



RESEARCH ARTICLE

THE IMPACT OF THE COVID-19 PANDEMIC ON THE DEVELOPMENT OF GLOBAL AND RUSSIAN E-COMMERCE

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Abstract

The intensive development of digital technologies and access to the Internet has transformed the principles of organizing economic relations in the sphere of trade in goods and services. E-Commerce has become one of the most dynamically developing areas in the economy of many countries, but unforeseen circumstances, such as the Covid-2019 pandemic, can probably significantly change the situation with the development of the e-Commerce sector, give the necessary impetus to increase Internet activity and turn the e-Commerce sector into a driver of economic growth in Russia. The article demonstrates the changes that have occurred in the dynamics and structure of international online commerce, describes how the customs preferences have changed under the influence of the pandemic. An adjustment of the estimates of the prospects for the development of global and Russian e-commerce is given.

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Introduction

Since the creation of the first Amazon online store by Jeff Bezos in 1994, a new form of trade has emerged, actively using the capabilities of the electronic Internet, which quickly became a phenomenon of the global economy. To date, various terms are used to define this concept, such as Internet commerce, e-commerce, which have already been included in educational publications. The most concise and comprehensive definition of e-commerce is "the process of buying, selling, transferring, or exchanging products, services, and information through electronic means of communication". This is consistent with the definition adopted in the Declaration on Global E-Commerce at the World Trade Organization (WTO) Ministerial Conference in May 1998, which characterizes e-commerce as "production, distribution, marketing, sale or delivery of goods and services by electronic means". In the Russian press, especially in electronic media, the expression e-commerce, also used in this work, has become actively used, in English-language sites there are various spellings of this term E-commerce and e-Commerce.

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Current State of E-Commerce Under Covid-19

Currently, e-commerce still accounts for a small part of the world trade turnover (10-20 %), but it is one of the most dynamically developing segments of trade and the economy of any country, which characterizes the impact of digital changes in modern life.

At the beginning of 2021, 59.5% of the world's 7.83 billion people use the Internet, 66.6% use mobile communications, and about 53.6% use social networks, while the majority use e-commerce platforms [12]. The wide spread of e-commerce is facilitated by the development of new technologies that ensure the simplicity and ease of any online purchases, the constant growth of the number of online store sites available at any time of the day, the presentation of complete information about the product and the increase in the level of protection of the rights of the buyer. B2C trade (from business to consumer) without intermediaries in the form of retail chains provides lower prices for goods and saves time and money for customers.

The rapid growth of online shopping has led to a structural change in global trade, changing the ratio of online and traditional (offline) trade. Manufacturers sell products directly to customers, bypassing a long chain of distributors, wholesalers and retailers. The study of the phenomenon of e-commerce, as well as the collection, analysis and publication of statistical and analytic data in the form of reports, reports and reviews, is carried out by international organizations that regulate international trade (WTO, WCO, UNCTAD); international and national banks that record transfers of funds for online purchases through electronic payments; Associations that unite e-commerce participants; consulting companies that study markets; as well as the largest companies in the world. A number of countries publish official statistics on e-retail sales (the US Census Bureau, the National Bureau of Statistics of the People's Republic of China, etc.). In Russia, the public source of such information is the Association of E-Commerce Companies (AKIT), which accumulates data from various sources (Sberbank, OFD), and the consulting firm DataInsight, which conducts its own surveys of key market participants. For countries where such data is not published, the e-commerce volume is estimated from private sector market survey sources, such as Statista surveys , IBM surveys , GlobalWebIndex surveys , Content square surveys , Search Node surveys, etc., as well as statistics from selected major companies operating in these markets. In this paper, we used the annual reports of these organizations for 2019-2021, analyzing e-commerce and the impact of the COVID-19 pandemic on its development.

E-commerce has been actively developing since its inception. Figure 1 shows the dynamics of global e-commerce in recent years and its forecast to 2023, prepared in May 2019 by eMarketer before the outbreak. Statistics include products and services ordered over the Internet via any device, regardless of the payment method, and do not include travel and tickets to various events, do not include payments, taxes and money transfers, ordering food and drinks on the ground, games, as well as purchases (alcohol, tobacco products). This calculation method is used by all companies working in this business. The annual growth rate of e-commerce is about 20 %, from 2017 to 2020, the volume of e-commerce increased by 76 %. eMarketer analysts predicted that by 2023, the volume of trade will reach \$ 6.5 trillion. It will exceed 20% of all global trade, and a fifth of all purchases will be made online.

World Trade Organization (WTO)

The World Trade Organization (WTO) is an intergovernmental organization that regulates and facilitates international trade between nations. Governments use the organization to establish, revise, and enforce the rules that govern international trade. It officially commenced operations on 1 January 1995, pursuant to the 1994 Marrakesh Agreement, thus replacing the General Agreement on Tariffs and Trade (GATT) that had been established in 1948. The WTO is the world's largest international economic organization, with 164 member states representing over 96% of global trade and global GDP. The WTO facilitates trade in goods, services and intellectual property among participating countries by providing a framework for negotiating trade agreements, which usually aim to reduce or eliminate tariffs, quotas, and other restrictions; these agreements are signed by representatives of member governments and ratified by their legislatures.

The WTO has six key objectives: (1) to set and enforce rules for international trade, (2) to provide a forum for negotiating and monitoring further trade liberalization, (3) to resolve trade disputes, (4) to increase the transparency of decision-making processes, (5) to cooperate with other major international economic institutions involved in global economic management, and (6) to help developing countries benefit fully from the global trading system.

Discussion and Results

Currently, not all countries of the world and WTO members are actively involved in e-commerce, the development of which reflects the technological level of the country, the availability of the Internet and cellular communications, and the level of income of the population. Table 1 shows a list of the top 10 countries that accounted for 87 % of global sales in 2019. This list includes both developed and developing countries.

