

E – Commerce amidst Covid – 19

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Abstract— The purpose of this study is to investigate and explore how E-Commerce firms are affected by the Covid-19 pandemic; it also aims to perceive how their value chains have changed. This paper will help students gain professional and practical skills being undertaken in this kind of circumstances, especially those who wish to pursue a career in E-commerce. This study strives to be utilized as an assisting guide for e-commerce firms dealing with the current pandemic or similar future pandemics. Precisely, the study ought to answer the overarching questions: 1.) How are e-commerce firms affected by the Covid-19 outbreak; 2.) What parts of their value chains are being affected by Covid-19. Henceforth, Descriptive and Exploratory Quantitative Research Design, Purposive Sampling, General Weighted Mean, Frequency Distribution, and Ranking have been utilized. Furthermore, the researchers surveyed the respondents by giving out closed-ended, web-based questionnaires. With our study region, Makati City, Manila, 30 respondents were interviewed. The data will be bestowed case by case by presenting the graphs from the actual data concerning the concepts. The cases will begin by presenting some general information about the sellers, followed by how the Covid-19 situation has affected them and their value chains. Overall, we conclude that E-commerce firms increased their sales, but their expenditures increased and found it challenging to meet demands and expand due to the problems they faced because of the pandemic. Consequently, with the researchers' realization, these findings are needed by online sellers as it is beneficial to them to identify the problem and devise solutions.

Keywords- E – Commerce; Covid – 19; Value Chain; Digital Business Environment; Online selling

I. INTRODUCTION

A. Background of the Study

E-commerce is the buzzword of the modern-day. Confronted with lockdown regimes and shop closures, customers shift to online and mobile platforms to shop for groceries, daily essentials, and other products. A neoteric survey shown in an article reported that a double-digit percentage of online customers was purchasing more digitally due to COVID-19. Most of them adopted the method for the first time during the lockdown. The percentage of global retail sales produced through E-Commerce increases, as a result, projected to reach one-third by 2024 (Wood, 2020). The coronavirus outbreak is converting the means consumers shop and wherewith they pay for their purchases.

E-commerce, also deemed as electronic commerce or internet commerce, denotes the economic activity of buying and selling products, services, or any trade through an online platform by the consumer, retailer, and business (Shopify, 2020). E-commerce comprises a wide variety of remunerative pursuits such as retail stores, online banking services, transport, and hotel booking services, money transfer, online payments, digital content, and the rest (Pantelimon et al. 2020). The e-commerce transaction can be of four different types, such as Business to Business or B2B, like Cisco and Alibaba, Business to Consumer or B2C like Lazada and Amazon, Consumer to Consumer or C2C like Carmudi and eBay, and Customer to Business like social media influencers.

COVID-19 is a malady kindled by a recent strain of coronavirus. The 'CO' signifies corona, 'VI' stands for virus, 'D' for disease, and the 19 symbolizes the year the disease arose. The disease originated in Wuhan, China, and has since spread throughout the world. The COVID-19 virus is associated with the same derivation of viruses as Severe Acute Respiratory Syndrome (SARS) and some types of common cold (WHO, 2020; UNICEF, 2020).

A value chain is a business model that illustrates the full range of activities necessary to produce a product or service. For businesses that offer goods, a value chain covers the steps that include producing goods from conception to distribution, and all things in between—such as obtaining raw materials, manufacturing functions, and marketing activities (Tardi, 2020). Developed by Michael Porter and utilized throughout the world for almost 30 years. A value chain is a powerful tool for disaggregating a company into its strategically relevant activities to converge on the causes of competitive advantage, that is, the specific activities that result in higher prices or lower costs (Harvard Business School, n.d.).

While some companies are struggling, some companies are thriving because of the pandemic. This statement is valid for several Internet-based companies, such as online entertainment, online shopping, online education, food delivery, and remote work solutions. Individuals have likewise altered their expenditure patterns, progressing the demand for alcohol, cleaning products, takeout, snacks and others as we consume more time in our homes (Donthu, 2020).

COVID-19 has a significant impact on e-commerce globally and, in some cases, adverse impact, but overall, e-

commerce is proliferating because of the virus. Coronavirus compelled customers to use the internet and make it a habit in their daily routine (Abiad et al., 2020; Basu, 2020).

