

EXTENDED ABSTRACT

THE IMPACT OF COVID 19 PANDEMIC ON ONLINE SHOPPING IN CHINA: CASE STUDY OF TABOBAO

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Abstract

This research conducted to identify the perception and satisfaction of Chinese consumers towards the Taobao online shopping app during the covid-19 period. The research is a qualitative research. Interview was the data collecting method. The interview conducted with 25 people in Jinhua, Zhejinag Province in China. The semi structured interview conducted via wechat platform. The Thematic analysis used to analyze the data. The data analysis indicated that the Chinese consumers are having positive perception towards the Taobao online shopping app. The level of satisfaction is positive. The user friendliness and trustworthiness were effecting as the factors towards the positive satisfaction on Taobao app. The cost effectiveness for the daily essentials is little higher than the offline shopping but the household items, apparel products and etc were very cost effective. The goods returning back and the quality of some goods were the challenges consumers were faced while using the Taobao.

Keywords: Cost effectiveness, online shopping, Taobao, trustworthiness, user friendliness

1. Introduction

The Corona Virus started to spread from Hankou, Wuhan in China. This virus went beyond the state of China and reached to each and every continent of the world. As this went from continent to continent this became as a Global pandemic. But China can be mentioned as the country which came out of the pandemic situation to the normal situation rather than other all developed countries in the world. The strict policies and the regulations can be the main reason for this quick controlling of the epidemic situation. But the technological development of China also supported highly for the country to come out from the situation. This high technology supported Chinese people to be inside the home without having any major issues for the daily essentials.

China was focusing on the e commerce industry from decades before. The e- commerce industry was emerging in China day by day. This high ecommerce industry supported china to come out from the dangerous situation of the Corona pandemic. During the Covid 19 period in the beginning China used their e commerce technology to reach all over the country. Each and every corner of the country the e- commerce platform supported for the daily life of the Chinese citizens. This platform reached from urban to rural and developed areas to undeveloped areas without having any issues. This technology of online shopping and digital currency supported the country to overcome the situation soon.

Taobao is a very famous online shopping app in China which the consumer can order any daily essentials through the app and site both. Taobao is a Chinese shopping platform and the headquarters located in Hangzhou and owned by Alibaba. Worldwide, the Internet is the fastest growing retail channel. In 2005, a survey conducted by Chinese Academy of Social Sciences showed that although China is the second largest Internet market with more than 100 million Internet users, still the online shopping behavior is slowly growing. In 2012, as a result of an increasing Chinese consumer acceptance of e-commerce, China's 193 million online shoppers outnumbered the 170 million US online shoppers (Zheng, 2012). Chinese e-commerce has attracted the attention of many analysts. According to a Boston Consulting Groups (BCG) report, in 2015 China's online retail sales are expected to reach \$360 billion that year (Zheng, 2012). According to China's Ministry of Commerce October 2013 report, online shopping was the fastest growing retail channel of distribution with an annual growth of 26.5%, compared to supermarkets growth of 9% and exclusive stores growth of 8.4%. China started to develop the e-commerce and it became the future of China. Online shopping is becoming increasingly popular for variety of reasons. Factors such as increasing gas prices, difficulty in getting to traditional stores and hassles often associated with shopping malls and other traditional stores to contribute to the increased interest in online shopping.

This research is to indicate the impact of Taobao online shopping app during the pandemic period. Moreover the study explains the role of taobao during the pandemic period in China. This is a qualitative study. The researcher uses the interview method to collect the data. The interviews conducted with 25 Chinese Citizens in Jinhua, Zhejiang Province in China. The researcher interviewed Chinese professors, Chinese Workers, Chinese managers, Chinese businessman to indicate about the research questions and objectives.

The present research addressed the below three main Questions.

Q1: What is the perception about Taobao service during the Covid 19?

Q2: How much satisfied the consumers with the Taobao service during the Covid 19?

Q3: What are the challenges faced with Taobao shopping during Covid 19?

The above questions answered through the present work with the method of qualitative. The research questions created accordingly to the research objectives.

2. Literature Review

China's e-commerce market is a very busy place, with the average online shopper purchasing ten items per quarter. It set to get even busier, with three in four claiming to have recently increased their rate of online shopping. China's e-commerce market was valued at \$750 billion in 2016, making it the largest market in the world and worth more than the US and UK combined. With 650 million internet users – more than any other country in the world – it is also the fastest growing online shopping market. Between 2010 and 2015, e-commerce exploded in China at an unprecedented rate in conjunction with a growth in disposable income and consumption across the country (Shanthi. & Kannaiah, 2015). Having now surpassed every other major market in the world, China's e-commerce trajectory can provide us with insights into what the evolution of e-commerce will look like elsewhere: explosive, widespread, and constantly changing. China currently has two major e-commerce markets, which can be categorized in line with the Government's development ranking system. Tier 1 cities – representing the nation's most developed areas – are at the cutting edge of online and mobile commerce, while Tier 2 cities are increasingly spending across mobile, WeChat, and Alibaba commerce.

