

Covid 19 Pandemic Accelerated Shift to E-Commerce

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Abstract: E-Commerce is the phenomenon of online spending. E-commerce is one of the industry options that one will have to explore in future. E-commerce is experiencing rapid growth in many countries. However, all-time demand is at its peak, as consumer purchasing intentions shift. As a result, the market moved from physical to online. The E-commerce market of India is anticipated to rise from US\$ 38.5 billion in 2017 to US\$ 200 billion by 2026. A rise in internet usage and smartphone penetration has prompted the development of the business. The Indian Government has introduced numerous initiatives, including Make in India, Digital India, Start-up India, Skill India, PM Kisan Samman Nidhi (PM-KISAN), and Innovation Fund.

Keywords: E-Commerce, COVID-19, Digital India

I. INTRODUCTION

As the COVID-19 pandemic reshapes our world, more consumers have preferred online shopping in larger quantities and frequency. The pandemic has accelerated the shift from physical marketing to digital marketing. As a result, the department store is observing substantial deterioration. Sales in departmental stock and “non-essential” sellers declined by 25% in the first quarter and by 75% in the second quarter of 2020. It is expected that department store sales will fall by 60% for the whole year. For the time being, e-commerce is expected to increase by approximately 20% in 2020. During the lockdown, the e-commerce business continued to experience increased demand. Numerous reasons are proving to be the most essential barriers to smooth dealings with companies. However, people want to purchase goods through online shopping. However, demand is at its all-time high. Consumer shifts in purchasing intentions. As a result, the market shifted from physical to online. The e-commerce industry's revenue shows an average weekly growth rate of 52%. The customers primarily focused on essential products, including foodstuffs and cleaning supplies. The Amazon website reveals that the sales have declined by around 40-60% of non-essential products [2].

According to business growth data collected from brands, e-tailers, e-commerce enablers, and analysts, the Indian e-commerce market, which was a \$ 27 billion market in calendar 2019, is poised to achieve 40 per cent growth in 2020, compared to 23 per cent growth in 2019.

According to Mrigank Gutgutia, Director, RedSeer Consulting, the CY 2020 forecast is more bullish for e-commerce at the start of the pandemic,” [1]. “E-commerce market size datasets from June, July, and August are all confirming that the market is on track for a powerful second half of the year. Overall, it is expected that Indian e-commerce will grow 40 per cent in 2020, grossing \$38 billion GMV (gross merchandise value), up from \$27 billion in 2019.” Indian e-commerce grossed \$22 billion in gross merchandise value (GMV) in 2018. It is explained through fig.1:

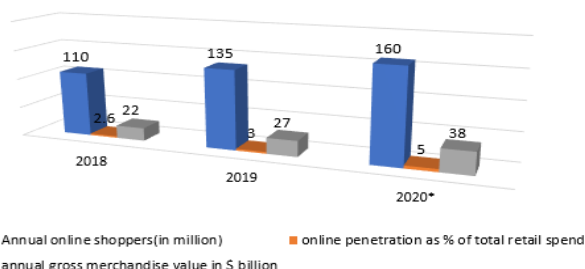
Table 1: COVID-19-Led Jump E-Commerce

Year	Annual online shoppers (in millions)	Online penetration as % of total retail spend	Gross yearly merchandise value in \$ billion
2018	110	2.6	22
2019	135	3	27
2020*	160	5	38

*Estimates

Source: Redseer Consulting

Chart 1: COVID-19 Led Jump E-Commerce



It is expected that the total number of online shoppers will jump from 135 million in 2019 to 160 million in 2020, owing mainly to digitisation caused by the pandemic.” More importantly, as a result of the continued challenge faced by offline retail, it expects online penetration (as a percentage of total retail spend) to jump from 3 per cent in 2019 to 5 per cent in 2020, the highest increase ever recorded for Indian e-commerce in the last decade, driven by the e-grocery category [3] [4]. The quarantine has transformed from everyday living to an intense state of infection. This virus has affected the whole world, but some of the leading nations on the globe have completely frozen their economic activities. Its result is to lock down the market and instruct every person to stay in their place. And they make the best use of time on the internet. After that, everybody is considering ways to lead a regular life in the digital world. This focuses on the e-commerce industry. The image reveals the size of COVID-19 lockdowns, pictures of various countries which are enforced for people to live in their houses:

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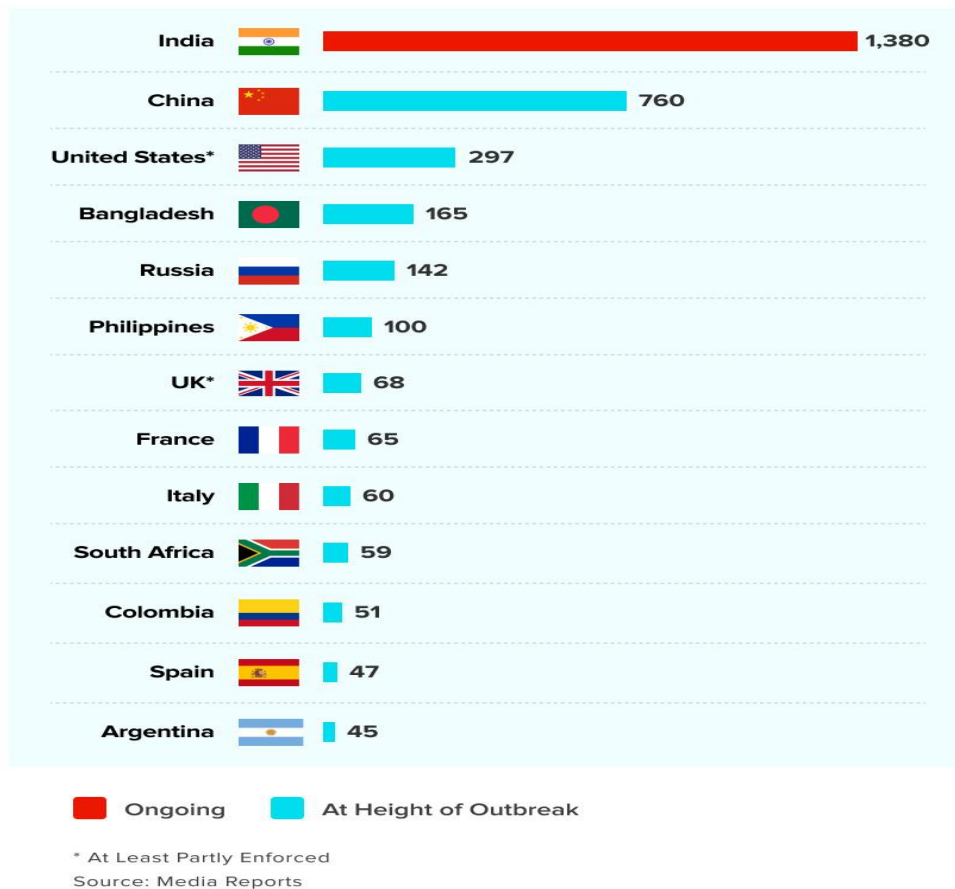
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The Size of Coronavirus Lockdowns

Number of People Placed on Enforced Lockdown Due to the Coronavirus Pandemic , Per Country (in million people)



II. REVIEW OF LITERATURE

(Rajasekar & Agarwal, 2016) [5] had a deep investigation on the study on impact of e-commerce on India's commerce. In their research, they have explored the Growth and Prospects of E-Commerce in India. With the surge in internet connectivity through mobile devices, such as smartphones and tablets, millions of consumers are making decisions online. In this way, enterprises can establish their digital brand and enhance operational efficiency. However, government policies must ensure that cost-effective techniques are in place. E-commerce in India aims to generate both income and physical reach.