U.S. industrial leasing throughout the first quarter of 2020 was reported at a three-year high, including only accounting for the beginning of the pandemic. E-commerce as a percentage of overall industrial leasing is increasing too. It drew 11.8% last year, while preliminary data for 2020 reveals that the number is approximately duplicating at 20.8% (JLL, 2020). The unforeseen increase of e-commerce appropriation, especially for food, health, fast-moving consumer goods, and pharmaceutical products, is global, states President of Industrial Brokerage, Craig Meyer.

BOPIS/BOPUS, also referred to as Buy online, pick up in-store surged 259% YoY (Year-over-Year) in August 2020 due to the coronavirus pandemic, with most consumers worried about the safety of in-store shopping, equating to a 59% month-over-month increase in August. As the pandemic has reformed life as we know it, it also has accelerated e-commerce. The change toward e-commerce was occurring before COVID-19, but based on IBM's new data, the pandemic has accelerated customers' shift towards e-commerce by five years. Ecommerce is forecasted to rise by nearly 20% YoY in 2020. This growth was even more pronounced at the beginning of the pandemic, with U.S. retail E-commerce up 44.5% YoY in Q2. In Q2, Walmart's e-commerce sales were up 97% YoY, and Target grew its same-day fulfillment services by 273% (Davis & Toney, 2020).

The COVID-19 global pandemic is, by far, deemed the most severe form of business disruption that Philippine companies have ever encountered (Rappler, 2020). It has been more than a couple months since the implementation of quarantine, and the effects of COVID-19 on Philippine businesses are drastically observed. With numerous businesses urged to close down, the Philippine economy could be on its route to the brink of collapse if the pandemic is not restrained. There is no doubt that the economy as a whole is now on the verge of recession. Numerous business industries have received a much more leisurely pace due to the global pandemic influencing supply and demand flow (Barretto, 2020). Retailers and brands meet numerous short-term difficulties, such as those associated with health and safety, the workforce, the supply chain, consumer demand, sales, cash flow, and marketing (Donthu, 2020). As pronounced by Rappler, the National Economic and Development Authority (NEDA) has concluded that the Philippines' gross domestic product (GDP) is as low as -0.6% this year.

Lockdowns and quarantines have lessened people's mobility, with traffic plummet by as much as 80 percent in the Philippines and Malaysia, and 60 percent in Singapore and Vietnam. Lockdowns have progressed online customer activity, comparable to the SARS episode in 2003, which was a turning point for China's e-commerce business magnates Alibaba and JD.com, as stated by Maybank Kim Eng analysts Chua Hak Bin and Lee Ju Ye in an April 20 article titled "Consumer Behavior During a Pandemic." Subpoenaing

Google's COVID-19 community mobility statements, usage of retail and recreation facilities such as eateries, shopping malls, and theaters plunged 82 percent in the Philippines from February 29 to April 11 (De Vera, 2020).

An article in the Philippine Daily Inquirer included a statement of Steve Sy, CEO of e-commerce solutions company Great Deals, who declaimed on April 30 as one of the experts at the online forum "Stay at Home E-conomy." he stated, "I would say that this pandemic would be the inflection point for e-commerce here in the Philippines." The impact of COVID-19 on this industry was to force businesses to advance to digital; cashless fees are on an all-time high because people desire contactless transactions. Steve Sy, the Great Deals CEO, thinks this has generated the opportunity for various companies to recognize that e-commerce has arrived, which was affirmed by Lazada Philippines' business development head, Petrus Paolo Carbonell (Tayao-Juego, 2020).

On the report of a survey conducted by Rakuten Insight, 44 percent of respondents aged 35 to 44 affirmed they bought more digitally during the COVID-19 pandemic in the Philippines as of May 2020. On the contrary, 16 percent of the respondents aged 25 to 34 and 34 to 54 years old asserted no bearing on their online purchases (Sanchez, 2020).

Multiple marketing specialists initially predicted that e-commerce sales would progress posthaste as COVID-19 cases increased, heading to global socializing constraints and implementing more comprehensive social distancing. In clientele, though, the effects so far have bestowed a diverse story with a more mixed reaction between various e-commerce industries. 36% of retailers foretell their sales will decline due to supply chain issues, shipping delays, product shortages, and the potential for demand to plummet as the economy alternates (Culpin, 2020). Moreover, many difficulties facing retailers in e-commerce involve prolonging the delivery period, the struggle opposing movement control, social distance, and lockdown (Hasanat et al.; Bhati et al. 2020).

