Covid-19 footprint on Rural Consumer Conduct Towards Retail E-Commerce and an Analysis of Customer Satisfaction Levels

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ABSTRACT

Purpose
The purpose of this paper is to study the impact of Covid-19 on Rural Consumer Behaviour towards retail E-Commerce and how long the effects are expected to prevail. It also studies the rural customer satisfaction levels on E-Commerce products and services based on critical parameters and to identify the room for further improvement.
Design/Methodology/Approach
The collection of primary data was done using a structured online questionnaire consisting of closed-ended questions. The respondents were also requested to rate various parameters on a 5-pointer Likert Scale. The method of convenience sampling was used for the selection of population sample. The collection of secondary data was done using various online and offline sources.
Findings
The Covid-19 pandemic has accelerated the adoption of retail E-Commerce by rural consumer. The positive responses about their shopping experiences shows positively that some of these changes are expected to remain forever post-pandemic. At the same time, the study on rural consumer satisfaction levels based on the seven critical parameters has proved that there is much for scope for improvement for the E-Commerce companies.
Originality/Value
This study addresses an area that is believed to be less studied. Even though e-commerce disrupted the retail sector in India, due to the digital divide, socioeconomic, and demographics restrictions, rural consumers were very slow in adopting it. However, the outbreak of the Covid-19 pandemic has completely changed the scenario.

Keywords

Rural Consumer Behaviour; Indian Retail; E-Commerce; Online Shopping; Customer Satisfaction; Market Penetration
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Introduction

1.1. Indian Retail Industry and E-Commerce

The Retail Industry in India is one of the most aggressively growing industries in the world which is estimated to reach US$ 1.1 trillion in 2020. The industry contributes about 10% of the nation's GDP (Gross Domestic Product) and over 8% of the employment. India stands 5th in the world in terms of the biggest and most favored retail ecosystem globally. Tremendous growth is seen in the sector, not just confined to main cities, but also in tier 2 and tier 3 cities.

Electronic Commerce or E-Commerce has dramatically transformed the way in which Indian Retail Business is carried out. The Micro, Small & Medium Enterprises (MSME) in the country has been directly impacted by the E-Commerce companies by providing aids and supports to them in the areas of finance, technology, training, etc. It also enabled the manufacturers and retailers to cut-down their spendings and reach out to more customers in urban, semi-urban, and rural customers without having a need ensure their physical presence there.

The estimated market share figures of the retail industry for the year 2021 are that the traditional retail channels will be holding the majority share of about 75%, organized retails channels will be holding a share of about 18% and the E-Commerce channels will be holding about 7% of the market share. This is about a 48.9% increase in the market penetration by E-Commerce channels when compared to the 4.7% of 2019. It is also expected that the number of online shoppers in the country will reach a new milestone of 220 million by the year 2025. Out of nearly about 1 lakh pin codes in India, these online retailers are delivering only to about 15000 to 20000 pin codes. All these figures are undoubtedly proving that there are tremendous growth opportunities for E-Commerce to grow in the Indian Retail Industry (India Brand Equity Foundation, 2020; 2019)

1.2. Significance of Rural India in the E-Commerce Sector

According to World Bank data records of 2019, the population in the rural parts if India contributed to 65.53% of the total population of the country. This was estimated based on the World Urbanization Prospects by United Nations Population Division: 2018 Revision, considering different indicators of development consolidated from different official sources. According to a report by RedSeer, E-Commerce players like Flipkart and Amazon has achieved sales worth Rs. 190 billion during the festive sales of 2019, with a major portion of it coming from tier-2 and tier 3 cities. This shows the rising importance of market segments other than metros in the e-commerce landscape. The rural market of India is having huge untapped potential for E-Commerce businesses to tap into.

As per the latest report published by the Internet & Mobile Association of India (IAMAI) and Nielsen, India is having more active internet users in rural areas when compared to urban areas (Active internet usage is defined as using the internet at least one time in a month). As of November 2019, Rural India reported having 227 million active internet users which are of age above 12 years and this figure is 10% more than of the active internet users in urban areas. By this, the ‘digital divide’ existed previously between urban and rural areas no longer exists. Even though these figures are appealing, about 70% of the rural population is yet to get access to the internet. This shows a tremendous amount of growth potential among the rural population. The surprising growth of the internet in rural areas is mainly attributed to the high penetration of smartphones and cheaper mobile data (Internet & Mobile Association of India (IAMAI) & Nielsen Insights, 2019). As per the latest report by Mary Meeker on ‘Internet Trends’, the penetration of 4G networks in India is about 88% (Meeker, n.d.) Also, one of the recent trends in the growth of the internet user base is that majority of the users are getting added from the lower-income households of rural areas.

1.3. Covid-19 Outbreak and its impact on E-Commerce Sector

The outbreak of the Covid-19 pandemic possessed a severe threat to the whole world, upsetting the lives of crores of people. Along with being dangerous to human life, it also had adverse consequences on the world business arena churning the whole economy and overturning all the trade and commerce activities. Countries were forced to impose a complete lockdown on all socio-economic activities. The whole world started crippling under the vicious attack of the ‘invisible’ enemy (Rakshit & Paul, 2020).

The way in which the consumer community thinks was completely changed by Covid-19. Social Distancing and Personal Hygiene have emerged as new top priorities. The brick and mortar shops. Supermarkets, Departments Stores and Shopping Malls were all fully or partially shut down and there were restrictions on the movement of people. Even after the complete nationwide lockdown was lifted, the actuals footfalls were considerably less in these places. Consumers started depending more on online shopping facilities, not just as a necessity but more of a change in lifestyle to get adjusted to the new normal.