(Dahiya , 2017) [6] has a Study on E-Commerce and its Impacts on Market and Retailers in India. According to the author, E-commerce is a part of E-business, which focuses on both internal and external activities of a business. E-commerce is highly beneficial for us, as it offers a wide variety of products and services, complete with extensive information and attractive pictures, at affordable prices, all delivered to our doorstep. E-commerce has a positive impact on markets by reducing the cost of advertisements, as many customers can be attracted through the internet. New brands can be developed, good relationships with customers can be maintained, and customised products can be created according to customer needs.

(Das & Ara, July 2015) [6] the author have analysed with their study that Ecommerce one of the highest growing business, with India having significant market potential for

investments. The rapid growth in the use of mobile devices and internet access has enabled e-commerce businesses to thrive in both urban and rural areas. The study of e-commerce encompasses various aspects, including key drivers of growth, market growth potential, investment, retail market, logistics infrastructure, internet regulations, key challenges, and the future of e-commerce. E-commerce growth is inevitable, as the Indian e-commerce industry has access to both local and international investments.

III. OBJECTIVES OF THE STUDY

1. The objective of this study is to analyse the state of the growth of e-commerce in the country.
2. This paper aims to analyse the impact of e-commerce business as one of the contemporary business trends in India.
3. To study the numerous initiatives of the Government and different schemes for the growth of e-commerce in India.

IV. RESEARCH METHODOLOGY

The research methodology is based on descriptive arguments, statistical data, comparative studies, and analytical logic, developed through an understanding of various research papers, reports, books, journals, newspapers, business magazines, and online databases.

Secondary data is widely used to realise the objective of the present study.



V. HISTORY OF E-COMMERCE

Electronic commerce was presented around 40 years ago. Since then, electronic commerce has helped countless businesses grow with the help of new technologies, improvements in internet connectivity, added security with payment gateways, and widespread consumer and business adoption [7][8]. The history of E-commerce is enlightening. Firstly, in 1969, electrical engineering student Dr. John R. Goltz and Jeffrey Wilkins founded CompuServe. The CompuServe technology was erected using a dial-up connection. In the 1980s, CompuServe introduced some of the initial systems for email and internet connectivity to the public, establishing a foundation for e-commerce. Secondly, in 1979, Michael Aldrich discovered electronic shopping by connecting a modified TV to a transaction-processing computer via a telephone line. Thirdly, in 1982, the Boston Computer Exchange was introduced. This is the first e-commerce company in the world. The primary objective is to offer online market services for individuals interested in selling their used computers. In 1992, Book Stacks Unlimited was announced by Charles M. Stack. It presents as the first online bookstore marketplace. The company presented the dial-up bulletin board format. But, the site moved to the internet and functioned from the Books.com domain in 1994. In the same year, the web browser was introduced by the Netscape Navigator in 1994 [9][10]. The Netscape Navigator, as a web browsing tool, was co-created by Marc Andreessen and Jim Clark. For the duration of the 1990s, Netscape Navigator was the primary web browser on the Windows platform, a position later surpassed by current giants like Google. In 1995, Amazon was launched by Jeff Bezos as an e-commerce platform for books. PayPal introduced its e-commerce payment system in 1998. It is a tool for transferring money on e-commerce platforms. Alibaba was presented as an online marketplace in 1999. Google AdWords was launched by Google in 2000 as an online advertising tool. Shopify was founded by Tobias Lütke and Scott Lake as an online snowboarding equipment shop and point-of-sale systems in 2004. Amazon introduced Amazon Prime membership in 2005. The membership offers customers free two-day shipping for a flat annual fee. Etsy was introduced in 2005. It expands the online concept for smaller vendors with digital products, allowing their reach to a 24/7 buying audience. BigCommerce was reintroduced by Eddie Machaalani and Mitchell Harper in 2009. Google Wallet was introduced as a digital payment method in 2011. It is a peer-to-peer payment service that enables customers to send and receive money from their mobile devices, laptops, or desktop computers. Google Wallet has been integrated with Android Pay, now known as Google Pay. Facebook offered sponsored stories to Business Page owners as a form of early advertising opportunity in 2011. Stripe was introduced by John and Patrick Collison in 2011. It is a company specialising in payment processing, initially manufactured for developers. Apple introduced Apple Pay as a mobile payment method in 2014. The online consumer is permitted to pay for goods or services with an Apple device. Marc Lore launched Jet.com with Mike Hanrahan and Nate Faust in 2014. The e-commerce partner with BigCommerce announced Instagram in 2017. Instagram offers online

shopping. The users click on the product and go to that item's product page for purchase. The COVID-19 pandemic pushed the growth of e-commerce to a peak in 2020. During this period, the world pressed consumers online to unexpected stages [11-15].