The online business finds it challenging to sell their commodities digitally and meet tremendous issues while sourcing their goods from China. China principally administers machinery, equipment, instruments, and communication-related equipment. Every interruption in these sectors will influence other countries' business. Thus, the Philippine market is also dependable upon the china product, and it will immensely impact the Philippines' economy. Further, the lockdown has also obstructed the import and export facilities in the country. Multiple online businesses are suffering deficiencies of products that cannot meet the consumers' demand. It may also increase the products' cost in the future (Prof. Dr. Hamid et al., 2020).

The researchers chose this study's coverage to be Makati City, Manila, Philippines, in light of the fact that Makati City is the Business Capital of the Philippines. Moreover, Makati City is likewise the home of several E-commerce firms in the

country. Since the 1960s, it has been the Philippines' financial center (Recio, n.d.).

The significance of this study is not just to investigate and explore how e-commerce firms are affected by the Covid-19 pandemic; it also aims to perceive how their value chains have changed. This thesis will be conveyed in an exploratory form as new knowledge about this topic continuously emerges. This paper will help students gain professional and practical skills being undertaken in these kinds of circumstances, especially those who wish to pursue a career in E-commerce. The students will understand the difficulties they might face in the future. Furthermore, this study strives to be utilized as an assisting guide for e-commerce firms dealing with the current pandemic or similar future pandemics.

E-commerce is one of the essential components of the global economy. This study will guide and serve as a basis for the people to know the effects of COVID-19 on Online Businesses. They will be able to realize the difficulties E-commerce firms may face during a pandemic, hence be able to devise a plan to subdue its effects. This study will serve as a springboard to other research agendas, providing the idea, information, and facts for those conducting studies about E-commerce or the COVID-19 outbreak. Finally, the research ascertained in this study could contribute to the literature that will emerge from the Covid-19 pandemic.

B. Theoretical Framework:

Pandemic Fear

Pandemics are becoming one of the world's biggest threats today (Harvard Global Health Institute, 2020). According to the Harvard Global Health Institute (2020), an infectious disease could rapidly cause millions of deaths globally, destabilize governments, and restrict trade and travel. The recent Covid-19 virus, for instance, has infected 422,945 people worldwide, resulting in 18,907 deaths at the time of writing (March 25, 2020), and accounting for 3.4% of death in comparison with seasonal flu (1.0%) (Worldometer, 2020). This fear of contagion becomes an emerging issue, such that it is imperative to learn how pandemic fear influences consumer spending and purchase behavior (Khan and Huremović, 2019). The consumer behavior literature indicates that fear refers to a specific event's negative consequences that can lead to changes in consumer behavior and attitude (Solomon, 2017). In this regard, the Covid-19 pandemic has changed consumer purchasing behavior as consumers fear contagion (Laato et al., 2020; Prentice et al., 2020).

Extending the concept of sustainable consumption

Sustainable consumption refers to consumers' adoption of a green lifestyle to satisfy their needs without damaging the earth's resources or putting future generations at risk (Sharma and Jha, 2017). In line with this logic, previous studies have synthesized common threads of sustainable consumption as care for nature, self, and community, factors at the heart of new marketing discipline (Lim, 2017). Much of the literature documents a wide range of positive outcomes for customers,

including happiness and life satisfaction resulting from product and service interactions (Guillen-Royo, 2019). Conversely, the existing literature also evidences that unsustainable consumption patterns cause adverse social, environmental, and economic side effects (Sharma and Jha, 2017). For example, Covid-19 has sparked worldwide alarm, as it spreads rapidly through human-to-human contact (Harvard Medical School, 2020). The virus can be spread through tiny droplets as the infected person coughs or exhales (WHO, 2020). Consumption practices should turn to e-commerce platforms to reduce the spread of the virus; this can increase shopping efficiency, enable new purchases, and facilitate information access and online communication between consumers and sellers (Guillen-Royo, 2019). Given the existing literature and Covid-19's impact, this study extends the concept of sustainable consumption as "purchasing products and services from e-commerce platforms to satisfy needs and wants, and to increase health safety for selves and community during a pandemic period."

