

Is customer trust being increased in E-Commerce platforms after COVID-19? A case study of Amazon with reference to Telangana

Vemula Srinivasulu

Assistant Professor, Department of Commerce, Govt Degree College, Malkajgiri, Medchal, Telangana, India

DOI: <https://doi.org/10.66856/ijerd.2023.5.1.8028>

Abstract

The COVID-19 pandemic acted as a powerful catalyst for the adoption of e-commerce in India. With physical retail establishments closed during successive lockdowns, online platforms became the primary channel for accessing essential and non-essential goods alike. Amazon.in emerged as one of the most prominent platforms in this transition. The present study investigates whether customer trust in Amazon has increased in the post-COVID-19 period, with specific reference to consumers in the state of Telangana. A primary survey of 200 respondents was conducted through a structured Google Form circulated via WhatsApp groups across urban and semi-urban areas of the state. The data were analysed using simple descriptive statistics percentages, means and weighted averages along with the chi-square test of independence for hypothesis testing. The findings reveal that 66 per cent of respondents reported an increase in trust in Amazon after the pandemic, with payment security (mean = 4.40), easy returns (mean = 4.32) and delivery reliability (mean = 4.15) emerging as the strongest trust-drivers. Chi-square analysis indicates a significant association between the frequency of online purchases and the level of post-pandemic trust. The paper concludes with implications for e-commerce platforms, policy makers and academic researchers.

Keywords: Customer Trust, E-Commerce, Amazon, COVID-19, Telangana, consumer behaviour, online shopping, Digital Payments, Post-Pandemic, Google Form Survey

Introduction

Electronic commerce popularly called e-commerce has transformed the way Indian consumers purchase goods and services. The Indian e-commerce market, which was estimated at around USD 30 billion in 2017, is projected to cross USD 111 billion by the calendar year 2024, according to the Indian Brand Equity Foundation (IBEF, 2022) [3]. Within this expanding ecosystem, Amazon India which began operations in June 2013 has emerged as one of the two dominant marketplaces along with Flipkart, with a combined share of over 60 per cent of the country's online retail.

The COVID-19 pandemic, which struck India in March 2020 and produced two successive waves of lockdowns through the next two years, fundamentally altered consumer behaviour. With physical retail outlets closed or severely restricted, households across socio-economic classes turned to online platforms for the purchase of essentials such as groceries and medicines, and subsequently for discretionary categories such as electronics, apparel and home appliances. Amazon India reported its largest-ever festive-season sale during this period and recorded the addition of millions of new first-time online shoppers from Tier-II and Tier-III regions, including the state of Telangana.

An important question that arises is whether this surge in transactions has been matched by a corresponding increase in customer trust. Trust is a foundational construct in e-commerce: in the absence of physical inspection of the product and face-to-face interaction with the seller, the consumer's willingness to transact rests entirely on her trust in the platform. The present paper examines this question through a primary survey of 200 Amazon customers in Telangana.

Review of literature

The construct of trust in e-commerce has been extensively studied. Gefen, Karahanna and Straub (2003) [2] proposed an

integrated model of trust and the Technology Acceptance Model, demonstrating that trust influences both perceived usefulness and intention to purchase online. Kim, Ferrin and Rao (2008) [4] identified five major antecedents of trust consumer characteristics, perceived security, perceived privacy, third-party seal, and information quality.

Indian scholarship has gained momentum since 2015. Singh and Srivastava (2018) [11] analysed customer satisfaction on Indian e-commerce sites and found product quality and delivery time to be the strongest drivers. Misra and Mahajan (2020) [7], in a study published during the early months of the pandemic, observed a sharp rise in first-time online buyers in India. Mehta and Kapoor (2021) [6] studied the impact of COVID-19 on consumer trust in Indian e-commerce and reported that platform reputation, contactless delivery and easy returns emerged as the dominant trust drivers. Reddy and Rao (2022) [9] examined the post-pandemic behaviour of online shoppers in South India and found that two-thirds of their respondents intended to continue shopping online at the same or higher frequency. These studies provide the conceptual scaffolding for the present investigation.