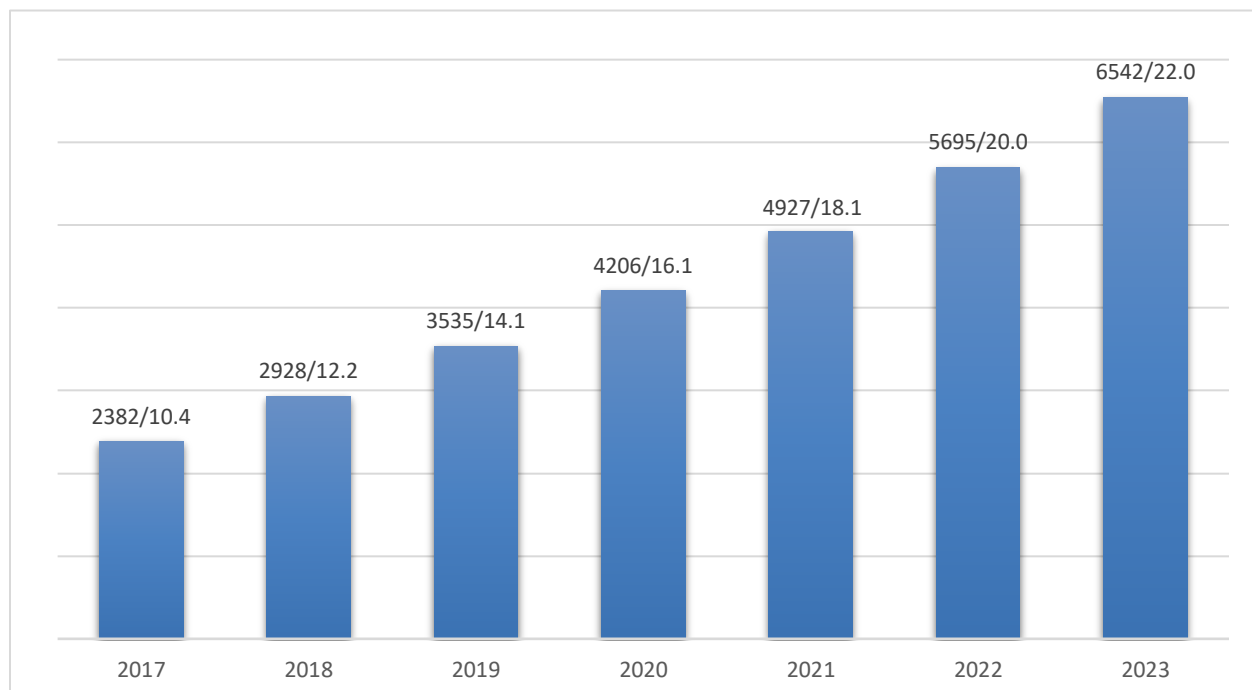


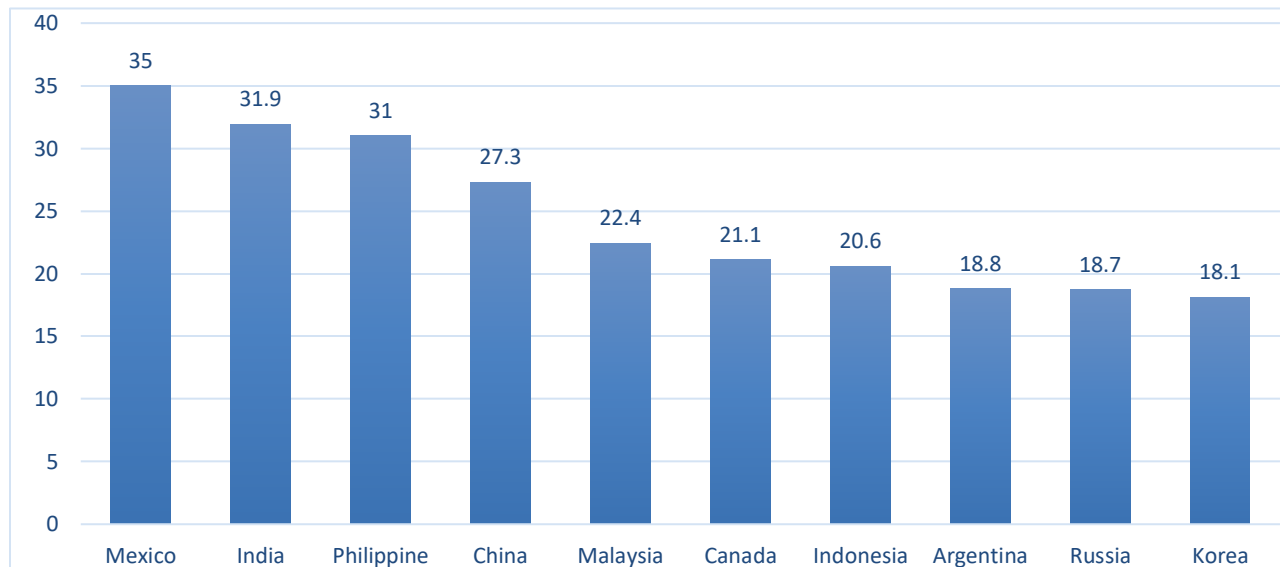
Figure 1:- Dynamics and forecast (*) of the development of global e-commerce and its share in the total volume of trade, billion US dollars / % [10].

Table 1:- Top 10 countries by e-commerce in 2019 [10].