The E-Commerce industry has faced big challenges during the initial lockdown days due to lack of manpower, stock outage of goods, broken supply chain, and logistic linkage, and confusion regarding the regulatory restrictions on operations. Even after the country-wide lockdown was revoked, localized lockdowns based on Covid-19 hotspots still possessed a big challenge to the logistics operations of E-Commerce players. The situation got stabilized very soon and all the major players revamped their strategies through innovative solutions, leading to a sudden tick in their demand.

Research Objective

The major objectives of this research were:

- To study the impact of the Covid-19 pandemic on India’s Rural Consumer Behaviour towards online grocery and retail E-Commerce
- To study whether the changes in Rural Consumer Behavior towards E-Commerce

due to the Covid-19 outbreak is temporary or permanent

- To understand the satisfaction levels of existing E-Commerce Customers based on various critical factors that are of perceived value to them
- To understand the gaps existing in the current value delivery of E-Commerce players to ensure Customer Retention, Continuous Improvement, and better Market Penetration

Literature Review

Similar to the Covid-19 outbreak, the world had already been tried and tested in the past with so many dreadful pandemics like Influenza, Spanish Flue, Plague, SARS, H7N9, Swine Flu, etc. which had posed many serious social and economical impacts. All these pandemics have caused considerable disruptions in various aspects of production, supply, consumption, and consumer behavior. (Barrett et al., 2011; "Economic and Social Impact of Epidemic and Pandemic Influenza.," 2006; Faden et al., 2003; Qiu et al., 2018; Surcharita Debnath, 2020)

Consumer behavior on consumption is habitual as well as contextual. Habitual means that over time consumers develop purchase habits on what is to be consumed, when, and where. Contextual refers to various contexts that affect or disrupt the habits of consumers. Some of such contexts are social (marital status, community, friends, etc.), technology (internet, e-commerce, smartphones, etc.), rules & regulations (government policies like those on electric cars, regulations on firearms, alcohol, etc.), local as well as global disturbances (Great Recession of 2008, Great Depression, Cold War, World War II, etc.) and natural disasters (earthquakes, global pandemics, etc.). (Sheth, 2020)

Rural and urban markets are very much different in many ways, Demographically, due to less density of population, scattered households, small-sized order over longer distance at economical rates, timely delivery, and an overall low demand of products, E-Commerce companies were historically facing tremendous challenges. The huge last-mile delivery costs were making it very difficult for companies to balance things. The factors that hinder E-Commerce adoption by rural consumers also include older aged people, lower literacy rates, less purchasing power, and having stronger ties socially. These zones are mainly served by a small number of brick-and-mortar outlets (Kirana stores) having very little product assortment and higher prices due to high expenses and comparatively lesser economies of scale. However, overall economic development, increasing internet penetration and digital transformation, and change in demographics have always resulted in substantial advancements in rates of adoption of E-Commerce (Farag et al., 2006; Sousa et al., 2020).

When in the comes to product mixture, rural consumers usually prefer to buy perishable products from the local markets with a good amount of societal interactions (Patel et al., 2015) and consequently the penetration of online platforms into that segment of items is quite difficult. However, due to factors such as large distances and access restrictions to physical stores can positively impact the adoption of online shopping platforms by rural consumers in purchasing larger quantities of items than those consumers in non-rural markets. Also, due to the lack of a larger selection of products and limited access to various assortments, probabilities are there for rural consumers to depend on E-Commerce platforms to purchase locally unavailable products. When it comes to the trade-off between product price and delivery time, rural customers tend to give more importance to the former. This is because of the lower purchasing power and the lesser opportunity cost of time enabling them to wait longer (Hodge et al., 2017; Paddison & Calderwood, 2007; Sousa et al., 2020).

The adoption of online shopping through E-Commerce by rural consumers is impacted by three aspects: Conformist Mentality (an individual referring to the opinions of relatives and friends as a standard and chances are there that they may change their attitude), Perceived Behavioural Control (perceived ease or difficulty level by a person in accomplishing an activity) and Online Shopping Experience (evaluation of perceived comfort of use and perceived helpfulness of online shopping) (Iv et al., 2017)

The rural market penetration strategy for E-Commerce companies should involve two components. (I) Consumer Value Proposition

(CVP) is designed depending on product and service mixture which is alluring to consumer preferences and can be fulfilled easily. (II) An operational model is designed for the effective fulfillment of last-mile requirements supporting the CVP (Nguyen et al., 2018). The optimum CVP which balances consumer values as well as fulfillment efficiency will be different for urban and rural markets. This is mainly due to the differences in socioeconomic and demographics factors, probably different in rural and non-rural markets due to differences in demographics and socioeconomic factors. Also, different operational models will be needed in urban and rural markets to support the CVP efficiently, ensuring the economical fulfilment of last-mile delivery requirements. Concerning CVP, it is also found that rural consumers are less demanding when it comes to delivery requirements comparing to their urban counterparts. What is important for them is to satisfy their product need using E-Commerce channels. The increase in purchases from rural markets even though the lead times are longer indicating that the rural consumers do not give much importance to have faster delivery of orders. (Sousa et al., 2020).

