

Adaptation to Covid-19

- A Case Study on Major E-commerce Platforms

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Executive Summary

In 2020, the global COVID-19 pandemic is causing a social crisis and making business climate extremely difficult. Enterprises are facing many new challenges, as international borders close, bricks-and-mortar businesses shut their doors, and people are told to self-quarantine at home. Many companies confronted with a sharp decline in profits, employees faced months of financial uncertainty and concerns, and consumer behavior was forced to change immediately on a massive scale. However, these challenges have also brought many business opportunities: more consumers' demand for shopping has shifted from physical stores to e-commerce platforms. In particular, due to work-from-home instructions, people's demand for electronic equipment such as cameras, computers and home theater projectors is also increasing. In addition, large online retailers like Amazon.com are focusing on necessities to meet customer needs, while reducing the supply of consumer electronics. All of this means that small and medium-sized electronic product e-commerce platforms have more opportunities to thrive.

The research object of this research report is mainly the e-commerce platforms in China, the United States, the United Kingdom, Japan and other countries. It analyzes their innovative practices from the perspective of internal business (employees), external business, customers, marketing, corporate social responsibility, and at the end provides corresponding innovative recommendations for small and medium-sized electronic product e-commerce platforms.

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New Opportunities Arisen from Disruption

The world is facing an unprecedented event right now: a combined public health and economic crisis. As the coronavirus continues to spread and social distancing keeps many people at home, consumers' reliance on alternative options for getting the items they need means more online shopping, and looking outside of their normal go-to retailers. In effect, e-commerce demand is soaring. According to a new "Global Shopping Index" report published by Salesforce, the number of unique digital shoppers rose 40% year over year (YoY). Digital shoppers drove 20% revenue growth compared to 12% in Q1 2019. This growth outperformed the pre-global pandemic 2019 holiday shopping season, which was viewed as very strong season.

However, when we saw a remarkable online order rise in essential items such as groceries, baby products, health and household products and personal care items like shampoo, it does not indicate any economic boom. To the contrary, an anticipated economic recession is already underway. Entering Q2 2020, with consumers being told to stay inside, initial jobless claims soaring past 22 million from mid-March to early April as the coronavirus spread – and the Federal Reserve Bank of St. Louis postulating that up to 47 million could be laid off as a result of the outbreak—economic decline is a bygone conclusion. On March 27, the head of the IMF went as far to say that the global economy has entered a recession that could be as bad (or worse) than the 2009 downturn.

In any downturn, consumers scrutinize their spending. Non-necessities of dining out, entertainment, personal treats, and travel are the first to be cut from budgets. COVID-19 restrictions have effectively slashed consumer spending in these areas, already. Some nonfood retailers have started discounting products to clear out excess goods. In the 10 days to March 18, there were 43% more discounted items offered online by a range of chains, compared with the same period a year ago, according to LovetheSales.com, which scrapes the websites of more than 1,000 retailers daily. There were 41% more women's jeans on sale and 29% more men's polo shirts. For luxury items, the number of discounted products jumped 123% from a year ago. This might tell us the attitudes among customers that shopping is the last thing on their mind unless it's for basic necessities.

For some e-commerce companies, the situation is even worse in that demand has largely disappeared. This is particularly true for businesses that are selling expensive, non-essential products like expensive handbags or watches. In this situation, it may feel like retailers don't have many options. They aren't selling something people truly 'need', so with the future of the economy in doubt, it can be hard to get people to spend their money on something they only 'want'.

Between the spectrum lies a market for customer electronics, which are facing a mixed scenario. Technology and communications received a boost at the onset of the stay-at-home orders as consumers evaluated their homes and found them lacking in devices for entertainment and/or for work/ school. Nevertheless, hardware purchasing will even out and decline in the mid-to long-term as consumers put off upgrades due financial uncertainty, and access as a disruption in supply chains begins to affect retailer stock.