A. E-commerce platforms in India

The e-commerce business in India is facing intense competition. In the world, India appears as the most significant internet market area, being the second-largest user of the internet internationally. It offers a vast opportunity for growth in the e-commerce business due to the continuously increasing number of online shoppers in India. It is advantageous for retail industries to search for and utilise various factors that drive business growth. The e-commerce business is in its top position. Mobile commerce is similarly individually placed to assist business performers of all sizes to handle their industry more proficiently [16-20]. The domestic and overseas enterprises are trying to capture the market with the maximum market share. Amazon was the foremost online marketplace in the country, with the highest sales. Flipkart and Myntra were also the prominent players in the domestic market. According to IBEF, 'The Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second-largest e-commerce market in the world by 2034. The Indian e-commerce sector is poised to reach US\$99 billion by 2024, up from US\$30 billion in 2019, with an annual growth rate of 27%. Grocery and fashion/apparel are likely to be the key drivers of incremental growth.

B. Internet penetration rate in India 2008- 2020

E-commerce has revolutionised the way businesses operate in India. The Indian e-commerce market is expected to grow from US\$ 38.5 billion in 2017 to US\$ 200 billion by 2026. The use of the Internet and smartphones has increased. By August 2020, the Digital India Initiative had significantly increased the number of Internet connections in India to 760 million. Of the total number of Internet connections, 61% are located in urban areas, and 97% of them are wireless connections. The usage of technology is increasing day by day increases [2]. In India, the Internet penetration rate has increased by approximately 46%. This also ranked the country second in the world in terms of the number of active internet users.

Table No. 2: Internet penetration rate in India from 2008 to 2020

Year	Internet penetration rate in India (%)
2008	4.4
2009	5.1
2010	7.5
2011	10.1
2012	12.6
2013	15.1
2014	18
2015	27
2016	34.8
2017	34.4

2018	38.02
2019	48.48
2020	50

Sources: <https://www.statista.com>

This table indicates that in 2007, the percentage was approximately 4%, and by 2020, it had increased to 50%. Though this information looks moderately low, a portion of the people in 1.37 billion families inevitably had access to the internet that year [28-29].

C. Growth of E-commerce

The E-commerce concept emerged with the introduction of CompuServe in 1969. The fluctuations in technology have positively motivated the growth of electronic commerce, particularly in a worldwide environment. Nowadays, e-commerce requirements are achieved through customers' opinions for safety and suitability.

- The pandemic-sustained soar upwards in e-commerce to greater revenues and a 13% rise in profits through the June 2020 quarter. During that same quarter, there was a 65% rise in deliveries to households.
- In 2019, U.S. e-retail sales on Amazon increased by 19.1% and amounted to over 222.6 billion U.S. dollars.
- Approximately \$375 billion is expected to be spent online by the end of 2020. By the end of 2024, it is estimated that online expenditure will exceed \$476 billion.