The E-commerce market in India is having an estimated reach of US$ 200 billion by the year 2026, compared to a mere US$38.5 billion in 2017. Its growth has always been on a rising trajectory and it is predicted to surpass the US to earn the title of the world's second major E-Commerce marketplace by the year 2034 This huge estimated growth is mainly attributed to the overall upsurge in smartphone and internet penetration, the government's push on digital transformations, vigorous investments happening in the sector, increasing household income levels, shifting demographic profile, urbanization, changing customer behavior and consumer preferences (India Brand Equity Foundation, 2019). The country's greater affinity towards digital transformation is looking at an overall increase in the number of internet connections to 829 million by the year 2021 from 687.62 million in the year 2019 (Telecom Regulatory Authority of India, 2020).

Considering the faster penetration of the internet and smartphones in rural India when compared to urban areas, the rural market is considered to be the next grazeland of E-Commerce players. Along with internet penetration, the consumer behavior of rural India is also changing dramatically. They are getting transformed as more brand conscious, value-seeking, aspirational, and connected consumers looking for larger varieties of products that are affordable in terms of discounts, cashback, EMIs, etc. The availability of E-Commerce platforms in regional languages has also boosted the acceptability among wider audiences. Considering the fact that only 4.3% of the retail market is penetrated by the E-Commerce sector, the future is looking bright with opportunities for the online players (India Brand Equity Foundation, 2019; Iv et al., 2017; Sousa et al., 2020).

Materials and Methodology

The collection of primary data was done using a structured online questionnaire consisting of closed-ended questions. The method of convenience sampling (non-probability) was used for the selection of population sample and the focus of sampling was among the rural consumers of South Kerala. The respondents were also requested to rate various parameters related to online purchases on a 5-pointer Likert Scale. These parameters considered include Customer Awareness Level, Product Pricing, Product Quality, Delivery Speed, Customer Speed, Return Policies, Availability, Reliability, etc. The collection of secondary data was done using various sources of information such as journals, research papers, market surveys, e-commerce companies reports, government websites, news articles, expert analysis/predictions, and other online information sources.

The questionnaire was designed using Google Forms which was planned to be used in an online mode. The questionnaire was circulated among the target audience through various online platforms like email and social media. The respondents were chosen in such a way so that maximum diversity in terms of Age, Gender, Monthly Income, Occupation, etc. was endeavored. The process of primary data collection was started on 28th August 2020 at 8:00 PM IST and closed on 4th September 2020 at 5:00 PM IST. Upon closing of accepting responses to the form, it was found that a total of

193 responses were logged from respondents among rural consumers.

Analysis and Interpretation

As mentioned already, the questionnaire was floated among rural consumers. The responses received for the closed-ended questions as well as the rating received for various parameters using the 5-pointer Likert Scale were analyzed and interpreted to draw useful inferences and conclusions. The major findings and inferences from the research are explained in the subsequent sections.

Figure 1: Gender Proportion of Respondents

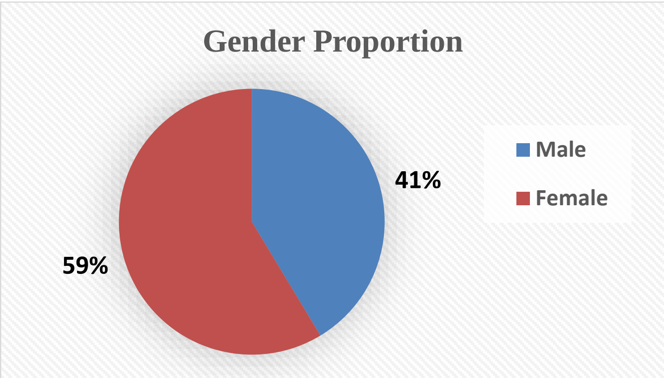


Figure 1 shows the gender diversity of the population sample considered. Out of the total of 193 respondents, 59% were female and 41% were male.

Figure 2: Age of Respondents

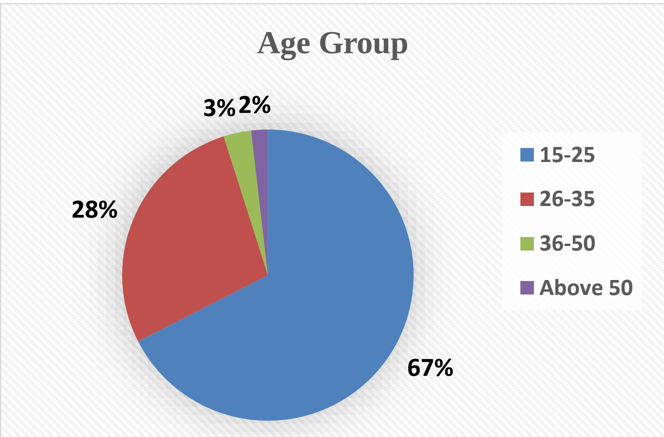


Figure 2 depicts the age composition of the respondents in the population sample considered. Out of the total 193 respondents, 67% were of the age 15 to 25 years, 28% were of the age 26 to 35 years, 3% were of the age 36-50 years and 2% were above 50 years.