	Country	Volume, billion US dollars	Growth rate, %	Global market share, %
1	China, Hong-Kong not included	1934,78	27,3	54,70
2	USA	586,92	14,0	16,60
3	UK	141,93	10,9	4,10
4	Japan	115,40	4,0	3,20
5	South Korea	103,48	18,1	2,90
6	Germany	81,85	7,8	2,30
7	France	69,43	11,5	1,90
8	Canada	49,80	21,1	1,40
9	India	46,05	31,9	1,30
10	Russia	26,92	18,7	0,76

For a decade, China has been the largest electronic market, accounting for more than half of all sales, followed by the United States, the United Kingdom, Japan, South Korea and Germany. In 2019, Russia moved from the 9th to the 10th place, it was surpassed by India, which was provided by the high growth rate of online commerce (31.9 %) (Fig. 2).

The highest growth rates of e-commerce (more than 30 %) were observed in developing countries-Mexico, India and the Philippines (Fig. 2), China in this list was in fourth place. Russia is also among the top ten countries with high growth rates of e-commerce. The six countries with the highest rating for 2019 are located in the Asia-Pacific region-the leader in the development of e-commerce. In their analysis and forecast for the five years from 2019 to 2023, eMarketer analysts [10] predicted a decline in the growth rate of e-commerce in the leading countries; in the UK, the growth rate of e-commerce will slow by 5.9 p.p., in China – by 9.3, Canada – by 10.9; the forecast of a slowdown in the capacious US market will be less radical, during this period, the growth rate of e-commerce will decrease by only one percentage point.

**Figure 2:-** Top-10 countries by e-commerce growth rate in 2019, % [10].

The COVID-19 pandemic, which has led to a sharp reduction in social contacts and the introduction of isolation in many countries, has shown the importance of developing e-commerce as a factor in preventing the spread of infection. To combat the pandemic, countries used the recommendations of the WHO, depending on the level of morbidity in the country, gradually introduced the following restrictive measures:

Stage 1-taking initial measures, closing borders and restricting movement in the country;

Stage 2 - declaration of a pandemic;

Stage 3-introduction of a self-isolation regime, transition to online training and, if possible, remote work [9].

Restrictions on mobility, the transition to online work, introduced to combat the spread of the virus, led to a sharp increase in demand for many goods and services.

Unfortunately, Russia has lost its place in the list of the top 10 countries that accounted for global sales in 2020 and 2021 as shown in the table 2. This list includes both developed and developing countries.

Table 2:- Top 10 countries, ranked by retail e-commerce sales, 2020 & 2021.

	Country	2020	2021	% Change
1	China,	\$2,296.95	\$2,779.31	21.0%
2	USA	\$794.50	\$843.15	6.1%
3	UK	\$180.39	\$169.02	-6.3%
4	Japan	\$141.26	\$144.08	2.0%
5	South Korea	\$110.60	\$120.56	9.0%
6	Germany	\$96.86	\$101.51	4.8%
7	France	\$73.80	\$80.00	8.4%
8	India	\$55.35	\$67.53	22.0%
9	Canada	\$39.22	\$44.12	12.5%
10	Spain	\$36.40	\$37.12	2.0%

Note: includes products or services ordered using internet, regardless of the method of payment or fulfillment; excludes travel and event tickets, payment such as bills, taxes or money transfer, food services and drinking place sales, gambling, and others vice goods sales; Excludes Hong-Kong.

This statistic provides a ranking of the leading retail e-commerce markets worldwide based on sales between 2020 with a forecast for 2021. In 2020, retail e-commerce sales in the United States amounted to 794.5 billion U.S. dollars and are projected to grow to 843.15 billion US dollars in 2021. However, China is by far the leading e-commerce market, with 2,296.95 billion U.S. dollars sales generated in 2020. Even in Latin America, the region with the lowest level of e-commerce, in just two months of quarantine, consumers on the Mercado Libre platform made as many purchases as they normally did in a year.

At the first stage of restrictions, consumers bought medical supplies (face masks) and hand sanitizers. In the second phase, after the pandemic was declared, basic necessities such as personal hygiene products and perishable food began to be stockpiled, as the duration of government measures to contain the epidemic was relatively uncertain. Finally, at the third stage – in self – isolation-high demand in the market began to use technological goods, exercise equipment, entertainment and educational services. This phase was longer in the countries of North and South America, where retail stores were closed for a long period (a month or more), compared to the countries of Asia and Europe, where the isolation regime was in effect for a short time.

The second wave of the epidemic, which began in late 2020, has forced many countries to once again tighten measures to contain COVID-19.

The pandemic has had a negative impact on the global economy as a whole, but it has had a stimulating effect on e-commerce. The number of online orders in retail has increased worldwide, and the range of purchases has largely corresponded to the stage of the pandemic. The increase in demand caused the prices of many goods to rise, some even disappeared from warehouses for a short time [9]. The reduction in market supply was determined by several factors. Firstly, production in many countries declined due to the closure of enterprises, and secondly, the speed of delivery of goods purchased online was affected by the closure of borders and the cancellation of passenger flights, which significantly reduced the capacity of logistics networks and the speed of delivery of cross-border mail. International transport and logistics services have also been hit by the introduction of new, tougher health regulations that have disrupted delivery times for land, sea and air cargo. As a result, many customers faced delays or cancellations of their orders [8]. Supply chain disruptions, shortages, and surges in demand have contributed to the sudden rise in online prices (including shipping) for items such as computers, home goods, and medical supplies. Compared to the beginning of 2020, prices for these goods increased by 5-10% in April [9].

The impact of the introduction of phased measures in the fight against corona-virus and trade-limiting factors can be seen in the example of the world's largest retail market in the United States (Figure 3).

The COVID-19 pandemic, like the 2008 recession, has had a negative impact on US household incomes and led to a sharp disruption in the structure of consumer retail spending. Due to the closure of stores and the shortage of goods in the second and third quarter of 2020, there was a sharp decrease in sales in the traditional trade sector by 24.0 and 16.6%, respectively. Against this background, there was an increase in online sales (up to 23 % in the second quarter). With the weakening of government measures to limit the spread of the epidemic, the recovery of offline retail sales begins [9]. In the World Global ecommerce-2020 report, presented by eMarketer in May 2020 [11], taking into account the impact of the pandemic, forecasts for the development of e-commerce in the world and leading countries were adjusted. If the 2019 report [10] assumed that in 2020 the volume of e-commerce would be 4.206 trillion US dollars, then this figure was reduced to 3.914 trillion US dollars, the growth rate was also reduced by two percentage points to 16 %.