While uncertainty remains for customer electronics markets, new opportunities have been seen that online retailers can create new market demand. For one thing, giant online retailers such as Amazon.com are focusing on necessities, meeting customers' needs while pulling back on stocking items like consumer electronics and toys and delaying customer shipments of other items that Amazon considered low demand. This means a larger portion of market shares has been created for mid- and small- market customer electronics e-commerce because giants are stepping back. In addition, a greater demand for electronic devices such cameras, computers, and home theater projectors, is emerging because of working from home. For another, as millions of Americans heed government orders to hunker down, they have returned to broadcast and cable television and other premium media sources for credible information. They are also seeking more in the way of escapism and entertainment — downloading gaming apps, spending even more time on social media, and streaming more movies and scripted programming. Online retailers have much room to maneuver to attract new customers when constraints are loosened, leading to some release of pent-up demand. For example, retailers can use popular social media to advertise their products by recording how their existing customers lead a better life

with the help of their products. It takes time to cultivate new hobbies; but COVID-19, by forcing people stay at home, has accelerated this process.

While it is too soon to expect the pent-up demand, it is more imperative that online customer electronics companies adapt operations and capabilities to address changes on many fronts through this pandemic. Two challenges are facing them particularly. One is how to maintain customer's' momentum when the current coronavirus outbreak keeps disrupting our normal routines and homelife; another is how to stay alive when this pandemic is also hitting their employees and working environment as well as their suppliers.

Unit of Analysis

In an effort to encourage innovative response adoption in online customer electronics sector, this report gathers notable innovative business practices to protect the health and safety of their employees while continuing to serve people who need their services more than ever, and stay relevant when shopping is the last thing on consumers' minds. Specially, the report focuses on the following aspects:

- The Most Innovative Ways Companies are serving customers, changing their business models, adding new products and services.
- How are Customers Changing their Buying Habits? How have the restrictions placed on us by COVID19 affected customers behaviors?
- What are Companies doing to keep their employees productive and safe? Both working from home and in the workplaces that are open.
- Marketing strategies to effectively communicate with customers and thus build trust with their audience.

First, the search scope is limited to e-commerce industry to tailor the needs of online customer electronics retailers, and therefore, hopefully, the practices presented can be of value to their business plans. In particular, cases collected focus on giant e-commerce such as Amazon, and retailers that open online stores such as Walmart and Best Buy. The underlying reason is that when a crisis starts to strike, big players in any market play important roles in changing the industry and are more likely to be reported in newspaper or used as analysis objects. The selection of big corporations is

particularly useful in an ongoing new event like COVID-19. Also, it is assumed that a big organization might encounter multifaceted problems, and its actions may be more comprehensive and systematic. For this regard, analysis on large companies can lend good insight for small ones.

Second, the analysis extends to regions such as Asian countries where this pandemic first hit, including China, Japan, and Korea. E-commerce industry in those countries accumulated profound practices from their continuous trials and errors since the outbreak.

Business Strategies Coping with COVID-19

The next section will present the findings in five aspects, internal business, external business, customer, marketing, and corporate social responsibility. Internal business refers to company responses to protect the health and safety of our employees while keeping the business operating to serve their customers. External business refers to companies dealing with their partners such as supplier, selling partners in ecommerce platforms, and delivery partners. Customer refers to adjustments to prioritize items to customers, deliver services while reducing the risk of spreading coronavirus, and after-sales service. Marketing strategies are associated with brand marketing through the coronavirus crisis. Last but not least, corporate social responsibility refers to how companies associate their brand with good. People will remember brands for their acts of good in a time of crisis, particularly if done with true heart and generosity.

- **Internal Business (Employees)**

Regardless of what type of business your company is in, the most pressing issue on the board's agenda should be the health and safety of the workforce amid the Covid-19 crisis. A number of effective actions have been taken to protect the health and safety of their employees. For most online retailers, their employees working right now are doing so on a voluntary basis, and all hourly employees who volunteer are receiving a temporary pay increase. Additionally, anyone feeling sick is told to stay home, and they will be paid for that time. Finally, anyone exposed to a confirmed

case of COVID-19 is also told to stay home, with pay, and companies are paying employees who may need to stay home to care for their children.

Amazon--Increased Investment and Compensation

A notable example is Amazon who has invested approximately \$4 billion from April to June on COVID-related initiatives to keep employees safe. This includes spending more than \$800 million in the first half of the year on COVID-19 safety measures, with investments in personal protective equipment, enhanced cleaning of our facilities, less efficient process paths that better allow for effective social distancing, higher wages for hourly teams, and developing our own COVID-19 testing capabilities, etc. in order to maintain a safe workplace, some other measures taken by Amazon involve disinfectant fogging, rolling out mandatory social distancing, temperature checks, and masks for everyone to use from arrival through shift departure.