Figure 3: Occupation of Respondents

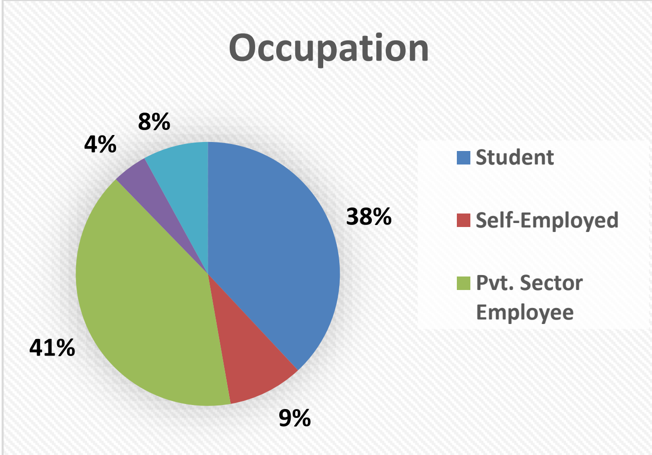


Figure 3 depicts the occupation status of the sample population considered. Out of the total 193 respondents, 35% were students, 41% were Private Sector Employees, 9% were Self-Employed, 4% were Government Employees, and 8% indulged in miscellaneous occupations.

Figure 4: Monthly Income of Respondents

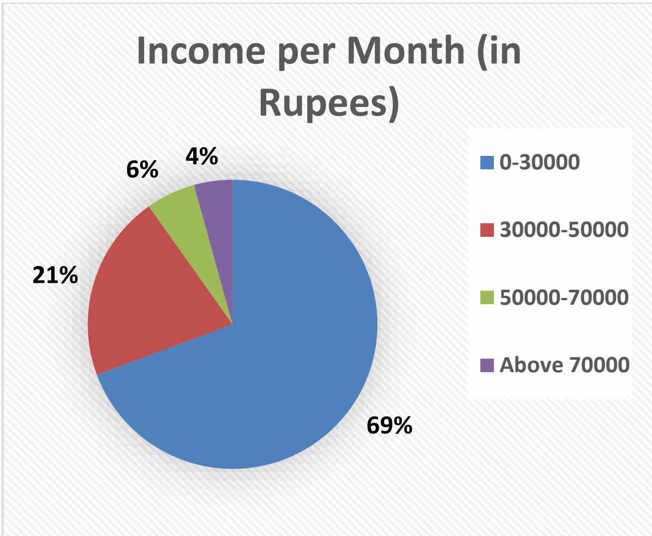
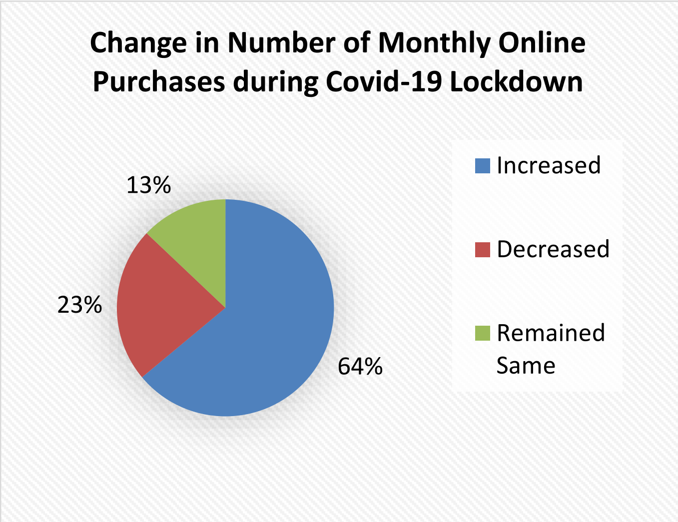


Figure 4 depicts the monthly income classifications within the population sample considered. Out of the total 193 respondents, 69% were having income in the range of ₹0-30,000, 21% were having in the range of ₹30000-50000, 6% were having in the range of ₹50000-70000 and 4% were having more than ₹70000.

2.1 Change in Monthly Online Purchases Rural Consumers during Covid-19 lockdown

To study the impact of Covid-19 on the average number of monthly online purchases, the respondents were asked about their average monthly online purchases before Covid-19 lockdown and during the lockdown. *Figure 5* shows an overview of the changes that happened with the number of average monthly online purchases.

Figure 5: Change in Monthly Online Purchases during Covid-19 Lockdown



Out of the 193 respondents, 64% reported an increase in the average number of monthly purchases which is a sign of a positive behavioral trend towards the online retail platforms. Companies can leverage this change by strategically aligning their value propositions.

However, 23% of the respondents reported a decrease in the average number of monthly online purchases while 13% reported zero change. The reduction in the number of purchases can be attributed to the various factors such as

- Fear of lack of hygiene due to the Covid-19 outbreak
- Longer stockout periods
- Unavailability of delivery to certain locations
- Uncertainty in the delivery lead times
- Abrupt fluctuations in the price
- Lack of disposable income in hand
- Reduction of discretionary spending by the consumers

Furthermore, the respondents were asked about which mode of purchase (online/offline), they have used the most during Covid-19 lockdown for their daily purchase requirements.

Out of the 193 responses received, 51% of the respondents reported that they have used online purchases more than offline purchases when the complete lockdown was imposed based on Covid-19 protocols. 49% of the respondents stated that they depended on offline purchases more than online purchases during the lockdown period. Here, we can see that, there is only a slight dominance for online retail platforms over their offline counterparts. Companies should focus more on tapping this opportunity by carefully studying the particular behavior of the consumers.

2.2 Rural Customers' opinion on Delivery Charges and Delivery Lead Times

To understand the voice of Rural Consumers towards Delivery Charges and Delivery Lead Time taken by e-commerce platforms, the respondents were asked regarding their willingness to pay nominal fees as delivery charges and their patience in waiting for few days to get their products delivered. *Figures 6 and 7* depict the rural consumer responses.