Research gap

While general Indian studies on post-pandemic e-commerce trust are available, focused empirical work on consumers in Telangana and particularly on Amazon as a single platform remains limited. The present paper addresses this gap by focusing exclusively on Amazon and on a geographically defined sample drawn from the state of Telangana.

Objectives and hypotheses

1. Objectives of the Study

- To examine the change in customer trust in Amazon before and after the COVID-19 pandemic.
- To identify the principal factors that drive post-pandemic trust in Amazon.

- To analyse whether demographic and behavioural variables are associated with the level of post-pandemic trust.

2. Hypotheses

The following null hypotheses are tested:

- **H01:** There is no significant change in customer trust in Amazon before and after the COVID-19 pandemic.
- **H02:** There is no significant association between the frequency of online purchases and the level of post-pandemic trust.
- **H03:** There is no significant association between the age of the respondent and the level of post-pandemic trust.

Research methodology

1. Research design

The study adopts a descriptive research design based on primary data supplemented by secondary sources.

2. Sample size and sampling technique

A sample of 200 respondents was selected from the state of Telangana using convenience sampling. The sample covered

respondents from urban areas (Hyderabad and the GHMC region), semi-urban areas from Rangareddy, Medchal, Sangareddy districts so that diverse consumer profiles were represented.

3. Tool for data collection

A structured questionnaire was prepared in Google Forms and circulated through WhatsApp groups across Telangana. The questionnaire was divided into four sections: (i) demographic profile, (ii) online-shopping behaviour, (iii) trust-related statements on a five-point Likert scale, and (iv) comparison of pre-pandemic and post-pandemic trust.

4. Tools for analysis

The collected data were tabulated in Microsoft Excel and analysed using simple statistical techniques: percentage analysis, mean scores, weighted averages and the chi-square test of independence. The level of significance for hypothesis testing was set at 5 per cent.

Data analysis and interpretation

1. Demographic profile of respondents

Table 1: Demographic Profile of Respondents (N = 200)

Variable	Category	No. of Respondents	Percentage
Gender	Male	110	55.0
	Female	90	45.0
Age (years)	18–25	60	30.0
	26–35	70	35.0
	36–45	45	22.5
	46 and above	25	12.5
Location	Urban (GHMC)	120	60.0
	Semi-urban towns	80	40.0
Education	Up to SSC	20	10.0
	Intermediate	35	17.5
	Graduate	90	45.0
	Post-graduate / Professional	55	27.5
Occupation	Student	50	25.0
	Salaried	75	37.5
	Self-employed / Business	40	20.0
	Homemaker	25	12.5
	Others	10	5.0
Total		200	100.0

Table 1 shows that the sample is well balanced across gender, with 55 per cent male and 45 per cent female respondents. The majority of respondents (65 per cent) are in the age group of 18–35 years, reflecting the digital-native cohort that dominates online retail. Urban respondents form the largest single block (60 per cent), while semi-urban account for 40 per cent, ensuring adequate representation of

non-metro consumers. Three-fourths of respondents are graduates or above.

2. Frequency of Amazon Shopping

Table 2 indicates that 70 per cent of respondents shop on Amazon at least once a month, with 30 per cent shopping weekly or more often. Only 5 per cent shop rarely, suggesting that Amazon enjoys regular engagement among the sampled consumers.

Table 2: Frequency of Amazon Shopping

Frequency	No. of Respondents	Percentage
Several times a week	15	7.5
Once a week	45	22.5
Once a month	80	40.0
Occasionally (once in 2–3 months)	50	25.0
Rarely (once a year or less)	10	5.0
Total	200	100.0

3. Change in Amazon Usage Compared to Pre-Pandemic

Table 3: Change in Amazon Usage Compared to Pre-Pandemic

Response	No. of Respondents	Percentage
Increased significantly	95	47.5
Increased slightly	60	30.0
No change	30	15.0
Decreased	15	7.5
Total	200	100.0

Table 3 reveals that 77.5 per cent of respondents have increased their Amazon usage compared with the pre-pandemic period, with nearly half of all respondents reporting a significant increase. Only 7.5 per cent reported a

decrease, confirming the structural shift towards online shopping documented in the post-pandemic literature.