Table No. 3: Retail e-commerce sales in the United States and India from 2017 to 2024

Year	Revenue of India in billion U.S dollars	Revenue of the United States in million U.S. dollars
2017	18.2	279727
2018	25.1	309054
2019	33.2	343150
2020	43.5	374375
2021*	52.1	407065
2022*	59.6	436116
2023*	66	459852
2024*	71	476462

Sources: Statista digital market outlook; Statista@Statista 2020

<https://www.statista.com/forecasts/289770/e-commerce-revenue-forecast-in-india#:~:text=Total%20retail%20e%2Dcommerce%20revenue%20in%20India%202017%2D2024&text=The%20graph%20presents%20the%20e,billion%20U.S.%20dollars%20in%202024.>

The table presents the retail e-commerce market revenue in the United States and India in 2017, and provides a forecast until 2024. E-commerce revenue in the United States is expected to grow to \$476,462 million in 2024. E-commerce revenue is expected to reach 71.0 billion U.S. dollars in India by 2024. The United States reported revenue of \$374,375 million in 2020. This represents a 25.28 per cent increase from \$279,727 million in 2017. During the same period, India also reported revenue of \$ 43.5 billion in 2020. This represents an increase of 58.16 per cent from \$ 18.2 billion in 2017. The growth rate of e-commerce in India is higher than that of the United States. Statista's digital market outlook provides forecasts, detailed market information, and key performance indicators in the most critical areas of the digital economy, including various digital goods and services across

150 countries and regions. The forecast has been adjusted to reflect the expected impact of COVID-19.

D. Growing trend of e-commerce in India

The increasing growth in the e-commerce industry is attributed to several reasons. Digitising the economy and providing affordable internet to the people are among the many reasons that have boosted the growth of digital sales in India. In 2018, e-commerce sales across India were estimated to increase by 25 per cent. The growth rate, however, was predicted to experience a slight dip in 2022. Consequently, the revenue-generating potential has also increased. The average retail e-commerce revenue collected per user in India in 2018 was more than \$ 50. It was estimated to cross \$ 75 by 2024. The present table depicts the market size of India's e-commerce industry in 2014-2018, forecast to 2027 (US\$ billion):

Table no. 4: Market size of e-commerce industry across India from 2014 to 2018, with forecasts until 2027(in billion U.S. dollars)

Year	Value in billion U.S dollars
2014	14
2015	20
2017	39
2018	50
2020	64
2021	84
2025	188
2027	200

This table reveals that the e-commerce industry in India presents a vast array of opportunities, driven by the growing internet consumer base and favourable marketplace environments. Growing at an exponential rate, the market value of the e-commerce industry in India was approximately \$ 50 billion in 2018. This number is estimated to reach \$ 200 billion by 2027.

E. The Impact of E-commerce

The impact of e-commerce is remote and extensive, with a current impact from small enterprises to worldwide businesses:

a. *Huge sellers are required to sell online.*

The growth of e-commerce helps many shoppers by expanding the range of products and offering lower prices. However, for those shoppers, it has had a different impact on those who have been slow to enter the online market. The biggest challenges for those feeling the effects of e-commerce are the sellers who fall somewhere in the middle. The first time, online shopping closely exceeded the supplies of all-purpose products, including those from supermarkets, department stores, and warehouse clubs. Amazon Prime acquired the shipping price; most customers prefer online shopping. It is convenient and comfortable with them.

b. *E-commerce enables small businesses to sell directly to consumers.*

The e-commerce business can offer new opportunities for many small businesses. However, many small companies hesitate to adopt online dealings. Before the pandemic, small industries continued to operate, increasing their e-commerce presence. In today's scenario, small business owners feel

they must enhance their e-commerce capabilities to thrive in a post-pandemic world. Since the COVID-19 lockdowns began, small business owners have either designed a website or modernised their existing one. During this pandemic, small business entrepreneurs are introducing e-commerce solutions and expanding their contributions. It is directly reaching most consumers and enhancing the co-operative experience for those who prefer online or mobile shopping.

c. The increase of e-commerce markets.

Since the mid-1990s, with the emergence of Amazon, Alibaba, and other giants that we know today, the global e-commerce market has experienced significant growth. In this table, we have noticed that Amazon is an exception in terms of commercial e-commerce growth in the market, but we have also noticed that other companies are making progress:

Table No. 5: E-commerce growth of the business in the marketplace

Company	Revenue	Year
Amazon	\$386	2020
Alphabet	\$182.5	2020
Facebook	\$85.96	2020
Alibaba	\$56.152	2019
Netflix	\$24.99	2020
Paypal	\$20	2020
eBay	\$10.8	2019
Flipkart	\$6.1	2019

Compared to other companies, Amazon has demonstrated a distinctive growth strategy, which has enabled it to achieve widespread adoption and record sales. It is clear from Table 5 that Amazon was in the first position in terms of revenue in 2020, followed by Alphabet and Facebook. Flipkart is in the 8th position.

d. Supply chain management has evolved.