Most countries will continue to see strong growth in e-commerce, but the two major markets – India and China – will slow significantly compared to recent years. The state of the global market will be affected by sales in China and the United States. U.S. consumers will spend \$ 709.78 billion on e-commerce in 2020, representing an increase of 18.0 %. In China, consumers will spend \$ 2.090 trillion (14.440 trillion yuan) in 2020, up 16.0 % but 7.7 percentage points less than predicted before the pandemic. In terms of e-commerce, China has long been a world leader, but in 2020 it will surpass the United States in total retail sales for the first time and become the largest retail market in the world – with total sales of 5.072 trillion US dollars (35.043 trillion yuan), as the US market will shrink even further (Figure 4).

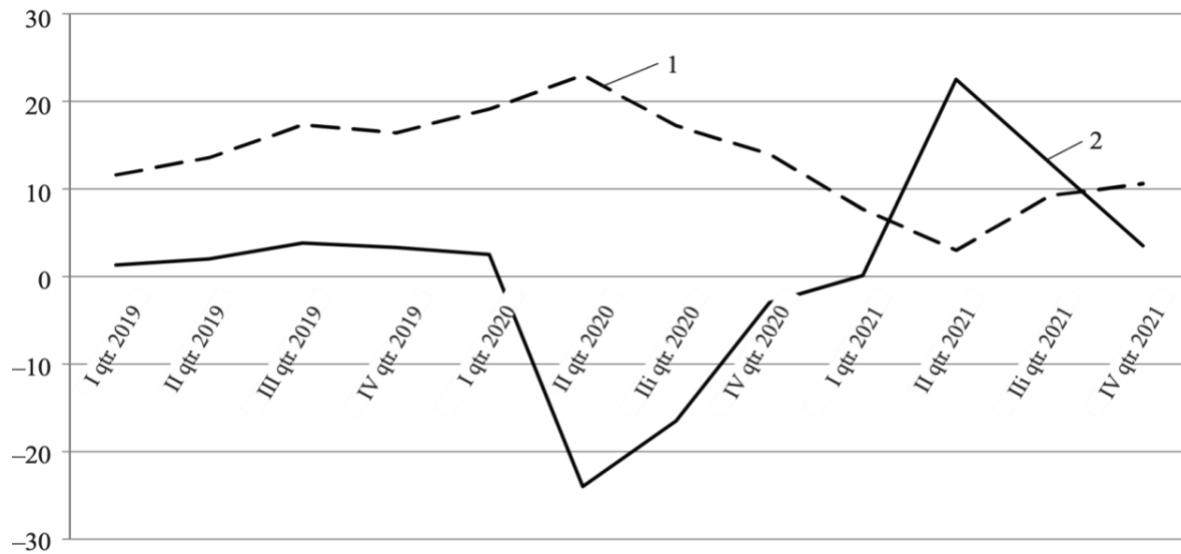


Figure 3:- Dynamics and forecast of retail sales growth in electronic (1) and traditional (2) trade in the United States from the first quarter of 2010 to the fourth quarter of 2021, %.

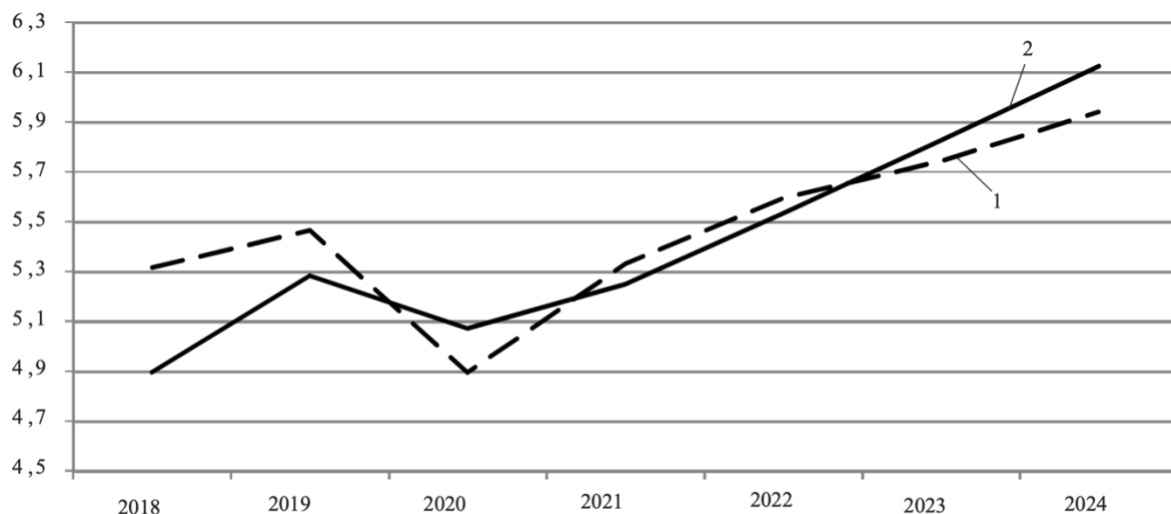


Figure 4:- Dynamics and forecast of total retail sales of the United States (1) and China (2) in 2018-2023, trillion US dollars [11].