Accelerating the digitalization of business processes

Digitalization is about doing things differently — producing new business designs by adopting digital technologies. It is not merely about automating or integrating technology into an existing process (digitalization) to optimize the current value chain. However, to go further, modifying the business model, changing the value chain, and indeed producing a new supply of products and services (caused by the integration of digital technologies in the products or services before the transformation), which leads to a new and better way to provide customer value (Robledo, 2017). Buer, Fracapane, and Strandhagen (2018) point out that data-driven and continuous technology development has created new business opportunities. Besides, they argue that digitalization is the prime core element improving the processes of products in several industries as the key to success, meaning that digitalization is a crucial factor in creating effective plans and control in production and networks. In contrast, the study states that data-driven improvements have raised the competitiveness of the business environment.

C. Research Paradigm

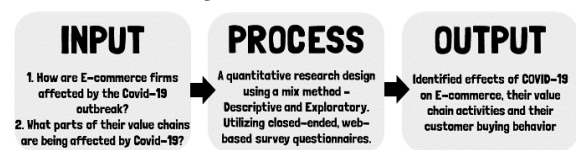


Fig. 1: Research Paradigm

In our paradigm, the input carries our Statement of the Problem. Found within the process is our methodology. For the output, the results, conclusion, Recommendations, and Acknowledgements can be found here.

D. Statement of the Problem

This study aims to investigate and explore the effects of COVID-19 on E-commerce. Generally, it sought to know the effects of COVID-19 on the value chains.

Precisely, the study ought to answer the overarching questions:

1. How are E-commerce firms affected by the Covid-19 outbreak?
2. What parts of their value chains are being affected by Covid-19?

II. METHODOLOGY

A. Research Design

Our research will concentrate on utilizing the Descriptive and Exploratory Quantitative Research Design, making this a Mix Methods Approach. Descriptive studies aim to discover the "what is," hence observational and survey methods are frequently utilized to obtain descriptive data (Borg & Gall, 1989). Description arises following creative exploration and assists in organizing the findings to furnish them with explanations, and then examine or validate those explanations (Krathwohl, 1993). The description oftentimes illuminates information that we might not otherwise notice or even encounter. Moreover, an exploratory design is conducted when few or no earlier studies are conducted about the research problem. The focus is on obtaining insights and familiarity for succeeding investigation or undertaken when problems are in a preliminary investigation (Cuthill, 2002). As the name suggests, an exploratory research aims to investigate the research questions and does not propose to present the final and conclusive answers to the research questions. It solely investigates the research topic with varying depth levels. It has been perceived that exploratory research is the primary research, which forms the basis of more conclusive research (Saunders, M. et al. 2012).

B. Participants and Locale of the Study

The participants of this study are entrepreneurs on online shopping sites such as Lazada, Shopee, Carousell, and others. The researchers will limit the scope by only accepting respondents based in Makati City, Manila, Philippines. Requirements and criterias had been set for the researchers to select their respondents. All-in-all, the respondent's number is 30 online sellers. The respondents were surveyed by giving out closed-ended, web-based questionnaires.

i) Inclusion Criteria

The respondents must be legalized adults, precisely online sellers who are 18 years of age or older. Moreover, their Business should be in the industry for more than a year. Withal, the type of E-commerce firm should be Business-to-Customer (B2C) and Customer-to-Customer (C2C). Business-to-Customer types of E-commerce firms pertain to legal business entities providing products/services to their customers, while Customer-to-Customer types refer to Customers rendering products/service to fellow customers.

ii) Exclusion Criteria

The researchers would be excluding the online sellers that have yet to reach the legal age, explicitly those who are less than 18

years old. Furthermore, businesses that have been established for less than a year have been excluded. Additionally, E-commerce firms that fall under Business-to-Business (B2B), Customer-to-Business (C2B), Business-to-Administration (B2A), and Customer-to-Administration (C2A) have likewise been excluded. Business-to-Business pertains to entities vending products/services to fellow companies, Customer-to-Business indicates customers or non-commerce giving service/products to legal entities. Business-to-Administration is the trading between businesses and government agencies, while Customer-to-Administration is the trading between customers and government agencies.

iii) Data Gathering Tool / Instrument

Regarding the method that the researchers utilized in the process of finding suitable respondents for the research, the researchers will made use of purposive sampling. Purposive sampling is also known as subjective, judgmental, or selective sampling. (Crossman, 2020). A purposive sample is a non-probability sample chosen based on a population's characteristics and the study's objective. Moreover, regarding the instrument used for the data gathering, the researchers utilized closed-ended, web-based questionnaires. For designing the survey questionnaires, a mixture of multiple choice and the dichotomous scale.

iv) Data Gathering Procedure and Ethical Considerations

The researchers did all the due processes and requirements needed for the data gathering. First, the researchers made a series of Approval letters given out to the subjects of the research. It discusses the study's purpose, goals, and data confidentiality and ensures that all are agreed upon and understood. The researchers also seeked help from the professionals by handing out validation letters for the research's questionnaires. Inputs and comments were recognized, appreciated, and incorporated for the improvement of the study. With all the letters being approved, the researchers then proceeded with the data gathering.