To support employees, Amazon are increasing compensation for select jobs. In the U.S., it has added \$2 USD per hour worked through April to its current minimum wage of \$15 per hour or more. It is also extending double overtime pay in the U.S. and Canada. Similarly, Walmart committed to provide a special cash bonus for hourly associates for their hard work and dedication to serving customers in a time of an unprecedented national health crisis. The bonus is for all U.S. hourly associates in stores, clubs, supply chain and offices. The bonus is \$300 for full-time hourly associates and \$150 for part-time hourly associates.

In addition, Amazon has done a lot to mitigate the negative impact when cases appeared among workers in Amazon's warehouses as the coronavirus gripped the country. it is taking care of people who need time away. Someone diagnosed with COVID-19 or who is presumptively positive (but unable to get a test) will receive up to two weeks of paid time off—this is in addition to their other paid and unpaid time off options. The company is asking anyone who was in close contact with the diagnosed individual while at the worksite to stay home, with pay, for 14 days in self-quarantine to protect themselves and those around them. If any team members are

unable or unwilling to work a scheduled shift, they can use paid or unpaid time off options.

Wayfair--Internal Employee Forum

Similarly, beyond travel limitations, in-person meeting restrictions and rigorous protocols to protect essential operational teams, the Covid-19 outbreak called for a reexamining of policies and practices on employee benefits, remote working and employee engagement in Wayfair. This company also increases pay for hourly employees in their fulfillment centers and home-delivery operations by \$4 per hour for their hard work and dedication in these unprecedented times. This pay premium will be applied to hours worked through June 20, 2020.

The retailer is also offering an internal employee forum and says its customer service team will work with customers to answer any questions relating to health and safety and work on delivery options. The employees can consult medical experts in this forum about epidemiology and infectious disease to ensure they are taking all necessary steps to protect the well-being of themselves. With the help of the forum, leaders in this company have been communicating steadily with employees to be fully transparent about the situation.

Rakuten--Test Kit for Employees

Rakuten collaborated with genetic testing kit company Genesis Healthcare, which has developed a COVID-19 PCR testing kit with the cooperation of Souseikai Medical Corporation. The COVID-19 PCR test kit is distributed to employees who have no specific symptoms but are concerned about the possible spread of the virus. The test kit determines whether the user sample contains the RNA sequence for COVID-19. This decision can better understand the impact of COVID-19 on the entire group and partner companies. The test suite will be distributed as a trial version to employees within Rakuten Group and partner companies, logistics and financial businesses that want to be tested and legally required to continue to operate or work as part of a social infrastructure (for example, mobile phone employees). The test will be performed on the samples collected by the user at home and placed in a dedicated collection box at the designated location.

Tesco--Free Access to Digital Wellness Tools

Tesco also begins trialing Covid-19 testing on frontline staff. In addition to caring about employees' physical health, the retailer also expresses concern for employees' psychology. In an update on its response to the Covid-19 pandemic, Tesco is providing its staff with free access to the digital wellness tools Headspace and SilverCloud for the next 12 months. The purpose of this action is to prevent and alleviate mental health problems such as anxiety and stress amongst its employees during the Covid-19 pandemic. Headspace teaches users simple techniques online, which enables them to focus more, sleep better and experience less stress. SilverCloud is an online self-help tool that provides users with a range of wellbeing advice in areas such as sleep, anxiety, grief and dealing with uncertainty.

ByteDance & DingTalk--Health Management Platform

Some technology companies in China make the most of the convenience of technology to keep in touch with employees and ensure their health and safety. Although they are not e-commerce platforms, they are also Internet companies, and there are also some lessons for reference. For example, Feishu, an enterprise messaging app from ByteDance that allows file sharing and document editing, rolls out a "health management" platform in response to the coronavirus where workers can log their location and daily temperature. The app is being used by over 50,000 employees at ByteDance, according to the head of Feishu. Similarly, DingTalk, is using location-tagging to see if employees actually went to the doctor, and to clock them in at work. Through DingTalk employees can report where you are for your company. If employees request a leave of absence to go to the hospital, for example, they can bookmark the location so that the company knows they really are at the location where they are supposed to be.