There are different assessments of the prospects for the development of e-commerce, but in general, all sources note that the global pandemic crisis has shown the importance of the development of digital technologies, almost all countries of the world share of electronic sales in total retail sales, which has been steadily growing over the past years, increased sharply in 2020 (Fig. 5) [9]. Companies that study user behavior on the Internet and changes in consumer demand for e-commerce, especially with the use of mobile communications, approach data analysis from different angles [12-16]. But almost all of them noted that changes in consumer behavior during a pandemic can be long-lasting. The closure of physical stores has forced people, especially the older age group, who are more inert in their addictions, to rethink deep-rooted buying habits.

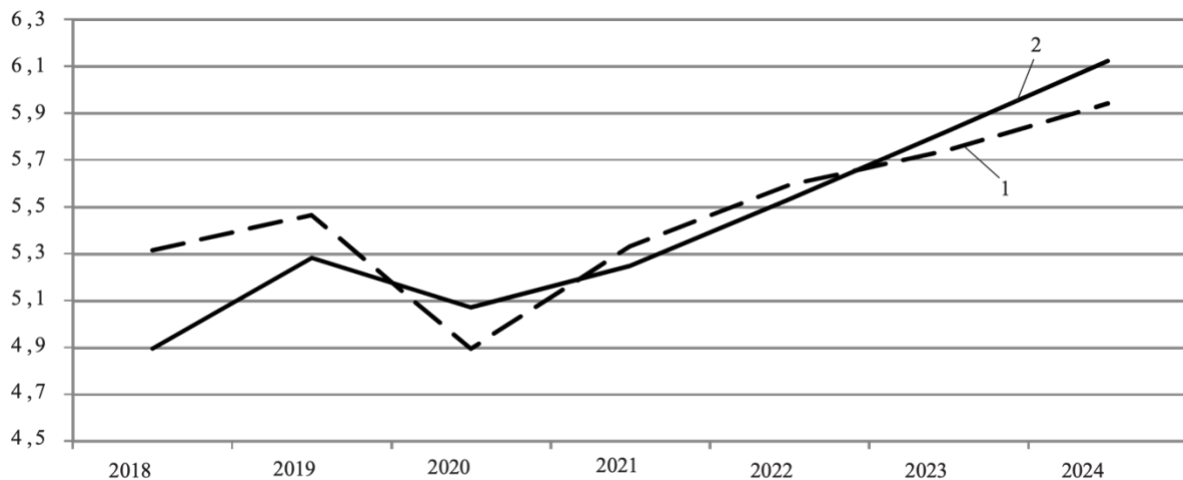


Figure 5:- The share of e-commerce in the total sales of retail chains of individual countries of the world, % [9].

Global Web Index conducts annual surveys that identify customer preferences. In their report "Consumer Trends 2020", Global Web Index analysts, using a sample of surveys of consumers of different age categories from 18 countries, showed that during the pandemic, buyers of all ages began to spend more time shopping on the Internet and with the opening of real stores will not give up online purchases (Table 3).

The generation born in the second decade of the XXI century and the baby boomers (the older age group, born in 1950-1970) increased their dependence on the Internet and online shopping, only in the United States the cost of purchases in the third quarter of 2020 was 57% higher compared to the same period in 2019 [14]. In the Global Web Index report "Consumer Trends Shaping 2021" [13], analysts add that these trends will be constant. As all groups of the population age, the older ones will have an increasing influence on the market situation. In the same report, in section 4, devoted to the changes taking place in the retail industry due to the rapid growth of electronic sales, it is noted that customers, accustomed to electronic purchases, when shopping in real stores want to have an idea of the products being sold, so stores should attract customers using advertising on the Internet and social networks. This is important for online and offline stores, as 6 out of 10 Internet users, assessing their economic prospects, believe that their personal finances will improve in the next 6 months [13].

Table 3:- The impact of COVID-19 on consumer behavior in online shopping, 2020, % [14].

Behavior option	Age, Year			
	16–23	24–37	38–56	57–64
Began to spend more time on online purchases	46	52	44	30
Nothing has changed	16	17	27	41
Began to spend less time on online purchases	19	17	15	12
Do not use online purchases	19	14	14	17

One of the innovations designed to encourage purchases, addressed to customers who purchase goods using a mobile phone, is the in-car system ("trade at the crossroads"), in which new advances in 5G, voice technology and contact less payments help to make purchases directly in the car. Global Web Index believes that this new product will be popular, as half of the British and American drivers were interested in this idea [13].

Not only buyers, but also representatives of the e-commerce industry also expect further growth in online sales. The annual Search Node report " Key e-Commerce Trends-2021 "[15] describes the impact of the pandemic on the global e-commerce market and makes a forecast of trends that will affect sales in 2021. The study was based on 100 interviews with CEO's of e-commerce companies from Europe and North America. The majority of companies (90 %) increased their sales revenue during the lock down in spring 2020, more than half of the respondents' revenues increased by 2 or more times, and 86 % of respondents' online sales continued to grow after the restrictions were lifted. Managers of companies using the online channel cited supply chain disruption (57 %), inability to meet increased demand for goods, and a general shortage of employees during the period of growing demand for their goods as the main problem during the pandemic. The majority of Internet companies (70 %) are ready to re-introduce the restriction regime and for stable operation and business expansion in 2021, they plan to use the following strategies:

1. supply chain diversification (39 % of all companies);
2. expanding the presence of e-commerce (39 %);
3. improving the digital infrastructure, purchasing new programs and equipment (36 %)
4. increasing the marketing budget (32 %);
5. hiring more employees (29 %) and improving work-at-home policies;
6. customer financing (45%), which is becoming increasingly popular, as it allows the company to expand sales, allowing customers to buy the right products now and pay for them over time;
7. direct sales from social networks (42 %), which are much more convenient for the customer [15].
8. A similar and larger survey conducted by IBM from April to August 2020 combines the results of numerous in-house surveys of consumers and managers of 3,450 enterprises in various industries in 20 countries, which together control revenue of \$ 3.7 trillion. The IBM survey showed that after COVID-19, the reality for business has changed radically.