All data gathering underwent online connections via email, Facebook, Instagram DMs (Direct Message), and message transition through E-commerce applications (Lazada and Shopee). The researchers communicated with them and made sure that the respondents were willing to participate and free at that time.

The researchers were also responsible for ensuring that participants are well-informed about the purpose of the research they are being asked to participate in and if the respondents wish to not continue with the survey they are free to do so at any time. Moreover, we would assure the respondents that their names and information regarding their business will be kept confidential, likewise with their answers, and inform them that this will only be strictly for academic purposes.

The researchers then proceed with the evaluation by sending them a file containing the questionnaires. The researchers ensured the respondents' convenience regarding the questionnaire by putting both English and Filipino translation of the queries. It was also understood that if they had queries, the researchers were to help them. After such responses, the researchers thanked the respondents, analyzed the data, and made clarifications or follow-up questions soon after.

v) Analysis of Data

Lastly, General weighted mean, frequency distribution, and ranking was used for the researchers to analyze and breakdown the gathered data, along these lines it additionally specifies the percentage of observations for each data point based on their answers. Weighted average is most frequently computed in order to equalize the frequency of the values in a data set (Ganti, 2020). A percentage frequency distribution is a display of data that specifies the percentage of observations that occur for each data point or grouping of data points. Usually displayed as tables or as bar graphs or pie charts (Lavrakas, 2020). Ranking is a format of question answer used when a researcher is interested in determining some sort of priority between objects, whether they are characteristics, organisations, individuals, or some other subject or property of interest (Lavrakas, 2008). Answers were gathered using graphs arising from the substantial data of the survey.

III. RESULTS AND DISCUSSION

This chapter presents the case's findings that arose from the data of the online sellers. The data will be bestowed case by case by presenting the graphs from the actual data concerning the concepts. The cases will begin by presenting some general information about the sellers, followed by how the Covid-19 situation has affected them and how their value chains have changed.

A. Sellers Profile

The respondents in this study go to align with the criteria presented in the methodology. The online sellers are from Makati City, Manila, Philippines. The respondents are all in a "decision-making position" and have knowledge about their e-commerce operations and can, therefore, provide us with the information needed for our empirical findings.



Fig. 1

Period of your operations since establishment [as of the end of 2019] (Panahon ng iyong pagpapatakbo mula nang maitatag [hanggang sa katapusan ng 2019])

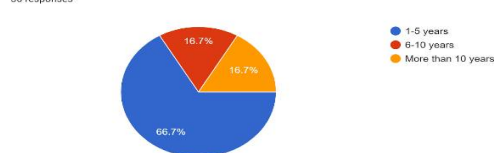


Fig. 2

The effect of the COVID-19 crisis on e-commerce is not uniform across categories or sellers (OECD,2020). The data depict a wide range of respondents, each representing their category. The first category is the type of E-Commerce; 43.3% were Customer to Customer, and 56.7% were Business to Customer. The second category is the period of operations. The data has respondents in all choices, with 66.7% of the respondents in the industry for 1-5 years, 16.7% of the respondents in the industry for 6-10 years, and 16.7% of the respondents have been in the industry for more than ten years.

A. Effects of Covid – 19 on E – Commerce firms

This portion aims to answer the first statement of the problem tackling the effects of COVID-19 on E-Commerce.

What is the status of your business after the Enhanced Community Quarantine? (Ano ang katayuan ng iyong negosyo pagkatapos ng Enhanced Community Quarantine?)

