

## 2. A Study on Digital Surge due to COVID-19 during Lockdown

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### Abstract

The COVID-19 pandemic affected us all individually and globally. With the spread of the pandemic, almost all the regions have implemented lockdown, shutting down activities that requires human gathering and interactions. Due to this pandemic, life as we know it become 'digital by default'. In years to come, we will look back at 2020 as the moment that changed everything. Nowhere else has unprecedented the growth, which occurred in the digital and e-commerce sector.

The COVID-19 crisis cannot be perceived only as a period of instability, but also as a period of high rates of digital technologies adoptions. Now a days, digital platforms have become the number one source for networking, entertainment and information for most of the people. Digital transformation has gone from being an option to becoming an urgent priority for several businesses. The Present Paper aims to explore the impact of Covid-19 pandemic on digital transformation process especially on healthcare, e-commerce and education sector which leads to digital surge.

**Key words** :- Digital Transformation, Healthcare, E-commerce, Education, COVID-19 pandemic.

### 1. Introduction

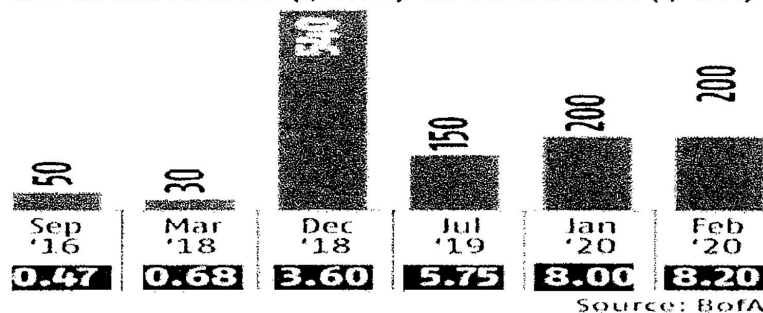
With the spread of the pandemic, almost all the regions have implemented lockdown, shutting down activities that requires human gathering and interactions. The lockdown has resulted in most people taking to the internet-based services to communicate, interact and continue with their job responsibilities from home. Adopting and adapting to digital is more than just an option. The ongoing changes in customers needs and behavior forces both companies and public administration to lead a digital transformation.

companies. The situation has become a new market opportunity for commercial digital learning platforms.

By December of 2019, Zoom had 10 million daily participants. However, by October 2020, the video conferencing platform had 300 million users who were logging in to this virtual platform of human communication while being isolated at their homes. Zoom's active users increased 151% year over year in March, breaking its own records.

### HOW BYJU'S VALUATION MOVED UP

■ Funds raised (\$ mn) ■ Valuation (\$ bn)



In response to significant demand, not only Zoom but many online learning platforms are offering free access to their services, including platforms like Byju's, which is now the world's most highly valued edTech company. Other companies are bolstering their capabilities to provide one-stop solution for teachers and students.

**Figure 1**

According to BofA Global Research, Byju's saw its revenue skyrocket during this pandemic. We can see that how the valuation of Byju's take a big leap from \$0.47bn to \$8.20bn and the major contribution to this is the pandemic and the concept of E-learning.

#### 1.3.2 Remote working

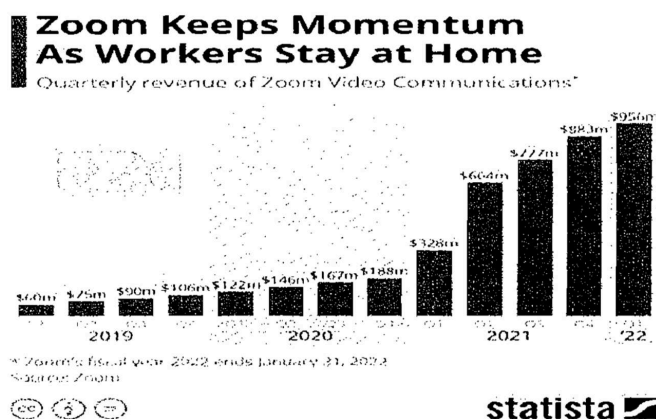
As COVID-19-induced national lockdown completes a year in March 2021, we realise that digital technologies have played a critical role in our lives over the past year. Working from home (WFH) was a concept often frowned upon by organisations until the pandemic forced us to rethink work and work environments. Businesses, large and small, have made efforts to facilitate this transition by adopting new digital technologies.

Even the government is working to make things possible during this pandemic by relaxing regulations for Other Service Providers (OSPs) to facilitate WFH. The new regulations

aim to position India as one of the competitive IT jurisdictions in the world by removing unnecessary bureaucratic restrictions. On November 06, 2020, the government announced simplified rules for OSPs (include Business process management (BPM), business process outsourcing (BPOs), knowledge process outsourcing (KPOs) and information technology-enabled services (ITES) —and eliminated most of the registration and compliance requirements to facilitate permanent WFH and WFA. In addition, submission of bank guarantees, need for stable IP, obligation of frequent reporting, publication of network diagrams, penal provisions and several other requirements, which were preventing businesses from adopting WFH and WFA policies, have been eliminated.

The rapid transition to remote working and digitisation of services (amid the pandemic) has made it possible for businesses to take a leap forward in their digital transformation journey. We can see the growth of various digital platforms like Zoom due to this digital transformation and work from home fringe.