Managers have become more confident in modern technology, which has led to an acceleration of digital transformation in 59 % of the organizations surveyed, 66 % of managers said that they were able to complete a business reorganization that previously faced resistance; 75 % of all survey participants expect their business to grow and increase online interaction with customers. It is noted here that there is no return to normal life and there will be no more, but the pandemic has given the business new experience and growth prospects. Business leaders have always noted that the main obstacles to progress are organizational complexity and employee burnout. Improving the skills of employees and organizing more flexible work options (various hybrid models of remote and office work) will allow you to work optimally and with less workloads, and this can help build trust, maintain the necessary personnel of the organization in the long term after the pandemic. The use of artificial intelligence, automation, and cloud technologies will make work processes more intelligent [16]. The practical experience that was first gained by Internet companies operating in the B2C (business for consumer) format – working with customers online, feedback from consumers, striving to meet and shape the needs of customers – is now being used by B2B (business for business) companies.

Global trends in the development of e-commerce can also be traced in the Russian e-commerce market. Russia is among the top ten countries in terms of the volume of e-commerce and the dynamics of its development (see Table 1, Fig. 2), although it is being squeezed by the developing states of Asia. The country has all the prerequisites for the development of this form of trade, 78 % of the Russian population uses the Internet, in 2019, Russian buyers made 425 million orders for 2.032 trillion rubles

The main indicators of the development of the Russian market (Fig. 6) are taken from the data of AKIT [3; 4] and the agency Data Insight [5].

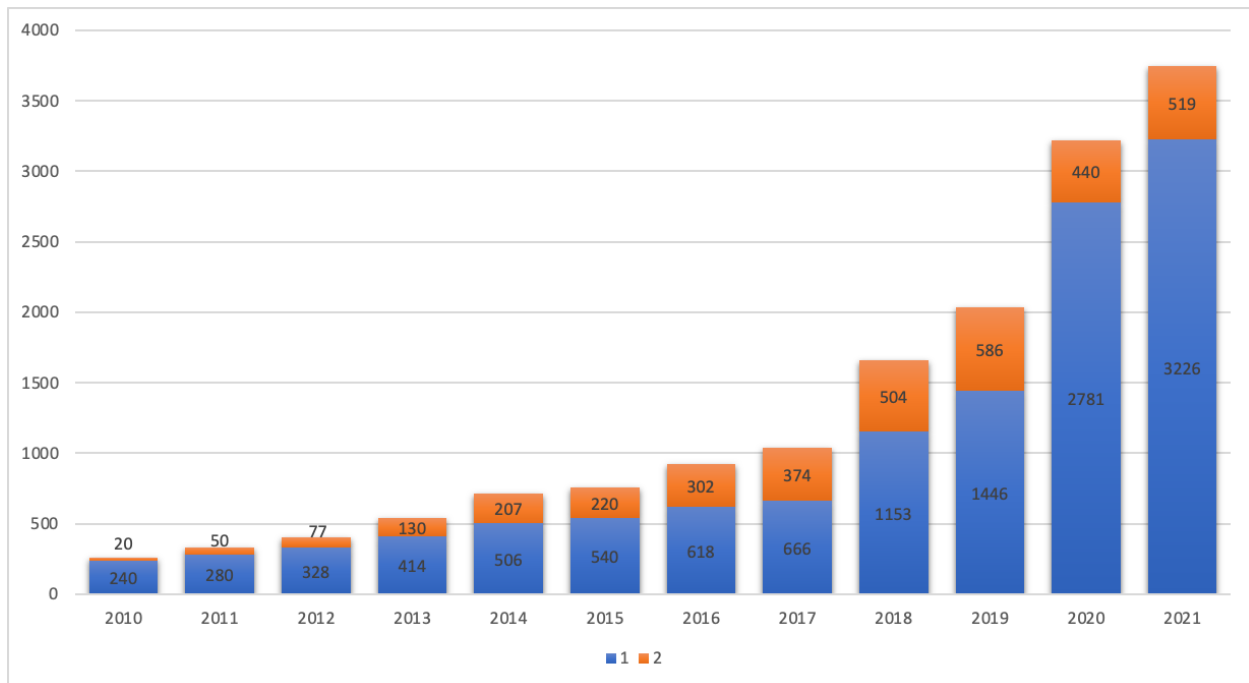


Figure 6:- Dynamics of the Russian e-commerce market, billion rubles: 1-cross-border trade, 2-local trade.

According to AKIT and Sberbank, over the past decade, the e-commerce market has grown almost 8 times from 260 to 2,032 billion rubles, during this period the average growth rate was almost 30 % per year. The structure of the Russian e-commerce market is dominated by domestic, local trade-ordering goods from online stores registered in the territory of the Russian Federation and selling imported goods. Cross-border trade, in which the buyer himself orders goods from a foreign supplier, provides consumers with access to cheaper foreign goods. Price competition provides a higher growth rate of cross-border trade compared to the local market; if in 2010 foreign purchases accounted for only 8% of the total volume of online purchases, then by 2014 the share of the foreign market increased to 30 % [3].

It should be noted that in 2018, the Association changed the methodology for assessing the e-commerce market, so it is difficult to compare the early periods, and its statistics do not contain data on sales of the largest cross-border Internet portal AliExpress.

The COVID-19 pandemic has had the same impact on the Russian market as on the world market, spurring its development. Since the beginning of the pandemic, the Russian government has taken tough measures to curb the coronavirus infection. The beginning of the fight against the pandemic in Russia can be considered January 31, 2020, when the Government of the Russian Federation adopted Resolution No. 66 "On Amendments to the List of diseases that pose a danger to others", coronavirus infection (2019-nCoV) is included in this list. Russia, like many countries of the world, has restricted international and domestic movements, the beginning of this was laid by the order of the Government of the Russian Federation of 31.01.2020 No. 140-r, which introduced a temporary

restriction of movement through checkpoints on certain sections of the state border of the Russian Federation with the People's Republic of China.