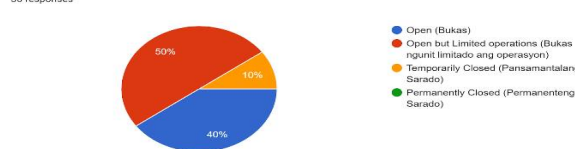


Fig. 3.1.1

With this data, it is already evident how the COVID-19 pandemic has affected the E-Commerce industry. After the lockdown of the NCR, Calabarzon, and other regions, most Philippine enterprises faced the immediate closure of business or limitation of business operations (ADB, 2020). Based on the data that the researcher's gathered, it depicts the business's status of E-Commerce Firms in Makati after the pandemic. It illustrated that 50% of E-Commerce firms are open but have limited operations, and 10% are temporarily closed. It shows that most of the companies are dealing with difficulties with their operations. Nevertheless, 40% of the firms are open and unrestricted, indicating that some aren't experiencing significant challenges in their operations.

Did the sales value of your business increase because of the COVID-19 outbreak? (Tumaas ba ang benta ng iyong negosyo dahil sa paglaganap ng COVID-19?)

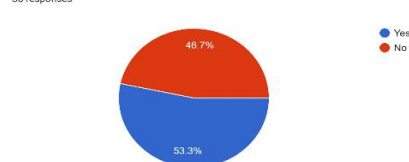


Fig. 3.1.2

The greater part of the respondents addressed “Yes” with respect to the increase of their business’ sales value. E-commerce sales were boosted massively during stay-at-home orders in the wake of the coronavirus pandemic (Handley, L. 2020). 53.3% of the respondents agreed that their sales value increased because of the pandemic, while 46.7% were in the opposition.

Compared to before the pandemic happened, was there an increase in your customers? (Kumpara sa bago nangyari ang pandemya, nagkaroon ba ng pagtaas sa iyong mga customer?)
30 responses

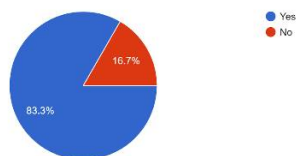


Fig. 3.1.3

It is irrefutable that customers are leaning towards online purchases over physical as the majority of the respondents replied "Yes". 83.3% of the respondents agreed that there was an increase in their customers because of the pandemic. The Covid-19 situation has turned customers' demands of products more towards e-commerce shops rather than physical stores, due to the lockdowns (Öven, H. 2020).

Did you encounter financial problems in your business during the COVID-19 outbreak? (Nagkaroon ba ng problemang pinansyal ang inyong negosyo sa kasalukuyang paglaganap ng Covid 19?)
30 responses

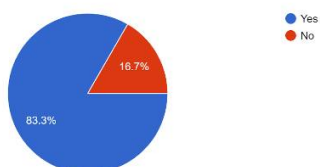


Fig. 3.1.4

With COVID-19 decreasing overall economic activity, many businesses are experiencing budget cuts (Davis & Toney, 2020) and E-Commerce firms were not an exception. E-Commerce firms faced sharp deterioration of financial conditions after the COVID-19 outbreak; an astonishing 83.3% of the respondents agreed that they had financial problems because of the pandemic.

Was there business opportunities in E-commerce because of the COVID-19 outbreak? (Nagkaroon ba ng mga oportunidad na pang negosyo sa E-commerce dahil sa COVID-19?)
30 responses

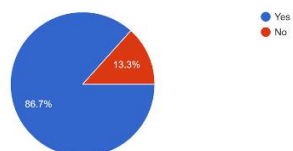


Fig. 3.1.5

Was there business threats in E-commerce that arose due to the pandemic? (Nagkaroon ba ng banta o hadlang ang iyong negosyo sa online dahil sa pandemya?)
30 responses

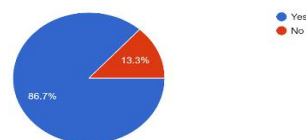


Fig. 3.1.6

Majority of the respondents coincide that the COVID-19 outbreak transpired business opportunities for E-Commerce firms and majority also agreed that threats arose because of it. With 86.7% agreeing that the pandemic brought business opportunities and threats prospectively.

How did COVID-19 affect your business? (Paano nakaapekto ang COVID-19 sa iyong negosyo?)
30 responses



Fig. 3.1.7

Numerous experts initially believed that the COVID-19 would cause E-Commerce to progress and would be the key development for the success of the E-Commerce firms (Tayao-Juego, 2020; Culpin, 2020). Contrary to popular belief, the majority of E-Commerce firm owners in Makati City, Manila, Philippines seem to think otherwise. While the increase in online sales is remarkable, the cost of e-commerce shouldn't be underestimated (Handley, 2020). Though the COVID-19 brought a huge increase in the customers and sales of E-Commerce firms, it also brought numerous challenges in the value chains of said firms. 56.7% of the respondents stated that the COVID-19 pandemic affected their business negatively.