**Figure 2**



As the following chart shows, Zoom saw its revenue skyrocket throughout the fiscal year ended January 31, 2021. Following a 169-percent revenue increase in the first quarter, year-over-year revenue growth accelerated to 355, 367 and 369 percent, respectively, in the second, third and fourth quarter. For the twelve months ended January 31, Zoom's revenue amounted to \$2.65 billion, up from just \$623 million the previous year. The video conferencing company ended the year with a net profit of \$671 million, up from just \$22 million in fiscal 2020. As of June 2, Zoom had a market capitalization of \$96 billion, compared to \$40 billion a year earlier.

### 1.3.3 E-Commerce

The COVID-19 crisis is accelerating an expansion of E-Commerce towards new firms, customers and Types of products, likely involving a long term shift of e-commerce transactions from luxury goods and services to everyday necessities, The standardized lockdown rules across India and the growing hesitation among consumers to go outside and shop for essential goods have tilted the nation towards e-commerce.

Consumers have switched from shops and shopping malls to online portals for purchase of products ranging from basic commodities to branded goods. The Indian E-Commerce market has been one of the biggest beneficiaries of the pandemic, as containment measures introduced millions to the convenience of online shopping and prompted seasoned online shoppers to buy more.

The pandemic brought about a 'structural shift' in shopping behaviour with more customers and businesses relying on e-commerce. Players like Amazon, Flipkart, Myntra as well as industry watchers noted that the need for social distancing and prioritising safety during pandemic led to millions of people turning to e-commerce platforms.

Amazon saw that thousands of neighbourhood kirana stores and offline retailers came onboard to Leverage digital technology to reach customers doorstep. Flipkart also witnessed new user growth of close to 50% soon after the lockdown. The pandemic also marked a turning point for small, medium and especially new enterprises like Zomato and Swiggy, which swiftly adjusted to the new e-commerce reality.

**Figure 3- Impact of COVID-19 on orders placed in the e-commerce industry in India from February to September 2020.**

Characteristic	Month over month growth
September	11.21%
August	1.69%
July	20.89%
June	8.07%
May	15.95%
April	-10.63%
March	-2.4%
February	6.42%

Source - © Statista 2021

In the above figure, we can see that in February, the percentage of orders placed is just 6.42% and in the month of April, it is the lowest that is – 10.63%. But due to the ongoing lockdown, we can see the hike in the percentage i.e., 11.21% in the month of September. These figures show that it is one of the biggest contributors in digital surge.

### 1.3.4 Healthcare

The COVID-19 pandemic is continuing to disrupt businesses across the world. Being one of the most hustling sectors globally, Healthcare has turned into the most reshaped ecosystem amid the crisis.

The Healthcare sector is emerging as one of the largest and most thriving sectors in India. To provide universal health coverage to the citizens, the newly launched 'National Digital Health Mission' by the Government of India is also set for the nationwide rollout. It aims at reforming the healthcare system by bringing more transparency, standardisation and innovation.

The healthcare sector is one of the earliest yet slow adopters of digital technology. However with the pandemic, induced lockdown and restrictions, the sector instantly turned into a connected community of patients and doctor's. To redefine the doctor and patient interaction, Voice AI works as a smart and technologically advanced solution in the industry. It's technological intelligence recognizes and analyses medical jargon that results in improved patient care. The COVID-19 has accelerated the acceptance of digital innovation in the healthcare space. Even now-a-days, many people prefer to buy medicines online rather than visiting a medical shop due to the fear of the pandemic and Netmeds is a good example of it. So, by harnessing the power of digital tools, the sector is delivering highly personalized patient and healthcare delivery services leading to the immense growth in this sector.

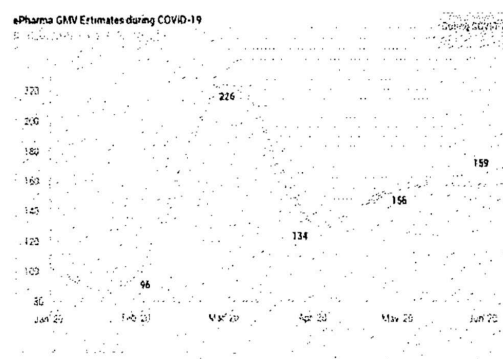


Figure 4

In the above figure, led by this significant growth in households, the ePharmacy market fulfilled GMV grew ~2x+ during the COVID-19 lockdown period. After attaining the peak in March due to medicine stockups during lockdown, the market slightly corrected itself in April-May period as the offline channel became available. In June, the ePharmacy market seems to have reached a new stable baseline i.e. 1.6x higher than Jan.

### Conclusion

I understand that a pandemic can have severe consequences, including changing the political contour of the world, destroying empires and creating nations. For the COVID-19 pandemic, there envisage a dramatic shifting digital usage with impacts on all aspects of work and life.

India is a land full of opportunities for players in each and every industry. The 2020's may turn out to be the year when digital technology reshape various sector like e-commerce, education, remote working and healthcare. COVID-19 has certainly driven many developments, as the digital health community continues to navigate how best to bolster classic public health measures. As the world was forced into complete shutdown, it is safe to say that e-commerce was the saving grace, helping millions of people to stay home and procure what they wanted at their doorstep. This catastrophe is also showing us the lucrative side of online teaching and learning. All these things led to a significant increase in the total Internet user population with overall Internet penetration of 21% in 2016. Approximately 409 million Internet users are expected to grow to approximately 735 million by 2021 presenting a positive future outlook for business in India.

Yes, there are flaws and problems, users are facing while going digital but people cannot stop earning and learning due to such pandemic. In this human-centred world, we need to begin to imagine that a different world is possible and to act towards it for a better future.

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