March 11, 2020 The World Health Organization has declared COVID19 a pandemic. Decree of the President of the Russian Federation No. 239 of 02.04.2020 introduced non-working days with the preservation of wages from 4 to 30 April. The introduced regime of self-isolation could not stop the spread of the disease and by Decree No. 294 of 28.04.2020, the introduced measures of self-isolation and online work for many categories of citizens were extended. The government has developed and adopted a large set of measures to limit the spread of COVID-19 and reduce its negative impact on the health of citizens and the country's economy during 2020. more than 220 government documents related to various spheres of state activity were adopted.

The report of the Bank for International Settlements [9] noted that the highest growth in e-commerce was observed in countries with stricter measures to contain the pandemic, which can be fully attributed to the Russian Federation. Russia has used the full range of restrictive measures to prevent the spread of infection: transfer to remote training in educational institutions, transfer of employees of organizations to remote work, cancellation of mass events, restriction of public transport, restriction of movement within the country and international, public information campaign.

The dynamics of the e-commerce market in 2020 clearly reflect the introduction of infection control measures (Figure 7). The beginning of the COVID-19 pandemic and measures of self-isolation of the population spurred the development of the e-commerce market. People of different ages began to turn to the service of home delivery of food and everyday goods, an increasing number of the population began to use services for ordering ready-made food. The cancellation of tough government measures led to a reduction in Internet sales in June-September, the second wave of the crisis again spurred the growth of online purchases.

According to the data of the first half of 2020, AKIT analysts believed that the growth rate of online sales in 2020 would be more than 40 %, which would be almost twice as high as the average annual growth rate for the entire analyzed period. The reality has exceeded these expectations, and the self-isolation regime has led to a 58% increase in online sales for this year. Especially impressive is the growth of the local market, which has almost doubled. This rapid growth in domestic sales was also influenced by the reduction of the cross-border market, which had a share of at least 30% in 2014-2019, and in 2020. reduced to 14 %. The reason for this was, as in all countries of the world, violations in the supply chains due to border closures, the cancellation of air and rail flights, and the strengthening of phyto sanitary controls at the borders. These factors have led to longer delivery times and the cancellation of some orders due to logistical disruptions in the supply chain, which has negatively affected cross-border sales. The number of parcels from abroad decreased by almost a third from 323 million in 2019 to 234 million in 2020. In some months of 2020, the foreign market share was no more than 10-12 % of all online purchases. The decline in cross-border sales was offset by an increase in sales in the domestic market, at the beginning of 2020 it was assumed that the market volume would reach 2.5 trillion rubles, the real figures exceeded the forecast value, the volume of sales in online commerce in 2020 amounted to 3.221 trillion rubles.

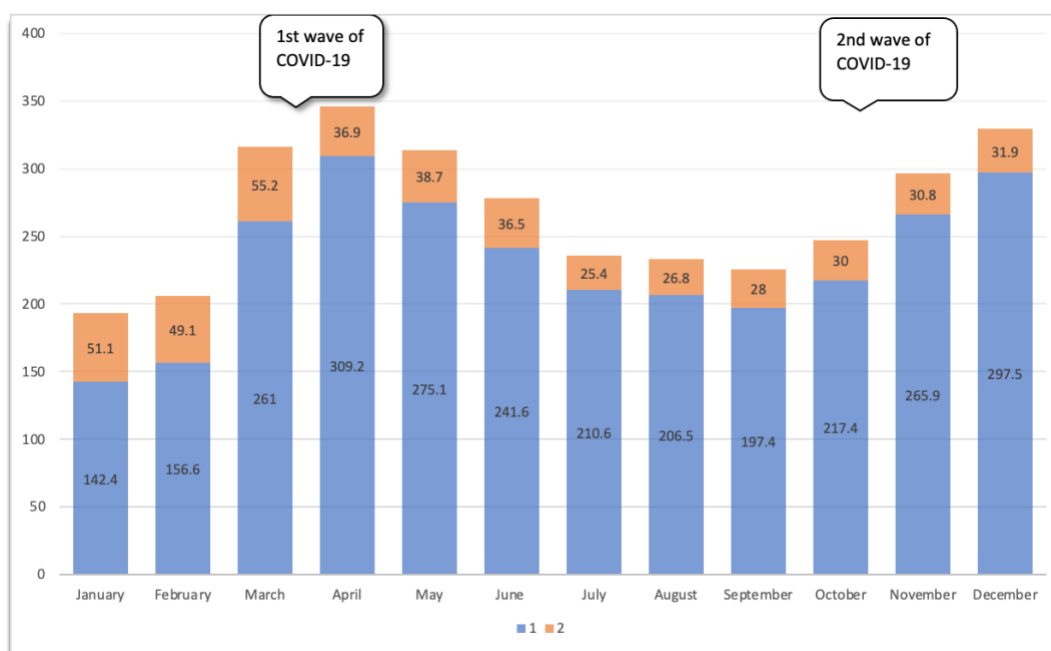


Figure 7:- The volume of online retail sales in Russia on the local (1) and cross-border (2) markets in 2020 by month, billion rubles [4].

The structure of goods purchased via the Internet has remained the same, the main goods are digital and household appliances, clothing and shoes, and food is in third place, which is explained by the strengthening of the self-isolation regime (Table 4). There have been changes in the commodity structure of cross-border trade. Due to problems with the supply of goods from abroad, foreign purchases in the "Digital (for home) and household Appliances" product group decreased by 10 p. p., purchases in the "Clothing and Footwear" group decreased by 5 p. p., but the share of the "Furniture and Home Goods" group increased from 3.1 to 8.6%.