B. Effects of Covid – 19 on the value chains of E – Commerce firms

This portion aims to answer the second statement of the problem tackling the effects of COVID-19 on value chains. The value chain includes different activities that must be performed to bring a product or service starting phases, through the intermediary phases that include activities from production to delivery to the final customers, and then there is final disposal after the use of the product (Kaplinsky, 2020).

Has your business operations been affected by the coronavirus (COVID-19) pandemic? (Naapektuhan ba ng Coronavirus (COVID-19) ang takbo ng iyong negosyo?)
30 responses

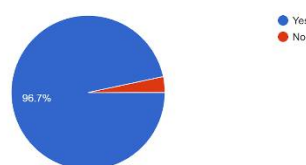


Fig. 3.2.1

The vast majority of the respondents stated that their business operations have been affected by the pandemic, with 96.7% responding “Yes”. The growing coronavirus outbreak is continuing to wreak havoc on retail and ecommerce, as the impact is going beyond store shutdowns to online business operations being shuttered as well (O'Brien, 2020).

If you have faced limited operations, what is the status? (Kung naharap mo ang limitadong operasyon, ano ang katayuan?)
23 responses

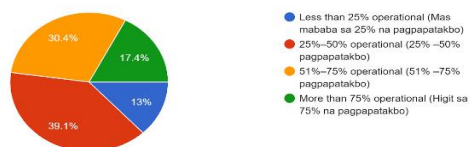


Fig. 3.2.2

When looking at enterprises with limited operations in detail, the majority of the respondents replied 25%-50% operational. It is irrefutable that most E-Commerce companies are only operating half as much as they did before the pandemic (ADB, 2020). 13% of the respondents stated that they are less than 25% operational, implying that the pandemic has heavily affected the performance of their business. 39.1% are 25%-50% operational, 30.4% are 51%-75% operational, while 17.4% are more than 75% operational.

Was there a disruption on suppliers/manufacturers? (Nagkaroon ba ng pagka abala sa iyong mga suppliers at mga tagagawa?)
30 responses

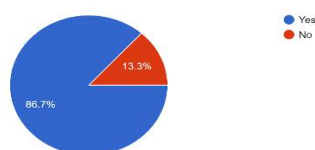


Fig. 3.2.3

Was there an impact to the distribution of your products/services? (Nagkaroon ba ng epekto sa pamamahagi ng iyong mga produkto o serbisyo?)
30 responses

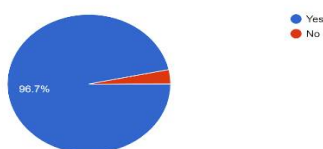


Fig 3.2.4

Looking more closely on the parts of their value chains that have been affected, the preponderance of the respondents agreed that the pandemic disrupted their suppliers/manufacturers and the distribution of their products/services. With 86.7% of the respondents agreeing that there was a disruption in suppliers/manufacturers, and 96.7% agreed that there was an impact on the distribution of their products/services. While E-Commerce firms are benefiting from their huge increases in sales, most of their manufacturers are only working at 40% capacity, making meeting that demand very difficult (Davis & Toney, 2020).

Was there an increase in the production cost of your product/services? (Tumaas ba ang mga gastusin sa paggawa ng iyong produkto o serbisyo?)
30 responses

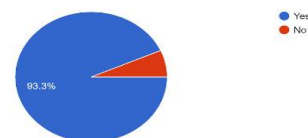


Fig. 3.2.5

The COVID-19 global pandemic has caused several organizations to increase their prices (Donthu & Gustafsson, 2020). The production cost of the products/services heighten because of the pandemic. The predominance of the respondents, 93.3% stated that their production cost of their products/services increased.

Was there delays of raw materials/products in your supply chain? (Nagkaroon ba ng pagkaantala ng mga panangkap na materyales o produkto sa iyong daloy ng panustos?)
30 responses

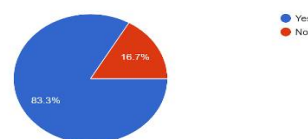


Fig. 3.2.6

From national lockdowns to closed airspace and borders, Covid-19 has resulted in unprecedented disruption to the mechanics of most economies, regardless of their size or stage of development (Oxford Business Group, 2020). 83.3% of the respondents responded “Yes” in response to the delays in their supply chain. Due to the Covid-19 situation, many online and offline retailers are expecting delivery delays for online orders because of supply chain issues and inventory shortages (Öven & Hicintuka, 2020).

