Global Economy: Opportunities & Challenges

Contribution of Online Goods Delivery System on the Growth of Many Industries in India at the Time of Corona Pandemic

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Introduction: As people are constantly looking for ease and convenience in today’s world as it is a safe option and amid of corona virus, all E-commerce industry has also remained untouched with the changes in the social, economic, and demographical factors of the country. Today getting quality Goods at your doorstep within few days using an app is nothing less than a luxury that a person can receive after a hectic day at work. Increase in disposable income, increasing work pressure, nuclear family system, easy access to internet, and increased smart phones etc. are some of the influencing factors that are growing the online goods delivery market in India. Online goods delivery system are giving several benefits to the society as it provides goods at the doorstep of the customer, giving various payment options, cash back offers and nobody can resist the attractive discounts popping on their mobile app and the most important contact less transactions. The present Indian market is captured with popular players such as Flipkart, Foodpanda, Swiggy, Zomato and Myntra etc. India is witnessing the tremendous downfall of industries after this pandemic and lockdown but this technological development in industries making a platform to connect people online without fear.

Online Goods Delivery Market Review: Online Shopping in India has grown a lot in terms of product availability, the range, variety, and quality of products across all verticals from fashion to footwear, electronics and gadgets, home appliances, furniture, food and much more. Marketplace startups have made online ordering easy and comfortable. Homegrown portals like Flipkart, Myntra, and Snapdeal along with international players like Amazon and eBay are getting you what you need without having to move an inch. And online transactions compliment the online goods delivery system.

A year ago, it seemed certain that the shifting global dynamics due to the novel coronavirus crisis, had the potential to pave India’s way into the manufacturing sector. Come 2021. India is in the worst grip of a variant of the novel coronavirus. Manufacturing in India has come to a near standstill. As the sector with the maximum amount of backward and forward linkages, manufacturing crucially sustains and propels economic recovery. But restrictions on account of the surge in COVID-19 cases has led to a massive deceleration in the manufacturing sector. And the worst is yet to come both in terms of the spread of the coronavirus and the slowdown of manufacturing.

Stocks are on hold, every shopkeeper small or big facing same problem and the solution for this is moving shop online. It is Convenience, online we get better prices, more varieties, no crowded area, more discounts, easy delivery, and easy returning. Online delivery system became more powerful and popular in this lockdown period.
**Online Food Delivery Market Definition**

- Online shopping is the activity or action of buying products or services over the Internet.
- It means going online, landing on a seller’s website, selecting something, and arranging for its delivery.
- The buyer either pays for the good or service online with a credit or debit card or upon delivery.

**Objectives of Study**

- To get an insight of the scope of online goods delivery industry.
- To identify the factors encouraging the demand of online goods delivery services in India during pandemic.
- To identify the challenges faced online goods delivery market.

**Research Methodology:** The paper is a conceptual and descriptive in nature. This study is based on secondary data collected from different books, articles published in different journals, Reports, research papers and websites.

**Growth of online delivery in India:** The online delivery platform is gaining so much attention and growth today. People who miss out the morning breakfast at home order in and people who desire an office party order in too. Convenience, comfort, and fast delivery are the gifts of online delivery system. This has obviously making huge impact on the brick-and-mortar formats of the dining restaurants, Shops. Large number of customers prefers to have restaurant style food in their home or workplace, but the impact is not that bigger as it appears to be.

**Factors Responsible for the Growth Online Food Delivery Services in India Demand Factors**
• **Empowering Demographics** With a population of over 1.2 billion, India is irrefutably one of the greatest consumer markets in the world presently. In addition, half of this consumers fall younger than 25, and the rest before the age of 35 years; making India among the most youthful populations on the world as well. A large portion of the fast food demand originates from age group 18-40 years. Additionally, continuously 2025 the Indian white collar class statistic is expected to reach 550 million. Young India's hunger is one of the key drivers for demand in the food industry in India.

• **Increasing Income and Consumption** The expanding number of youthful Indians being profitably utilized in rewarding businesses, like IT sector and banking industry has raised their living standards and has increased their disposable income. The World Bank reports a stunning 50% increment in per capita pay since 2006 up to this point. Urban India sees a noticeable change in the social setting, which further fills the development of fast food restaurants in India. Higher discretionary income is additionally a key driver for increasing the consumption level of India.

• **Positive Lifestyle** Changes Increased income at home, dual income of both the partners, hectic schedule at workplace has changed the lifestyle and food habits of Indian consumers. The demand of fresh food at an affordable price is increasing. Less time and desire to spend quality time with loved ones are creating a need for food delivered at the doorsteps of the people. The working class these days prefers to order food online to save their time and efforts that would go into cooking up a meal at home.

• **Rising Number of Working Women** There has been a drastic increase in working women in India. Rising population, urbanization and increasing traffic on roads are some of the factors which have compelled the working women to spend most of their productive hours commuting and at work, therefore there is very less time to cook full meals at home, all by themselves. Working women typically spending a large amount of their disposable income on eating out and getting food delivered at home. This is again a key demand-driver for the online food delivery services in India.

• **Lockdown** India, in a lockdown since 25 March, has seen easing of restrictions in each successive phase. As a result, e-commerce companies can now deliver non-essentials products barring the so-called Red Zones.

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**Reasons for not Shopping Online**: There are many reasons for not shopping online.
What you can Purchase Online

- Cosmetics & Personal care
- Digital entertainment
- Agro Food and Beverages
- Fashion and accessories
- Pharmaceutical/Health
- Media & books (both digital and physical)
- ICT/electronic goods
- Home furniture & household products
- Education and online courses
- Tools, gardening & do-it-yourself
- Tourism/Travel, e.g. hotel bookings, flight tickets, etc.

Since the outbreak of COVID-19 compared to 2019:
- Cosmetics & Personal care: +6%
- Digital entertainment: +1%
- Agro Food and Beverages: +0%
- Fashion and accessories: +2%
- Pharmaceutical/Health: +9%
- Media & books (both digital and physical): +4%
- ICT/electronic goods: +10%
- Home furniture & household products: +7%
- Education and online courses: +8%
- Tools, gardening & do-it-yourself: +9%
- Tourism/Travel, e.g. hotel bookings, flight tickets, etc.: +0%
Online Shopping V/S Traditional Shopping

![Graph showing percentages of online shopping vs traditional shopping over weeks]

Online Payment Mode Distribution

![Pie chart showing distribution of online purchases across payment methods]

Conclusion and Suggestion: The Indian goods industry is blessed with huge growth constantly improving its share in the world goods business every year. In India, the goods Industry is emerging as a high growth sector due to changing lifestyle and working condition. The reach of
internet has improved drastically. Percentage of young working population with doubled income is improving day by day. Tech savvy generation is eating out more than their predecessors making the great contribution in the growth of online goods industry. However certain drawbacks such as unavailability of quality manpower, low investment, fragmented supply chain is still a major hindrance in the growth of online food delivery market in India.

References