Table 4:- Commodity structure of e-commerce in the Russian Federation on the local and cross-border market, % [3; 4].

Product Group	2018 y.		2019 y.		1st half of 2020/2020	
	L	C	L	C	L	C
Digital (for home) and home appliances	31,0	28,3	30,5	32,2	29,5/28,2	22/21,5
Clothing and shoes	23,0	33,0	25,9	36,8	30,2/21,0	31/31,6
Furniture and household goods	10,7	7,0	8,7	3,1	3,6/9,6	9/8,6
Food products	7,7	1,0	8,6	6,2	14,1/10,2	7/7,7
Auto parts and accessories	6,0	7,0	4,9	7,7	2,9/3,1	6/5,5
Beauty and Health	4,0	7,0	4,0	7,7	4,5/5,6	6/6,1
Tools and garden equipment	3,0	*)	3,7	*)	2,7/1,8	*)
Books	2,0	*)	2,2	0,7	1,7/1,6	*)
Sporting goods	1,0	2,0	1,3	0,9	1,8/1,9	*) /1,2
Products for children	2,0	*)	1,5	0,9	2,4/3,6	*)
Other:	9,0	19,0	5,9	1,0	3,6/1,2	19/12,8
Including: accessories pet stores					/1,2	/1,2
gifts and flowers creative goods					/1,0	/1,4
					/0,8	
					/0,6	

Note. L – local market, C- cross-border market. Here and in Table 4.

The data *) is included in the "Other" column.

The cost of purchases has changed. In the local market, the average receipts for many commodity items decreased or remained at the level of 2019, the cost of receipts increased for the following commodity items – tools and garden equipment (by 1.5 times) and gifts and flowers (by 1.7 times). In the cross-border market, the opposite changes occurred: the cost of average receipts for the clothing and footwear commodity item increased by 2, gifts and flowers – by 1.8, auto parts and accessories – by 1.5 times.

There were no major changes in the geographical distribution of Russian e-commerce at the federal district level (Table 5). In 2020, the share of the Central Federal District increased slightly and the share of the North-Western District decreased. The geographical distribution of online sales is influenced primarily by the population of the district and the level of income of the population.

Analysts are interested in the further development of the market. The analysis of the electronic market is based on different approaches, but all experts agree that despite the fact that in 2021 the stimulating effect of the fight against COVID-19 will end, the market will develop quite intensively. AKIT analysts suggest that the growth rate of e-commerce in 2021 will not exceed 16 % [4].

In its study "E-commerce 2020-2024, DataInsight Forecast", DataInsight Agency analyzed the local market, including statistics on sales of goods by Russian online stores to Russian customers, without taking into account the cross-border market [5]. The paper makes a forecast for the next 5 years, taking into account the impact of the pandemic. According to its data, in 2020, the growth rate of e-commerce was 44 %, which is more than twice lower than the ACIT data. DataInsight analysts believe that the method of calculating the volume of e-commerce used by AKIT leads to an overestimation of the volume of trade and its growth rate.

Table 5:- Distribution of the e-commerce market share by federal districts of the Russian Federation, % [4].

Federal District	Population	2018 г.		2019 г.		2020 г.	
		L	C	L	C	L	C
Central	26,8	39	39	41,7	42,7	44	44
North-West	9,5	15	13	15,0	12,5	13	12
Privolzhsky	19,9	13	14	13,3	11,9	13	12
Siberian	11,6	9	9	8,5	8,3	8	8
South	11,3	8	9	7,6	8,6	8	8
Uralsky	8,4	7	7	6,8	6,3	7	6
Far Eastern	5,6	6	5	5,1	5,5	5	6
North-Caucasian	6,8	2	3	2,0	4,2	2	4

Conclusion

An analysis of the impact of COVID-19 on trade dynamics showed that in 2020, the growth rate of trade exceeded the data of the baseline scenario, compiled without taking into account the impact of the pandemic, by 15 %. As a result of the pandemic, factors have been formed that will influence the electronic market for several years, up to and including 2024, increasing sales on average by at least 6 % per year compared to the baseline scenario. Data Insight agency notes the factors that have influenced the sharp growth of e-commerce in Russia. First, three months of isolation brought 10 million new customers to online stores, many of whom will continue to shop online after all restrictions are lifted. Secondly, the benefits of working online in certain professions have become apparent, and after the end of the pandemic, some office workers will continue to work in this mode, moving to distant suburbs or smaller cities, where the choice of goods is more limited. Third, premium consumption declined during the pandemic, and the increase in online purchases to some extent helped to compensate for the decline in the purchasing power of the general population, allowing them to maintain the same level of consumption. Fourth, there has been a change in the structure of the Russian market, where new players have appeared – companies selling food and consumer goods with a high growth in sales revenue [5].

Thus, the COVID-19 pandemic has had a stimulating impact on the development of e-commerce both in the world and in Russia, identifying the most vulnerable areas of this business and ways to solve these problems. Disruptions in the supply chain due to border closures, the cancellation of air and rail flights, increased phyto sanitary controls at the borders caused an increase in delivery times and the cancellation of some orders due to logistical failures, which negatively affected the volume of cross-border deliveries. This was a serious test, and it would normally take several years to change the business processes that took place in the companies during this year. Experience in 2020 It repeats the experience of the SARS epidemic of 2003, when Asia experienced a sharp increase in the number of companies engaged in e-commerce, which made the region a world leader, which now accounts for 60% of global e-commerce.

In 2020, Russia became one of the world leaders in the dynamics of e-commerce development. The rapid growth of the Russian domestic online market was largely caused by strict government measures to limit the spread of infection. Digitalization of the Russian economy, the use of modern methods of trade allows enterprises that produce both consumer goods and goods for business to use all the opportunities to develop the local market and enter cross-border markets. E-commerce should become one of the drivers of the development of the Russian economy.

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