Was there Coronavirus-related transport restrictions? (Mayroon bang mga paghihigpit sa transportasyon na nauugnay sa Coronavirus?)
30 responses

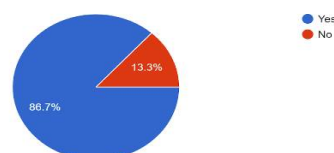


Fig. 3.2.7

Was there an increase in transportation costs (delivery)? (Tumaas ba ang gastos para sa transportasyon (delivery)?)
30 responses

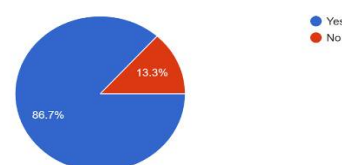


Fig. 3.2.8

Supply chain disruptions are a result of factories being shut down, transportation methods being limited, and social distancing regulations slowing efficiency (Davis & Toney, 2020). The COVID-19 outbreak brought transportation restrictions and increases in transportation cost as movement became limited, disrupting the operations of online and offline businesses. 83.3% of the respondents agreed that there were coronavirus-related transportation restrictions, and 86.7% agreed that there was an increase in transportation cost because of the pandemic.

VI. CONCLUSION AND RECOMMENDATION

This chapter draws conclusions and makes recommendations about the effects of COVID-19 in Makati City, Manila, Philippines on E-Commerce: Selling.

A. Conclusion

The research investigated the effects of Covid-19 in Makati City, Philippines. Data were gathered in our 30 chosen respondents. The following outcomes can be drawn from the facts that the Effects of Covid-19 in Makati City e-commerce businesses are extreme. First, the growth of innovative opportunities since the beginning of lockdown brought exciting chances for old and new aspiring dreamers to turn their visions into a phenomenon. Second, the troubles of e-commerce businesses such as the increase of value chains costs were a big threat to both customer's purchasing behavior and business' sales. And third, delays in the making and transporting products were also present as this contributes to a poor satisfaction of customers to the whole business. These epidemic dilemmas caused the whole e-commerce industry destructively as the limited actions implemented were steady and the hindrances continue to arise. Therefore, in order to manage these issues, patience, efforts, and actions must be attained such as maintaining ethical business practices, even in the face of temptation, such as Investing in employees, working to maintain or reorient supply chains, and testing whether the implementation of unfamiliar e-commerce tools can boost the business. Above all else, business owners must embody a few different qualities. They must remain ethical, so they stay on the right side of the law, public opinion, and history. They must remain adaptable, so the business can stay strong in any situation. They must be grounded enough to know the reality of their situation, yet ambitious enough to aim for lofty goals.

B. Recommendation

The researchers acknowledge that the data collected during the calendar year of 2020 is not that extensive due to the study only concentrating on one locale, which was Makati City, Manila. The entrepreneurs from varied locales may have diverse views and perspectives, which we could not expand to. With our status quo, E-commerce firms increased their sales and increased their expenditures and found it challenging to meet their sales and expand due to the problems they faced because of the pandemic. It is essential for entrepreneurs, professionals, and students alike to analyze and conduct

further analyses on the effects of pandemics in E-commerce to locate the problem and find a solution.

To further enhance the study, the researchers recommend:

1. Study how e-commerce firms from different markets/locals are affected by Covid-19 and how they controlled it. This would proffer a more in-depth analysis of how the firms can be affected depending on the location.

2. The researchers profoundly recommend and suggest that future researchers investigate the external environment and how it could affect the business. By analyzing and monitoring the external impact, online sellers can operate in a more prepared way.

3. Examine the aftermath of Covid-19 in relation to E-commerce and how they have been affected through the whole process/situation. This could further contribute to the topic Covid-19 and present another perspective than studies that will emerge during the commencement of Covid-19.

4. Administer similar research with a qualitative approach that facilitates the possibility of gathering results with more depth, richness, and complexity. Furthermore, this could contribute to more in-depth analysis and results and emphasize the dynamic, holistic, and individual aspects of the online sellers.

5. To examine well and, if possible, renew the questionnaire and make sure all items are expressed in primary, direct language; thus, it can be easily understood by the surveyees. Using familiar words with definitions that are as unambiguous as possible, compose questions that will provoke respondents to use all the available rating options. This will maximize diversification, essential for attaining high reliability.

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