One of the most critical impacts of e-commerce on supply chain management is the shortening of product life cycles. The manufacturers are offering deeper and larger collections as a bumper beside rate attrition. Meanwhile, warehouses are keen to hold greater quantities of stock in and out of their services. Now, warehouses offering value-added services have benefited the e-commerce and selling procedures, making them more unified and efficient.

e. New jobs will be created, but traditional retail jobs will be cut.

The e-commerce employment landscape has changed; they break down what this all means and looks like for job prospects in the e-commerce sector. The growth of e-commerce poses a significant challenge to the job market, particularly in the retail industry. However, e-commerce employment growth is only a small part of the puzzle. E-commerce has created 178000 new jobs over 15 years. Most employment opportunities in e-commerce are located in urban regions. Traditional retailers are shifting towards modern e-commerce businesses, which results in some people losing their jobs as shoppers or companies demand skilled workforces. As with major physical markets shifting online, it appears that there are both positive and negative impacts on employment.

f. Omni-channel sales

Omni-channel selling means accessing consumers at every touchpoint, both online and offline. Omni-channel sales can be achieved by launching physical stores to enhance the consumer shopping experience. E-commerce has had a significant impact on consumers. In the present era, most people are familiar with the internet, which is transforming the way recent customers shop. So they preferred to buy through online shopping. Customers now prefer to shop online rather than in-store. The pandemic has undoubtedly prompted us to rely more heavily on online services. Millennials are the largest demographic of online shoppers. They participate in online shopping activities respectively.

F. E-commerce market growth rates worldwide

The **Table No. 6** List of top 10 countries in e-commerce retail sales (in billions) from 2018 to 2019 and their percentage changes. The Emarketer report also compares growth between the top 10 countries ranked by e-commerce sales, showing that China now surpasses the US and the UK.

Table no. 6: Top 10 countries, ranked by retail e-commerce sales, 2018 & 2019 (billions and % change)

Countries	2018	2019	% change
1. China	\$1,520.10	\$1,934.78	27.3%
2. US	\$514.84	\$586.92	14.0%
3. UK	\$127.98	\$141.93	10.9%
4. Japan	\$110.96	\$115.40	4.0%
5. South Korea	\$87.60	\$103.48	18.1%
6. Germany	\$75.93	\$81.85	7.8%
7. France	\$62.27	\$69.43	11.5%
8. Canada	\$41.12	\$49.80	21.1%
9. India	\$34.91	\$46.05	31.9%
10. Russia	\$22.68	\$26.92	18.7%

Note: Includes products or services ordered using the internet via any device, regardless of the method of payment or fulfilment; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drink place sales, gambling, and other vice goods sales.

Source: eMarketer, May 2019, www.emarketer.com

It is clear from Table 6 that China held the first position in terms of retail e-commerce sales in both 2018 and 2019, followed by the US and the UK. India is in the 9th position. In the current era, China is expected to hold the first position in the worldwide e-commerce market growth, with \$1.935 billion in retail E-commerce sales. The US has the second position with \$586.92 billion, which is three times less than China. There are other countries in the top 10 list of the global E-commerce market, as shown in the table above, at number 6. India is the fastest-growing e-commerce market. In 2019, its sales are expected to increase by 31.9% to \$ 46.05 billion U.S. dollars. Russia ranks tenth with \$ 26.92 billion in sales, representing an 18.7% increase from 2018 to 2019.