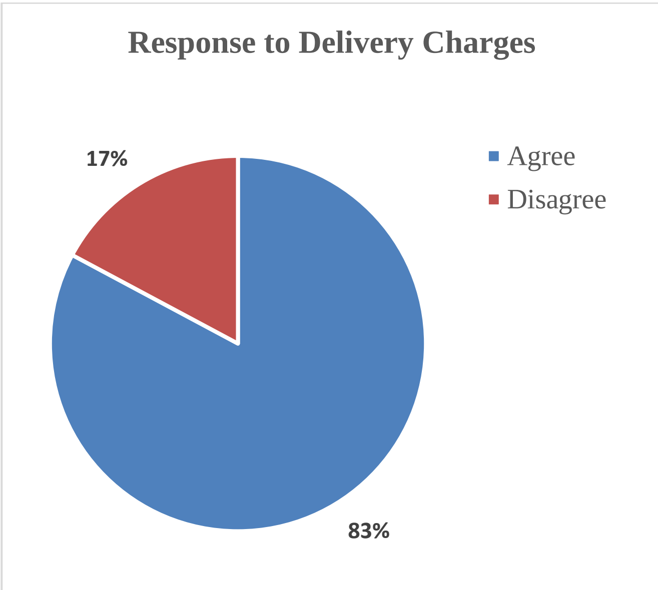


Figure 6: Rural Consumer response to Delivery Charges

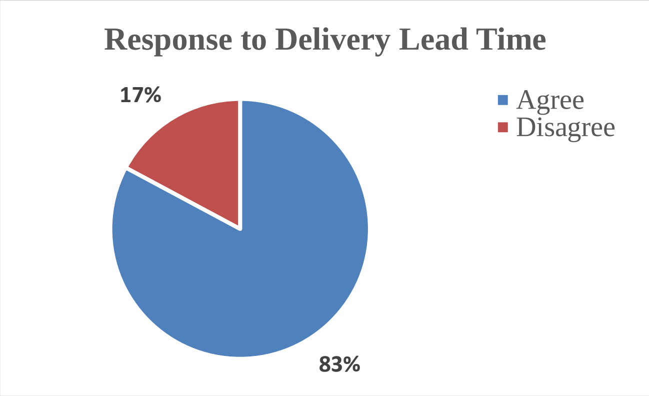


Figure 7: Rural Consumer response to Delivery Lead Time

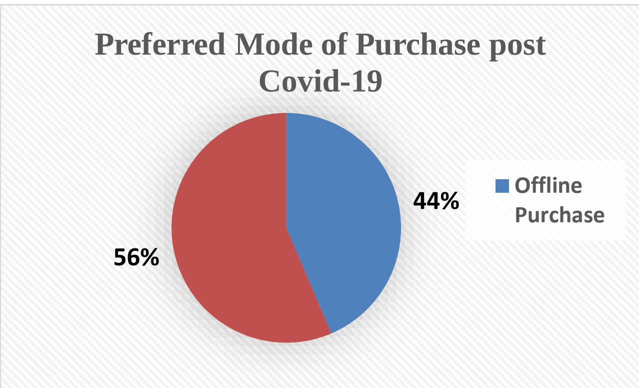
In the case of additional delivery charges, 83% of the respondents agreed that they are ready to pay a nominal amount provided they are provided with quality products and services of their perceived value while the remaining 17% marked their disagreement.

In the case of delivery lead time also, 83% of the respondents agreed that they are ready to wait few days for getting their products delivered provided the quality of products and services matches their perceived value while the remaining 17% stated their disagreement.

2.3 Preferred mode of Purchase by Rural Consumers in post-Covid-19 period

To study whether the changes in consumer purchase behavior during the Covid-19 lockdown are temporary or the old habits may return once the restrictions are over, the respondents were asked about their preferred mode of day-to-day purchase after the pandemic get over. Figure 8 portrays the customer preferences on modes of purchases post the pandemic condition.

Figure 8: Customer Preference on Mode of Purchase post Covid-19



Out of the 193 respondents, 56% is preferring Online Purchases more when compared to offline purchases, while the remaining are preferring Offline Purchases more. However, the positive news for online retails platforms is that, out of this 56% of respondents preferring Online Purchases, 40% are the people who have depended more on Offline Purchases during the Covid-19 lockdown. They are preferring Online Purchases more post-Covid-19 means the trend is in the favour of online retailers and other E-Commerce companies. Companies should deep dive into analyzing their products & services as well as rural marketing strategies so as to leverage on this change in trend.

2.4 Rural Customer Satisfaction level on critical parameters related to current products & services offered by E-Commerce Companies

To understand the satisfaction levels of rural customers on the Products and Services offered by Online Retailers and E-Commerce Platforms, 193 respondents were asked to rate various parameters on a 5-pointer Likert Scale based on their experience. The responses were analyzed and the satisfaction levels were determined in such a way that a rating of 5 denotes complete satisfaction and any rating below 5 signifies the existence of some dissatisfaction with the consumers and scope of improvement for the companies.

Table 1 represents the seven critical parameters considered for understanding the Customer Satisfaction Levels and to identify those factors which are slowing down the adoption of E-Commerce products and services by them. This also serves as an indicator for the online grocery and retail E-Commerce companies to understand the areas of improvement to ensure customer retention and better market penetration.

