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ITS444: E-Commerce

25 April, 2023

The effects and aftermath of Covid-19 is nothing short of impactful and significant, and the same can be said for the entirety of e-commerce. The epidemic caused major alterations in consumer behavior where more people consistently looked to online shopping as an outlet for safety, and convenience. Post Covid-19, consumers have stuck to that same habit, only for different reasons now, such as ease, simplicity, and accustomation. That being said, this shift has introduced both successes and challenges to the e-commerce world due to organizations' responsibility to quickly adjust to the constantly changing behavior of the consumer. In this essay, I will discuss the successes, failures, and challenges that Covid-19 has placed on e-commerce.

### **Successes**

There are many identifiable and obvious successes to e-commerce that Covid-19 has brought to the industry of e-commerce, with the most notable being the clear increase in demand, the new customer acquisitions, the diversification of revenue streams, the availability in employment, and the money-saving habits created by businesses. These effects have been monumental, not only to growing businesses around the world, but to the ever changing consumer mindset.

Covid-19 created an extreme surge in online shopping, with many people being forced to stay home from lockdowns and social distancing regulations. This increased online sales 49% in

April 2020, according to a report done by Adobe Analytics, making it the highest e-commerce growth rate change in the past decade. Furthermore, it is clear that the demand for online shopping made the biggest impact for e-commerce after Covid-19 than any other result out there.

The availability for new customers is another outcome made by Covid-19 for e-commerce. What this means is that shoppers who strongly prefer live, in person shopping had no other option than to partake in online shopping. Because of this, many people have found to enjoy online shopping to in person shopping, as it provides many benefits from a company's consumer tracking, to its demographic marketing. Not only have organizations been able to recognize consumer pros to online shopping, but they have capitalized on them, and forced their shoppers to love it.

The diversification of revenue streams is another skill businesses have been enforced to engage in, in order to survive the pandemic. Countless traditional brick-and-mortar stores have needed to transfer their focus into e-commerce in order to stay competitive. This has helped immensely in boosting e-commerce as a whole, and has made it all the more possible for businesses to stay afloat in the pandemic.

During the pandemic many people were laid off, businesses shut down, and work for some was nowhere to be found. Although this was not an ideal situation for many consumers, this was beyond perfect for organizations lacking the employees they needed. As the demand for work increased, the options for better employment increased, meaning companies had the alternative choice of hiring overqualified workers for the same price as an under qualified employee. In the long run this would save businesses time, money, resources, and could eventually encourage the standards to raise for the organization as a whole both in the short term, and the long term.

The last obvious success experienced because of Covid-19 for e-commerce in general were the money-saving habits created by businesses in lieu of the pandemic. As social distancing measures increased, the requirement for online work increased, however this also meant that money once being spent on offices, supplies, equipment, etc. was no longer necessary, and companies would now transition those dollars into revenue, rather than expenses, increasing capital all together. As other money-saving skills formed, businesses grew, and new measures would need to be taken to accommodate skilled at-home workers.

## **Failures**

As with all things, the ups came with downs, and failures were not only experienced and recognized during the pandemic, but they severely impacted the e-commerce industry from more than one angle. The failures of e-commerce due to Covid-19 included crucial supply chain disruptions, increased competition, and a wide range of cybersecurity risks, threats, and vulnerabilities. Because of these failures, companies needed to learn how to transform their businesses, and elevate their brand to become a more competitive and serious e-commerce organization.

The pandemic critically distorted supply chains all across the world, and because of this, delivery delays and product scarcity became more substantial within the industry. This naturally became a huge problem for businesses that rely on timely delivery to retain customers, as well as companies that are goods-based when product shortages occurred. Without these supply chain disruptions, businesses would have ran 10x smoother, and would not have faced as critically damaging situations as they did; however, because of this, companies were able to modify their

business plans to be less product based, and rely more on their services, or offer other compensation packages to make up for their lack of products.

Another failure Covid-19 forced onto the ecommerce industry was the increased competition many different seasoned businesses had to endure. Lots of companies which were familiar with the e-commerce industry, and maybe even survived off of it, had to work that much harder to stand out as many other organizations transitioned into a fully online e-commerce business. As customer demand increased, e-commerce business plans increased, and the ability to be noticed as a unique, worthwhile brand diminished. This single-handedly suppressed many companies' abilities to create and/or sustain business, and strained the overall market, causing many different businesses to fail as a result.

The last failure, and possibly the most significant, is the many different threats, risks, and vulnerabilities that became exposed during Covid-19 within the e-commerce field. Online shopping increases led to simultaneous increased usage of the internet, and as both increased, the risk of cybersecurity increased as well. Cybersecurity is one of the most important factors to e-commerce, so when vulnerabilities became apparent and exposed, threats became more prominent, and this caused consistent and quick failures that many companies were unable to bounce back from. Some organizations were able to face this issue, and come back stronger because of it through the power of persistence; however, many were unable to do this, and unfortunately fell into a hole of failure, which they could not be retrieved from.

## **Challenges**

The last factor that affected e-commerce as a whole throughout the events of Covid-19 were the challenges faced, some of which included meeting customer expectations, adapting to

changing consumer behavior, and keeping up with altering technology. These challenges were make or break for many companies, and when facing those challenges, organizations were able to come out stronger from it, or crumble. After recognizing and addressing the challenges, transforming the businesses' durability became a new task which companies needed to adapt to, only after facing the challenges presented to them from the pandemic.

Meeting customer expectations was a difficult task to achieve by organizations because of the ever expanding range of products and services. As availability to goods and services grew, customer expectations increased, and the standard was raised constantly, so needing to consistently meet the customer expectation became a gruesome task which could not be met by some businesses. Some consumers expected faster delivery times, enhanced customer service experiences, or even easier shopping encounters, which meant e-commerce businesses needed to find ways to reach those expectations so that customer retention was not affected. The companies who were able to meet the changing customers' standards were able to stand out, and be a continual success in the e-commerce industry.

Another tough duty to maintain by pandemic-affected businesses was adapting to the changing consumer desires. Covid-19 created an interesting shift in consumer behavior, with customers obviously choosing the online shopping experience, or the least face-to-face involvement possible more often. This meant that companies now had to adapt to the customer's needs and preferences whether they wanted absolutely no human interaction, or no contact, or just simply things done completely for them. Businesses who were able to adapt to this quickly were able to thrive more quickly in the market, and obtain long-lasting clients at a quicker rate.

The last challenge which seemed to attack businesses during Covid-19, and affect e-commerce throughout the field was organizations' abilities to keep up with changing technology.

Obviously because of the increased demand in online shopping, there was a major influx in usage of technology which meant that if businesses expected to keep up with increasing clientele, they would need to keep communication routes readily available, and updated. Because the e-commerce industry is continually evolving, technology and innovations are emerging right next to it, so e-commerce must keep up with those changes in order to keep a competitive feature about them and meet those customer expectations once again.

## **Conclusion**

In conclusion, the Covid-19 pandemic placed many significant changes and influences into the minds of consumers. As consumer minds changed, business plans were forced to adapt, and companies were left facing successes, failures, and challenges, all which made them, or broke them. While the ever expanding needs of the consumer during the pandemic increased, e-commerce business also increased, and left a mark on history altogether.