3. Methodology

This is a qualitative research and the data collected through the interview method. The interview questions created with the semi structured interview structure. The semi structure interview questions with the secondary data. The interviews conducted over the WeChat platform. The Wechat audio calls were taken to contact the interviewees in China. The interview conducted with 25 Chinese consumers in Jinhua, Zhejiang province. This research was using the thematic analysis in the qualitative studies to analyze the data. The different thematic questions were asked from the candidate and the thematic analysis was conducted to analyze the interview questions.

4. Data Analysis

The analysis of the interview related to the Taobao online shopping conducted with Chinese citizens in China. Therefore the questions asked about the perception, satisfaction and factors to be satisfied with Taobao online shopping. Moreover the researcher questioned about the challenges of online shopping and the problems faced during the Covid 19 pandemic time in China.

Therefore the satisfaction level of the Chinese citizens about the online shopping was high among the interviewees. The all of the interviewees explained that they are having high satisfaction about the Taobao service. They explained that the service during the Pandemic period is higher than the service during the normal period.

Moreover the researcher questioned about the efficiency of the Taobao service during the Pandemic period. The majority of the sample answered that the efficiency of the taobao service was increased during the pandemic period. Because it offered the service as most essential food and daily needs new category to receive within few hours to home. Therefore the new category was making themselves very easy to purchase the daily essentials while they are at home. This service was newly introduced through the taobao shopping app during the Pandemic period.

Further the researcher questioned about the Trustworthiness of the Taobao online shopping app. For these questions there are positive and negative answers got from the interviewees. For the day today essential things the trustworthiness was positive among the sample. But especially if they order clothes sometimes they face issues with the clothing material. But this also mentioned by few interviewees. So they mentioned that the consumer's comments and the purchasing rates are available to check in the app. So this makes them to purchase the good products through the online shopping app. But somehow during the pandemic period the service of trustworthiness was positive for the day to day essential things. But still in the apparel they faced few issues while purchasing the goods.

Further interview questions asked related to the cost effectiveness. The majority of them answered the online ordering through taobao for the daily essential grocery items were not really cost effective. But as usual the other items such as apparel and all were very much cost effective than the offline shopping. But during the pandemic for the daily essentials there was no much positive feedback for the cost effectiveness.

The researcher questioned about the user friendliness of the app and the service. The majority was commenting positively towards this question. The interviewees mentioned that the user friendliness is really high. Due to the digital currency the ordering was really easy without any major hazels. Moreover the each and every category will have several options to choose and purchase. So the consumer will have the options. Further the purchasing ratings, consumer comments and all visible and this makes the consumer to purchase very easily.

The Challenges faced through the app from the Chinese consumers was the returning back if the ordered thing is really not as they expected. According to the answers gave by the sample they cost high for the returning the goods. So this is the major challenge in the app during the pandemic time. Moreover some cheap items will be really in the less quality and some of it also out of using too. So this also a problem they used while they are sung the Taobao during the pandemic period.

Finally the researcher questioned about the perception of the Taobao online shopping app during the covid -19 period. The majority answer with positive perception towards the online shopping with Taobao online shopping app during the covid-19 period. Moreover they mentioned the new facilities of Taobao made them easier to come out with this pandemic situation as the services provided effectively.

The present work got the positive feedback about the services of the Taobao online shopping App during the pandemic period in China. This present research answered all three main questions asked in the research paper. The main objectives are to indicate the perception of the consumers about the Taobo Online app.

The research had been identified the perception about the Taobao during the Covid 19 period in China, the satisfaction about the Covid 19 and the challenges it has faced by the e commerce app of Taobao during the Covid 19 period in China.

5. Conclusion

The data analysis identified that the perception of Chinese citizens about the Taobao online shopping during the Covid -19 period is positively significant and the satisfaction level is also positive towards the online shopping during the pandemic period. Moreover trustworthiness, user friendliness were founded as the satisfaction factors of using Taobao online shopping app during the Covid 19 period. But the cost effectiveness for the daily essentials is little higher than the offline shopping but the other household items and the apparel and products can be mentioned as cost effective. The major challenges found as the returning the ordered good if it us not as the consumer expectation. Moreover that some of the goods are not as they expect. These are challenges they faced while using the online shopping app during the Covid 19 period.

The research has certain limitations. The research conducted only one e- commerce site called Taobao. The sample was selected from Jinhua, Zhejinag province. The data collected method was interviews only. Therefore the future researches can be conducted with overcoming the present limitations. The Taobao Company should more concerned about the quality of the products and the proper way of proceeding the goods back to the retailers.

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