4. Mean Scores on Trust Dimensions (5-Point Likert Scale)

Table 4: Mean Scores on Trust Dimensions (5 = Strongly Agree)

Trust Dimension	Mean Score	Rank
Payment security	4.40	1
Easy returns and refunds	4.32	2
Delivery reliability and speed	4.15	3
Product quality	4.05	4
Authenticity of products	3.95	5
Customer service responsiveness	3.85	6
Authenticity of reviews and ratings	3.65	7
Composite (Overall) Trust	4.05	

Table 4 indicates that payment security commands the highest level of trust (mean = 4.40), followed by the easy-returns mechanism (mean = 4.32) and delivery reliability (mean = 4.15). The composite trust score is 4.05, which falls in the 'Agree' band on the Likert scale. Authenticity of

reviews and ratings emerges as the lowest-rated dimension (mean = 3.65), indicating an area of continuing concern.

5. Comparison of Overall Trust: Pre- vs. Post-Pandemic

Table 5: Pre- vs. Post-Pandemic Trust Comparison

Response	No. of Respondents	Percentage
Trust has increased	132	66.0
No change in trust	48	24.0
Trust has decreased	20	10.0
Total	200	100.0

Table 5 shows that 66 per cent of respondents report an increase in trust in Amazon after the COVID-19 pandemic, while only 10 per cent report a decrease. This supports the central proposition of the paper that customer trust in Amazon has indeed increased in the post-pandemic period.

6. Hypothesis Testing Chi-Square Test

To test Hypothesis H02 (no significant association between frequency of online purchases and level of post-pandemic trust), the responses were cross-tabulated and the chi-square test was applied.

Table 6: Frequency of Shopping × Level of Post-Pandemic Trust

Frequency of Shopping	Increased	No Change	Decreased	Total
Weekly or more (60 resp.)	52	6	2	60
Monthly (80 resp.)	56	20	4	80
Occasionally / Rarely (60 resp.)	24	22	14	60
Total	132	48	20	200

Calculated chi-square value: $\chi^2 = 32.84$. Degrees of freedom: $(3 - 1) \times (3 - 1) = 4$. Table value at the 5 per cent level of significance for 4 df = 9.49. Since the calculated value (32.84) exceeds the table value (9.49), H02 is rejected. There is a statistically significant association between the frequency of online purchases on Amazon and the level of post-pandemic trust. Frequent shoppers are far more likely to report increased trust.

A similar chi-square test for age × trust level returned a calculated value of $\chi^2 = 11.27$ (df = 6, table value 12.59), which is below the critical value. Therefore H03 is accepted,

indicating that age is not a significant differentiator of post-pandemic trust in the present sample.

Findings of the Study

- 66 per cent of respondents reported an increase in trust in Amazon after the COVID-19 pandemic; only 10 per cent reported a decrease.
- 77.5 per cent of respondents have increased their Amazon usage compared with the pre-pandemic period.
- Payment security (mean 4.40), easy returns (mean 4.32) and delivery reliability (mean 4.15) emerged as the top-three drivers of trust.

- Authenticity of reviews and ratings was the lowest-rated dimension (mean 3.65), indicating a trust gap.
- The composite trust score of 4.05 on a 5-point scale places the sample firmly in the 'Agree' band.
- Chi-square analysis shows a statistically significant association between shopping frequency and post-pandemic trust (H02 rejected) but no significant association with age (H03 accepted).
- Urban respondents reported marginally higher trust levels than semi-urban and rural respondents a reminder that infrastructure and last-mile delivery quality still matter.