Table 1: Seven Critical Parameters related to E-Commerce products and services to study the Satisfaction Levels of Rural Consumers

Sl. No.	Parameter
1	*Product Pricing*
2	*Product Quality*
3	*Product Authenticity*
4	*Product Availability*
5	*Delivery Speed*
6	*Customer Service*
7	*Return Policies*

Now, let us consider each one of the above parameters and analyze the responses received from the respondents.

5.4.1 Product Pricing

Figure 9: Consumer Satisfaction Levels on Product Pricing

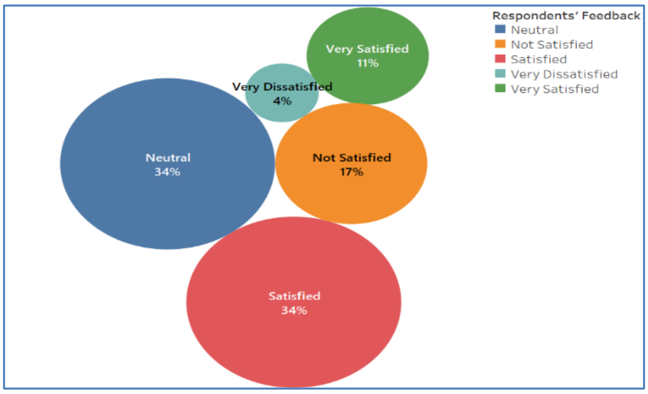


Figure 9 shows the Consumer Satisfaction Levels on the product pricing parameter. It is worth noting that only 45% of the respondents are either fully or fairly satisfied. Remaining 55% respondents are either dissatisfied or they believe there is still room for further improvement. When it comes to serving of rural consumers, although their purchasing power has increased considerably, right pricing strategy is still very crucial.

However, as mentioned before, it is a positive sign for the companies that rural consumers are even ready to pay delivery charges provided quality products are delivered at the right place at the right time. Companies can leverage on this serving the right value proposition and thereby covering the additional last-mile delivery losses incurred when serving the rural areas.

5.4.2 Product Quality

Figure 10: Consumer Satisfaction Levels on Product Quality

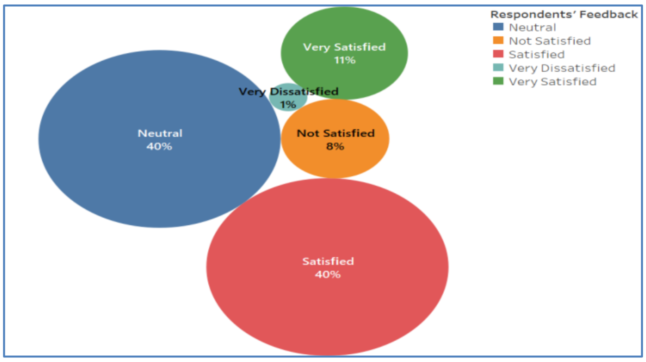


Figure 10 shows the Consumer Satisfaction Levels on the product quality parameter. 51% of the respondents rated that they are fully or fairly satisfied with the products they are receiving. 40% of the respondents opted to be neutral which can be inferred as they are neither satisfied or dissatisfied-pointing at a scope for further improvement. Only 9% responded that highly or fully dissatisfied with the quality.

Although E-Commerce companies act as a link between several sellers and customers, they need to ensure the quality of the products they deliver, especially in areas like rural markets where they have huge untapped potential. People should experience the convenience of online shopping and gain confidence in the value delivered to them. Otherwise, they can return anytime to the traditional channels of consumption.

5.4.3 Product Authenticity

Figure 11: Consumer Satisfaction Levels on Product Authenticity

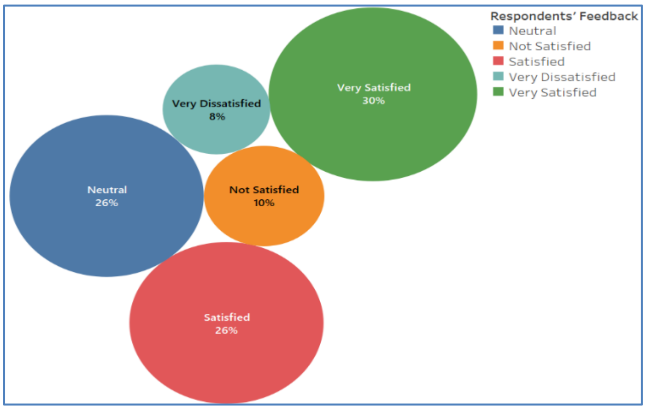


Figure 11 shows the Consumer Satisfaction Levels on the product authenticity parameter. 56% of the respondents rated that they are fully or fairly satisfied that the products received by them are authentic. 26% of the respondents opted to be neutral which can be inferred as they are doubtful regarding the authenticity or they are looking for more assurance on the same. However, 18% respondents rated that they are highly or fully dissatisfied with the genuineness of the products

Product authenticity is something that every consumer is looking for, irrespective of the value of the purchase. 18% of dissatisfaction in product authenticity is an alarming situation for the E-Commerce companies especially when the voices of customers are coming from high market potential rural areas. They should work more closely with the sellers so as to tackle this situation and ensure customer retention as well as more market penetration.

