buying during this pandemic. According to the study, it was found that today's customers prefer buying online groceries as various factors such as step out to fear, avoiding social contact, offers, discounts, price, variety, quality of groceries, packaging, etc influenced them to buy the groceries online as it is more safe during this pandemic and many customers said that they are going to continue the online grocery shopping as they find it more comfortable as compared to physical shopping and almost customers have a very good and excellent experience of online grocery business. Therefore it can be concluded that pandemic covid – 19 has shifted many customers to online shopping from traditional shopping.

BIBLIOGRAPHY

(n.d.). Retrieved from <https://www.nibusinessinfo.co.uk/content/advantages-and-disadvantages-online-retailing>

(2020, Aug 20). Retrieved from <https://www.digitalcommerce360.com/article/online-food-report/>

(2021, January 24). Retrieved from Business Standard: https://www.business-standard.com/article/companies/online-grocery-to-grow-8-times-in-5-years-in-india-jiomart-big-gainer-121012400098_1.html

FABRIC. (2020). *The-impact-of-Covid-19-on-online-grocery-Fabric-report.pdf*.

Jasper Grashuis *, T. S. (2020). Grocery Shopping Preferences during the COVID-19 Pandemic.

Julia Koch *, B. F. (2020). Online Shopping Motives during the COVID-19 Pandemic—Lessons from the Crisis.

KEYES, D. (MAY 29, 2020). *THE ONLINE GROCERY REPORT: The coronavirus pandemic is thrusting online grocery into the spotlight in the US — here are the players that will emerge at the top of the market.*

Kunchaparthi, S. (2021). Impact of COVID 19 on E-Commerce. *RESEARCHGATE*.

Meshram, J. (November 2020). How COVID-19 affected the online grocery buying experiences-A study of select cities of Mumbai and.

Muhammad Kashif, A.-U.-R. M. (2020). COVID-19 IMPACT ON ONLINE SHOPPING. *International Journal of Medical Science in Clinical Research and Review*.

Rajesh, R. (April 2019). *Assessing the impact of Online Grocery Shopping in Mumbai.*

Staulp, R. (2020, December 8). Retrieved from capgemini.com: <https://www.capgemini.com/2020/12/the-impact-of-covid-19-on-online-grocery-shopping/>