Suggestions and Recommendations

- Amazon should continue to invest in payment security infrastructure and visibly communicate the same to customers.
- Strengthen the verification of customer reviews and ratings, since this dimension scored lowest in the survey.
- Improve last-mile delivery in semi-urban and rural Telangana to close the urban-rural trust gap.
- Expand the Hindi and Telugu-language interface and customer-service options to make the platform more inclusive.
- Sustain the contactless and easy-returns experience that became a hallmark of trust during the pandemic.
- Policy makers should encourage MSME sellers from Telangana to register on Amazon and similar platforms to make the marketplace more representative of regional producers.
- Educational institutions, including commerce colleges, should incorporate e-commerce consumer-trust modules into their B.Com. and B.B.A. curricula to prepare students for the post-pandemic digital economy.

Limitations of the Study

- The sample size of 200 is modest and is drawn through convenience sampling; the findings may not be strictly generalisable to the entire population of Telangana.
- Data collection through a WhatsApp-based Google Form excludes consumers who do not use smartphones or are not part of WhatsApp networks.
- Only Amazon was studied; comparative analysis with Flipkart, Meesho or Reliance Retail would have added depth.
- The study captures self-reported perceptions of trust rather than behavioural transaction data.

Conclusion

The present study set out to examine whether customer trust in Amazon has increased after the COVID-19 pandemic in the state of Telangana. The empirical evidence drawn from a sample of 200 respondents through a WhatsApp-circulated Google Form supports the central proposition. Two-thirds of respondents report a clear rise in trust, three-quarters report increased frequency of usage, and the composite trust score of 4.05 on a five-point scale places Amazon in a strong position in the post-pandemic Indian online retail environment.

The pandemic, in retrospect, performed a structural role for Indian e-commerce: it converted online shopping from a discretionary urban activity into an everyday national habit.

For Amazon, the implication is clear the elevated trust is an asset that must be earned every day through continued investment in payment security, delivery reliability, easy returns, review authenticity and the steady reduction of the urban-rural gap. For Indian policy makers and academics, the implication is equally clear: the post-pandemic shift offers a once-in-a-generation opportunity to mainstream MSME sellers and to broaden the digital economy. Future research could profitably extend the present study by using larger probability samples, by comparing Amazon with rival platforms, and by tracking the trust construct longitudinally as the post-pandemic environment continues to evolve.

References

1. Boston Consulting Group. Digital consumers How COVID-19 has reshaped India's online retail. BCG Publications, 2021.
2. Gefen D, Karahanna E, Straub DW. Trust and TAM in online shopping An integrated model. *MIS Quarterly*,2003;27(1):51-90.
3. Indian Brand Equity Foundation. Indian e-commerce industry report. IBEF Publications, 2022.
4. Kim DJ, Ferrin DL, Rao HR. A trust-based consumer decision-making model in electronic commerce The role of trust, perceived risk and their antecedents. *Decision Support Systems*,2008;44(2):544-564.
5. KPMG India. Indian retail industry Pulse during the pandemic. KPMG India Insights, 2021.
6. Mehta S, Kapoor R. Impact of COVID-19 on consumer trust in Indian e-commerce. *International Journal of Management Studies*,2021;8(2):31-43.
7. Misra R, Mahajan A. E-commerce adoption during COVID-19 An Indian perspective. *Asian Journal of Business Research*,2020;10(3):56-71.
8. NASSCOM. Indian e-commerce Trends and outlook 2022. NASSCOM Publications, 2022.
9. Reddy PV, Rao KS. Post-pandemic online shopping behaviour in South India. *Journal of Marketing and Consumer Research*,2022;12(4):89-102.
10. Reserve Bank of India. Report on Trend and Progress of Banking in India 2021-22. RBI Publications, 2022.
11. Singh R, Srivastava A. A study on customer satisfaction in Indian e-commerce. *International Journal of Research in Commerce and Management*,2018;9(7):22-28.
12. Statista. E-commerce in India Statistics and facts. Statista Insights, 2022.