5.4.4 Product Availability

Figure 12: Consumer Satisfaction Levels on Product Availability

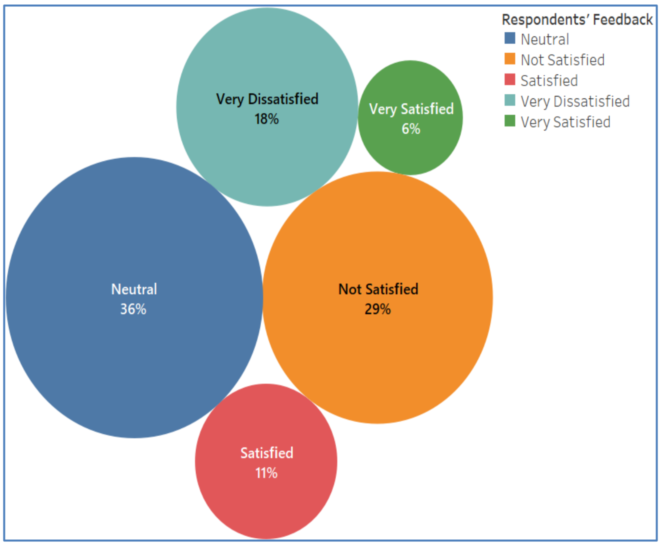


Figure 12 shows the Consumer Satisfaction Levels on the product availability parameter. Only 17% of the respondents are fully or fairly satisfied with the product availability. 47% of the respondents, i.e. a high majority of the respondents are highly or fully dissatisfied with the availability of products. 36% of the respondents opted to remain neutral which can be inferred that they got settled with alternative products or alternate mediums of purchase, but they still hope for an improvement.

This seems to be a very serious concern that should be carefully addressed by E-Commerce companies. Stockouts can be very costly in terms of opportunity cost especially when consumers are looking for necessity purchases. It will take a long time to recover the damage done to the reliability and confidence, especially when it comes to rural areas where the people are slowly getting adapted to the new convenience.

5.4.5 Delivery Speed

Figure 13: Consumer Satisfaction Levels on Delivery Speed

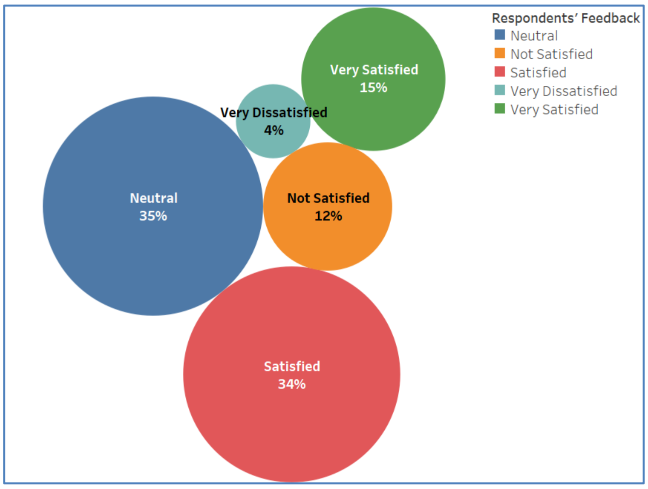


Figure 13 shows the Consumer Satisfaction Levels on the product delivery speed. 49% of the respondents are fully or fairly satisfied with the delivery speeds promised by the companies. 35% of the respondents opted to remain neutral which can be inferred that they are managing to meet their purchase needs with the current delivery speed. However, they believe there is ample scope for improvement. Only 16% of the respondents are highly or fully dissatisfied with the delivery speeds.

Product delivery is the most cost incurring part of E-Commerce operation with the last mile delivery incurring more than half of the total logistics costs. This research has given positive results from an E-Commerce point of you, not only because the majority customers are satisfied with the delivery speeds, but also to see that there is a change in the mindset of rural customers that they are ready to wait for few days to get quality products delivered conveniently. Even though rural consumers responded positively towards delivery time and delivery charges, it is always advisable to offer the best value proposition so as to accelerate the market penetration and customer retention through alternatives like hyperlocal logistics.

5.4.6 Customer Support

Figure 14: Consumer Satisfaction Levels on Customer Service

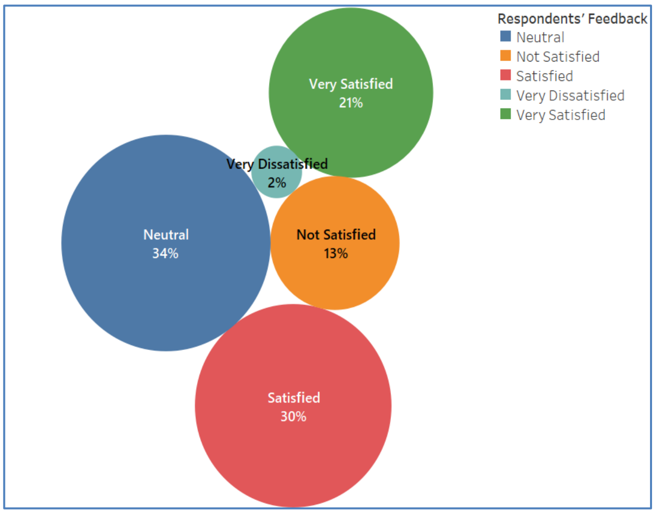


Figure 14 shows the Consumer Satisfaction Levels on the Customer Service support offered by E-Commerce platforms. 51% of the respondents are fully or fairly satisfied with the customer service offered by the companies. 34% of the respondents opted to remain neutral which can be inferred that they are satisfied to certain extent, but they believe that there is ample room for improvement. Only 15% of the respondents are highly or fully dissatisfied with the customer support offered.

