

NAME: AZEEZ TOYOSI AJOKE

DEPARTMENT: BUSINESS ADMINISTRATION

MATRIC NUMBER: 17/SMS03/006

COURSE CODE: EMS 302

COURSE TITLE: MANAGEMENT INFORMATION SYSTEM 11

ASSIGNMENT: IN NOT LESS THAN 1500 WORDS, EXPLAIN THE IMPACT OF THE PANDEMIC COVID-19 ON E-COMMERCE.

Firstly, what is E-commerce? E-commerce is the buying and selling of good or services via the internet, and the transfer of money and data to complete the sales. It is also known as electronic commerce or internet commerce. There is no business that is not involved in e-commerce now a days. Examples are; Alibaba, Jumia, Amazon, etc.

THE IMPACT OF THE PANDEMIC COVID-19 ON E-COMMERCE

The coronavirus (COVID-19) has a wide-reaching effect on industries like medicine, education, technology, business travel, e-commerce and the economy. It has already taken the lives of many and also taking. In addition to this, every country follow the lockdown procedures as a means of preventing measures and Nigeria has also adopted the same. It seems both private and the public sector are messed up due to this virus. The fact is unavoidable that the effect of coronavirus will have a significant effect on the country, economy and the society. The increasing threat of this pandemic (COVID-19) is a public health crisis and hampers the macro economy as a whole. It has also cut off the supply chain of the business. The production and the manufacturers are expected to be hampered more. China is the central manufacturing hub for many businesses globally. Therefore, any disruption in china's output will simply have repercussion. Since research on its management is ongoing, people are in a state of uncertainty, hence affecting consumer behavior.

Businesses all over the world are hugely affected, with giant economies almost brought to a standstill. Reports indicate the world's economy could hit the lowest stagnation if the outbreak continues. However, the e-commerce world is getting both ends of the stick. There are positive and negative impacts the outbreak has on e-commerce.

The online business (E-commerce) is finding it difficult to sell their products online and also facing tremendous issues while sourcing their products from china. China mainly deals with the machinery, equipment, instruments and communication-related equipment. Any disruptions in these sectors will simply affect other country business. Similarly, the Nigerian market is also dependable upon the china product and it will highly impact the economy of Nigeria. Furthermore, the lockdown has also obstructed the import and export facilities in the country. All is the impact of the coronavirus. In addition to e-commerce business the automotive, metals and metals products, chemicals, communication equipment, rubber and

plastics, and office machinery sectors are also got disrupted. Many online businesses are facing shortages of the products which are unable to satisfy the demand of the customers over there. This may also increase the price of the products in the coming futures after everything gets well.

Moreover, e-commerce businesses are trying to handle the situation. Take up the situation of the Amazon does not only deal with one country rather, but it also deal with other countries too. Maximum of their sellers are from China of Amazon. Other online businesses are also going to feel the pressure of their supply crunch.

Wayfair, a furniture e-commerce retailer, has registered losses of about 22 percent drop in shares this year. Dropping of share value in your business may send off investors and affect sales as well.

Companies, counties, and health organizations are advising employees against non – essential travels to reduce the risk of spreading the menace. These restrictions, though helpful, have brought a sharp decline in the travel industry.

This pandemic has also affected e-commerce related businesses like hotel booking, flight tickets, and accommodation like Airbnb or booking.com suffer activities and sales. You may, therefore, experience low sales if your niche falls in this category. Sailing through these miry business times calls for tact and making hard decisions. Establishments have sent employees for unpaid leave. Some people have lost job as businesses close down. With less income, consumers restrict their expenditure. The less spending power translates to reduce online purchases.

Sports industry is a force throughout the world. Most games and tournaments have been canceled, and in some cases, sponsors withdrawing their support. As a result, many online activities associated with such events, like tickets for the games, travel, among others, are negatively affected. Sports enthusiasts may turn to online gaming to feel the entertainment void and turn into a habit. E-commerce enables online stores to capitalize on the scarcity and increase prices. Such moves affect you as you may lose clients due to high costs. COVID-19 has claimed many lives all over. Reports indicate approximately 4,613 people have died from the virus and 125,058 confirmed cases. When a family member dies, it is not business as usual. These high statistics of death and ailing people affect relatives and close friends to a large extend. For some time, life almost stops as they come to terms with the loss or contend with a life-threatening condition. Shopping online is the last thing on the mind of the affected people unless they are purchasing what they need.

Generally, people are apprehensive and less likely to spend on anything they do not need. The wait and see approach reduces money circulation in businesses all over, whether online or in physical stores. This anxiety may affect your e-commerce business, depending on what you are selling.

POSITIVE IMPACT OF COVID-19 ON E-COMMERCE

Experts call for people to avoid crowded places in a bid to help curb the menace. Governments are also discouraging nationals against hanging out in public places. More are quarantined either through confirmed mild, or symptomatic cases. As a result, online sales of utilities and essential household commodities are on high.

Such changes influence shopping behaviors based on events or circumstances witnessed now may turn into a long-term comportment amongst most shoppers. Since some may feel and love the convenience of online shopping, they are less likely to go back to the old ways. This way, the COVID-19 pandemic may increase online shoppers and grow e-commerce on utilities and household goods.

Most of the items on platforms like Amazon fall under consumer product goods, and staple items. Amazon prime is therefore bound to register an increase in membership from the increased demand of these items online. The stocking up of the items also means higher sales with more people at home to consume or use things.

In South Korea, mobile apps that monitor coronavirus are increasingly becoming popular. Bae Won-Seok, a developer of Corona 100m, reveals that installs of the app are on the increase to about 20,000 per hour. Users of the app get information on the gender, age, and nationality of coronavirus patients. You also get to know the date a victim is confirmed positive of the virus and the places they visited. Such apps are attracting more user's online boosting e-commerce. Streamed video content and books are also likely to garner more sales in the short term.

Pharmacies across the world sold out items like hand sanitizers and masks as people bought to take precautions. The shortage prompts increase online search from shoppers looking for the products. Some of these shoppers have never purchased such products online. The enhanced online traffic benefits e-commerce as chances of shoppers bumping into your products online are high.

Another impact of this pandemic (COVID-19) is that there has being an increase in people buying and reading books online to help improve their knowledge educationally especially people studying at higher levels like masters and post graduate students. People don't really go to stores to buy books or library to read due to the pandemic but rather read and buy books online.

Also, this pandemic has brought many food manufacturing companies that doesn't engage in online trading into online business due to rapid increase in food consumption.

Conclusion

Platforms like Amazon are experiencing countervailing forces with such disruptive happenings. Luxury brands are declining in sales, while utilitarian products like grocery, health, and beauty and consumer product goods are in high demand. Coronavirus tragedy may hasten

the digital side or retail business at a higher rate than expected. Shoppers initially reluctant to try online shopping now have to purchase things remotely. As technology becomes more intuitive, and consumers enjoy the convenience of e-commerce, they are likely to stay hooked.

It is impossible to give a full analysis of the impact of pandemic (COVID-19), as it is still prevalent. However, essential household products make the most significant percentage of online sales on stores like Amazon, while luxury items seem to be most affected. This occurrence may open up businesses to transfer more activities online. The shift to the digital world will call for more resources and technology to sustain the activities. Enhanced online development is an advantage to e-commerce business.

In 2020, e-commerce may represent about 12 percent of total retail sales. The change in customer behavior due to the pandemic (COVID-19) in this first quarter can have a more profound impact on e-commerce.