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5 ways to turn the pandemic into an opportunity for e-commerce disruption

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It is safe to say that the COVID-19 pandemic had upended life as we knew it. Schools embraced blended learning, brick-and-mortar businesses were shuttered, and mask wearing whilst at indoor venues remains the order of the day. Amid the chaos, one bright spot is the opportunity for e-commerce entrepreneurs to disrupt traditional businesses.

An SMU case, “Turning the COVID-19 Pandemic into an Opportunity for Digital Disruption in the E-Commerce Industry: A Case Study of DCI Pte Ltd”, has examined how one company has grasped this unique moment in time. Moreover, the case emerged a winner in a case competition, held during the 3rd [Applied Learning Conference](#).

According to the case, authored by SMU School of Accountancy Associate Professor (Education) Dr Yuanto Kusnadi and Professor of Accounting (Education) Gary Pan, the rapid growth of e-commerce business has triggered companies in the Fast Moving Consumer Goods (FMCG) industry to expand into online marketplaces.

The case is based on a SMU-X module conducted by Assoc Prof Kusnadi, Accounting for Entrepreneurs, which provides a broad base coverage of issues related to accounting, such as basic accounting concepts and their applications to businesses, managerial accounting principles and concepts, management planning and control, and taxation.

“With increased competition in the e-commerce market, it is imperative for these companies to tap data analytics to analyse their industries and gather competitive insights, so that they could better understand their consumers,” write the authors.

The case illustrated how e-commerce companies are turning to companies like DCI (Digital Commerce Intelligence) to obtain insights on how their products perform in the e-commerce space. It also highlighted the challenges for DCI as the industry becomes more competitive, with more companies providing such services.

Here are five takeaway points from the case of how retail market intelligence can transform Covid-19 upheavals into disruptive opportunities:

1. Search engine optimisation (SEO) and forecasting

Staying ahead of SEO analytics is essential for companies to maintain their online visibility and web traffic. These functions allow clients to predict future traffic level so that they can allocate resources and make suitable adjustments accordingly.

With digital innovation taking place at a breakneck speed, market intelligence businesses need to develop new products and services that reflect the latest trends in the market.

For an e-commerce intelligence specialist, the cost of constantly improving its service offerings through research and development is high. DCI's main threat lies in losing its competitiveness in the industry if it fails to offer a strong product differentiation from its competitors, notes the study.

An area where DCI has an edge, however, is its ability to offer relevant market intelligence solutions to users who might not have deep technical knowledge, and whose needs are not fully met by available products. With customisation options for each customer's role or need level in mind – from executives all the way down through operators – DCI provides insights that can help industry players navigate today's ever changing business environment.

2. Rethink traditional e-commerce experiences

By analysing data about customer behaviour, retail analytics can help FMCG businesses understand how people interact with their e-commerce site. This market intelligence can be used to inform decisions about everything from online merchandising and marketing campaigns to web design and user experience.

Traditional e-commerce experiences are often designed with the goal of getting customers to add items to their cart and checkout as quickly as possible. However, this approach doesn't always consider the customer's overall journey or objectives. Retail analytics can help store owners better understand what customers want and need, so they can create more holistic and tailored e-commerce experiences.

3. Analytics: An e-commerce superpower

While competitive pricing is a key motivator for consumers, it isn't the only factor for picking one retailer over another.

The study cites recent research by Kantar Consulting, which reveals that 66 per cent of shoppers would select a retailer based on convenience and only 47 per cent would select a retailer because of price/value (Szahun and Dalton, 2021).

And e-commerce businesses have taken notice: Its managers are allocating a whopping 56 per cent of funds to data and analytics services, hence, making it the top priority in e-commerce professionals' annual budget.

The primary reason retail analytics are sought after by e-commerce professionals is to help them drive sales and customer engagement. By understanding how customers interact with their store or website, online retailers can make strategic decisions on where to invest their resources to maximise sales and keep customers coming back.

In the past, retail analytics were used primarily to track in-store sales data and customer behaviour. However, with the advent of digital tools and e-commerce, retail analytics have become much more sophisticated. Today, retail analytics encompass everything from web traffic data to social media sentiment analysis. This wealth of data provides e-commerce professionals with a deep understanding of customer behaviour and helps them make informed decisions about marketing, product development, and e-store experiences.

4. Age of the machines

Artificial intelligence (AI) is quickly becoming one of the most effective tools for growing market share. By automating repetitive tasks, providing personalised recommendations, and increasing customer engagement, AI is helping businesses across industries to reach new audiences and drive growth.

At the same time, the global market research industry is booming, with emerging segment such as AI-driven research, playing more important roles in today's business environment. Multinational consumer goods companies such as Nestle, Unilever, and Johnson and Johnson, are driving huge proportion of global spend. To them, market share is the single most important metric.

5. Dissecting the importance of data

Data is the lifeblood of e-commerce. It's what enables businesses to understand what customers want and need, how they interact with a site, and what products they're most likely to buy. With accurate data, businesses can make informed decisions about product offerings, pricing, marketing, and more.

Accessibility is also key for e-commerce because it allows businesses to understand customer behaviour in near-real time. This is important for making timely changes and optimisations to a website or product offering to increase sales and improve customer satisfaction.

DCI's current value proposition is to provide accessible, timely and accurate data prepared by its proprietary AI technology for brands operating in the South-east Asian market. In addition, the start-up consolidates competitor information to allow clients to perform benchmarking and understand the dynamics of their respective e-commerce categories.

With its primary customer base comprising large FMCG brands operating in the region. Using AI-driven insights, DCI aims to build South-east Asia's most advanced retail analytics platform to help brands drive their e-commerce performance.

By providing e-commerce heavyweights with real-time, granular data to guide their business decisions, market intelligence is tapping on tech to guide the decision-making process of their clientele and enable them to stay ahead of the competition.