**Table no. 7: Retail e-commerce sales worldwide, 2017-23
(trillions, % change and % of total retail sales)**

Years	Retail e-commerce sales	% change	% of total retail sales
2017	\$2.382	28.0	10.4
2018	\$2.928	22.9	12.2
2019	\$3.535	20.7	14.1
2020	\$4.206	19.0	16.1
2021	\$4.927	18.1	17.1
2022	\$5.695	20.0	20.0
2023	\$6.542	22.0	22.0

Note: Includes products or services ordered using the internet via any device, regardless of the method of payment or fulfilment; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drink place sales, gambling, and other vice goods sales.

Source: eMarketer, May 2019, www.eMarketer.com

This table indicates that retail e-commerce sales have doubled from 2017 to 2020. It is continuously increasing sales worldwide. It is clear from the table that the retail e-commerce sales are showing an increasing trend. It was \$2.382 in 2017, which rose to \$2.928 in 2018. It is expected to grow at an increasing pace in the coming years as well. It is expected to reach \$6.542 in 2023, which is almost 3 times the sales of 2017.

G. Market Size

With the soaring penetration rate of smartphones, the popularity of 4G, and the increase in consumer wealth, the Indian e-commerce market is expected to grow from US\$38.5 billion in 2017 to US\$200 billion by 2026, according to projections by Flipkart, Amazon India, and Paytm. In the first quarter of 2020, smartphone shipments in India increased by about 8% year-on-year to 50 million units, thanks to the active shipments of all smartphone suppliers. Samsung leads the Indian smartphone market with a 24% share of shipments, followed by Xiaomi with a 23% share.

H. Electronic commerce sector Investments/Developments in India

Some of the significant developments in the Indian e-commerce sector are as follows:

- In November 2020, Amazon India announced a partnership with Hindustan Petroleum Corporation Limited. As part of this partnership, customers can order and pay for LPG cylinders before delivery.
- In November 2020, Reliance Retail Ventures Ltd. (RRVL), a subsidiary of Reliance Industries (RIL), acquired a minority stake of Urban Ladder Home Decor Solutions Pvt. Ltd. for Rs. 182.12 crore (US\$ 24.67 million).
- In November 2020, Flipkart acquired Scapic, an Augmented Reality (AR) firm, to increase user experience.
- In November 2020, Amazon India opened a 'Made in India' toy store, in line with the government's 'Atmanirbhar Bharat' vision. The store will enable thousands of manufacturers and vendors to sell toys inspired by Indian culture, folk tales, and creative thinking, promoting locally crafted and manufactured toys.
- In October 2020, Amazon India collaborated with the Indian Railway Catering and Tourism Corporation (IRCTC) to enable users to book and reserve train tickets on Amazon.

- In October 2020, Flipkart acquired a 140-acre land at Rs. 432 crore (US\$ 58.87 million) to establish their largest fulfilment centre in Asia, in Manesar, Gurgaon, in a bid to scale their fulfilment infrastructure to cater to increased demand post-COVID-19.
- In October 2020, Amazon India invested over Rs. 700 crore (US\$ 95.40 million) into its payment unit, Amazon Pay.

VI. GOVERNMENT INITIATIVES

Since 2014, the Indian Government has announced numerous initiatives, namely Digital India, Make in India, Start-up India, Skills India, and Innovation Fund. The timely and effective implementation of such plans may promote the development of E-commerce in the country. Some of the central government initiatives to encourage E-commerce in India are:

- Government Electronic Marketplace (GeM) signed a Memorandum of Understanding (MoU) with Union Bank of India in October 2019 to provide a cashless, paperless and transparent payment system for various services.
- As part of the Digital India movement, the Government has launched various initiatives, such as Umang, Start-up India Portal, and Bharat Interface for Money (BHIM), to boost digitalisation.
- In October 2020, Piyush Goyal, Minister of Commerce and Industry, invited startup companies to register on the GeM portal for public procurement and provide goods and services to government organisations and PSUs.
- In October 2020, to change the withholding tax rules of 2016, the government required foreign companies operating e-commerce platforms in India to have a permanent account number (PAN). A 2% tax was levied on the sale of goods or the provision of services by a non-resident e-commerce operator in fiscal year 21.
- To extend the participation of foreign participants in e-commerce, the Indian government increased the maximum foreign direct investment in the e-commerce market model to 100% (in the B2B model).
- The government's substantial investment in the expansion of 5G fibre optic networks will help promote the development of e-commerce in India.
- The RESERVE BANK OF INDIA has decided to allow "interoperability" among prepaid payment instruments (PPIs) such as e-wallets, which will encourage a cashless economy and thus eventually more use of e-commerce in the Indian market.
- One of the significant initiatives or schemes introduced by the Indian government is e-Governance. It will similarly enhance e-commerce growth, resulting in increased transparency among the people of India. India ranked very low in the E-Government Development Index (EGDI), behind world leader Denmark and regional leaders the Republic of Korea and Sri Lanka, which ranked highest on EGDI with index values of 0.976, 0.956, and 0.671, respectively, in 2020. India's EGDI index value was 0.596 in 2020.



- The Indian government will establish a cybercrime coordination centre. Following 1,444,496 cybersecurity attacks in India between 2014 and 2016, the country plans to establish a cybercrime coordination centre to help solve and eliminate cybercrime problems. States should also develop regional cybercrime centres to enhance efficiency and address issues. And accelerate the development of e-commerce in India. Phishing, scanning or querying, website intrusion, and standard use, as well as viruses or malicious code, are some types of cybercrimes. On this year's budget list, there are rumours that the Indian government will start investing in cybersecurity. This will not only increase Internet and digital penetration but also promote the growth of e-commerce.
- Another government incentive/ scheme introduced by the Indian government is the TAX SYSTEM AND INTRODUCTION OF GST. It will also help drive e-commerce growth in India in the years to come. The unified tax system reduces the tax cascade, which in turn simplifies the management of the e-commerce supply chain, makes retailing easier and sometimes cheaper in specific industries, and enables manufacturers and retailers to expand their business across India. Tax uniformity will help develop the positive side of e-commerce in India and therefore will not favour any particular state. Although in India, Tier 1 cities are more susceptible to e-commerce, with an average order value of Rs 1544, while in Tier 2, it is Rs 1157. In Tier 3 cities, the cost is Rs 1,033, according to the IBEF report (source: ibef.com). Hence, the tax system also plays a vital role in the growth of e-commerce in India. India ranked 115th among 190 countries in the "paying taxes" calculator in 2020.

A. Road Ahead

The e-commerce industry has a direct impact on India's small, medium and micro enterprises (MSMEs) by providing funding, technology and training, and has a positive effect on other industries. It is on an upward trajectory and is expected to surpass the United States by 2034, becoming the world's second-largest e-commerce market. Technological innovations, such as digital payments, hyper-localised logistics, customer analytics, and digital advertising, are likely to support growth in the e-commerce sector. The growth of the e-commerce sector will also bring more job opportunities, higher export revenues, increased tax revenues for former inspectors, and improved products and long-term customer service. In 2022, it is expected to increase by 84% to 859 million. The electronic retail market is expected to continue to grow strongly. Over the next five years, the annual growth rate of the electronic retail market is expected to exceed 35%, reaching approximately 8 trillion rupees (equivalent to \$ 25.75 billion). In a few years, India's e-commerce industry is expected to exceed 30-350 million shoppers. By 2025, the total product value (GMV) of the Internet will reach US\$10-120 billion.

VII. CONCLUSION

The pandemic has turned out to be a massive opportunity for Indian e-commerce players, with sales expected to double compared with the previous year. The research encompasses

all aspects of e-commerce, including its various types, history, growth over the years, impact on consumers, and the way businesses operate. The future has many opportunities for even greater expansion. In general, we must not forget that e-commerce remains relatively new within the vast retail landscape. The forthcoming holds infinite possibilities; however its achievement and continuity will largely depend to a large extent on the preferences of future buyers.

[Paraphrasing Tool - Best Sentence Rephraser \(prepostseo.com\)](https://www.prepostseo.com/)

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Authors Contributions	I am the sole author of the article.

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