Proper customer service is very crucial as the companies are trying to accelerate market penetration. When the consumers, especially from rural markets, are slowly experiencing the convenience of online shopping, companies should always try to make it as hassle-free as possible. Winning the trust and confidence of the consumers is the key to flourishing the business in untapped markets. Providing proper support and assistance from the starting of product search to product replacements/returns is the most effective way to do this.

5.47 Return Policies

Figure 15: Consumer Satisfaction Levels on Return Policies

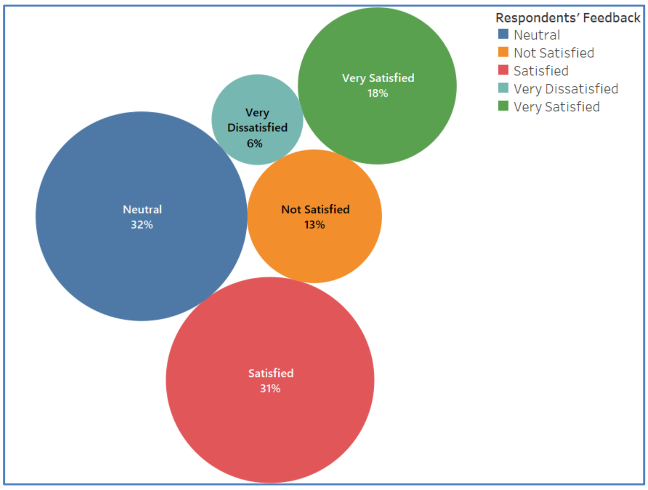


Figure 15 shows the Consumer Satisfaction Levels on the Return Policies of E-Commerce platforms. 49% of the respondents are fully or fairly satisfied with the customer service offered by the companies. 32% of the respondents opted to remain neutral which can be inferred that their replacement/return requirement are satisfactorily met, but they believe that there is ample scope for improvement. 19% of the respondents are highly or fully dissatisfied with the current return policies of the companies.

Rural customers are accustomed to social interaction and mingling happens during the purchase of products from local brick-and-mortar shops. They are even seeing and experiencing the product in real before deciding to purchase it. The lack of this experience is pulling back the new customers to a certain extent. They feel a lack of trust and confidence as there is no one physically available, accountable for the quality of the product. This can be tackled effectively by offering better 'hassle-free' replacement/return options for the consumers.

Limitations and Future Scope of Study

The population sample used for the research purpose was selected from the rural areas of Southern Kerala using a convenience sampling method. Therefore, one major limitation of the study is that the findings cannot be generalized for the whole population of the country due to the varying demographic and cultural characteristics.

Further, the study was limited to those people who are having smartphones, tablets, or personal computers, active internet connection, sufficient digital literacy, and competent in the English language. As a result, the research outcome cannot be considered as a general attitude of the whole rural population, especially of those people who are aged, less educated, and less technologically sound.

As a further scope of this study, the research can be extended to more rural markets of varying demographic and socioeconomic profiles so that more concrete inferences can be drawn with conclusive shreds of evidence.

Inferences and Conclusion

This study conducted among rural consumers has brought out more of positive news for the growing E-Commerce sector in the country. Earlier, when the ‘digital divide’ was clearly visible between rural and non-rural areas, the rural consumers were very slow to adopt the online shopping platforms. But the tremendous growth in internet penetration, increasing purchasing power, and the changing demographics has made the rural market to be the most promising future of untapped potential for the E-Commerce companies. Even though the evolution of rural consumer behavior was happening at a fast rate, the Covid-19 pandemic has completely changed the attitude of rural consumers in a way no one could ever imagine. This is clearly understood from the responses received for this study from the rural consumers.

The country-wide shutdown of physical stores and pandemic protocols forced rural consumers to adopt online shopping options. People have purchased necessity products more from E-Commerce platforms instead of purchasing from physical stores by following all the stringent protocols of the pandemic. Therefore, once they find online shopping to be more convenient, their return to brick-and-mortar shops will be slowed down. Therefore, it can be inferred that some of these changes are expected to remain post-pandemic also, similar to the quicker adoption of digital payment modes post demonetization in 2016. The responses received from rural consumers show that online shopping has helped them very much during the Covid-19 lockdown and the majority of them wish to continue with the new convenience even after the pandemic restrictions subside. Considering the changes happening to the retail industry in terms of online and offline modes, it is not expected that one will be dominating the other in the near future. However, it is evident that the modern retail will have to get adopted to some form of digital commerce platforms to remain relevant in the business. Thus, it is very clear that both these formats should co-exist.

The study on rural consumer satisfaction levels based on the seven critical parameters has proved that there is much for scope for improvement for the E-Commerce companies. The most critical issues like product unavailability should be addressed urgently by the companies so as to retain the existing customers as well as to penetrate more aggressively into the market. Similar to how the consumers have succeeded in improvising, businesses will also have to improvise to become more resilient to disruptions. Consumers will return to older habits if they found that the new adoption is not bringing significant relevance or changes to them. It is still yet to be seen how the E-Commerce industry will be meeting the expectation within the ‘new normal’.

The post-pandemic market is looking at a new consumer who economical, extra productive, extra conscious, healthy, and active. Further changes in consumer behavior, especially that of rural markets, will be highly affected by how the companies have shifted their business strategies and used their resources to overcome various challenges encountered. The new post-pandemic world is promising the E-Commerce sector a more robust demand and market growth, especially in the Indian Rural areas.

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