Alipay--Enterprise Employee Health Code

Alibaba's company Ant Financial tried to protect employees' lives with data: they are required to use software on their smart phones, which decide whether they should be isolated or allowed to enter workplaces and other public places. This software is based on QR health code system to assign each user one of three colors of

green, yellow or red according to the user's location, basic health information and travel history. Green allows freedom of movement, while yellow and red indicate that you need to isolate yourself or enter a supervised isolation facility. The application of this health code has been widespread throughout China. Although it is not easy for e-commerce platforms to re-create a similar health code software, they can use similar "color code" ideas: for example, assign different colors to employees based on their health information and travel history Code, and only employees with a green code can be delivered on the front line. When delivering, it can indicate that the delivery employee has a green code--that means, health. This measure can reassure customers and let the company leaders have a clear understanding of the situation of employees.

Hema Xiansheng--Sharing Employees

Under the premise of protecting the physical and mental health of employees, it is also necessary to improve the productivity of employees and make use of the availability of employees. Chinese companies have come up with a creative way to optimally allocate human resources during the COVID-19 epidemic: "employee sharing." In early February, Hema Xiansheng, a supermarket chain under Alibaba, started the initiative by hiring employees from restaurants that were either shut or not entirely reopened. Several companies including domestic retailer Suning and French supermarket chain Carrefour later followed suit.

Hema's employee sharing is definitely copiable. The economic principle of employee sharing is that two firms must complement each other in labor demand, but the two aspects have to be checked. First, external shock affects their labor demand in opposite directions. Second, the magnitudes of the labor demand changes are comparable. The same logic applies to other industries and firms if the two aspects are satisfied.

- **External Business**

Amazon--Decrease Stock of Consumer Electronics

Global supply chains have been materially disrupted by aggressive policy responses to Covid-19 in the form of closed borders and travel bans. As procurement teams struggle to cope with the Covid-19 global pandemic, most have been trying to

keep up with the news about global response measures and have been working diligently to secure raw materials and components and protect supply lines. Amazon has been facing an even more complicated situation. As Americans hunker down, they have been turning to Amazon in droves to bring products to their doorsteps, not just for toilet paper and hand sanitizer but for all kinds of items, from condoms to puzzles for children. With sales up, brands have been scrambling to restock Amazon's warehouses, which has had trouble processing so many products at once. Its loading docks to bring shipments into its warehouses have turned into a major choke point in American e-commerce. As a result, Amazon is moving to meet a surge in demand for household staples and medical supplies by pulling back on stocking items like consumer electronics and toys.

Pinduoduo & Gome--Cooperation

Unlike Amazon, some full-scale e-commerce platforms have increased investment in e-commerce platforms for electronic products. For instance, as the Covid-19 pandemic continues to shake the global retail industry, Pinduoduo has invested US \$ 200 million in China 's electronic retailer Gome through convertible bonds as a way to integrate Gome's entire product line, logistics and customer service into Pinduoduo's platform Part of the plan.

Pinduoduo helps Gome's digitalisatin upgrade by transferring Gome's entire product range including home appliances, computers and smartphones to Pinduoduo 's platform at the same or lower prices and integrating Gome's supply chain logistics and after-sales customer service with its own. This strategic partnership is successful for all participants: consumers can get more authentic and branded products at competitive prices; Pinduoduo enhances its foothold in household appliances and electronic products; Gome 's can expand their access to 585 million users in Pinduodu.

- **Customers**

With Covid-19 placing people under shelter-in-place orders and introducing social distancing aka physical distancing measure when out public, consumer

dynamics changed overnight in that they are increasing reliance much more on online shopping than ever before. For online retailers, a rise in customer pool is really a big opportunity; but it somehow might turn into a tragedy if handled badly.

Amazon--Estimated Long Delivery Time & More Time to Return Items

Take Amazon as an example. Amazon is the default place to shop online. People trust them to bring them what they need, when they want it. Just as orders came flying in, complaints about the orders are also flying. Issues focus primarily on supply shortage and order delay. Coupled with the limits of its work force and work spaces because workers are spaced out more in a warehouse, Amazon has to use techniques, like estimating long delivery times, to discourage orders. For some items, like toilet paper, Amazon has given priority to people with recurring orders. It has earmarked supplies for Amazon Fresh and Whole Foods delivery, which do not use Amazon's main warehouses. With more demand for those grocery services than it can fulfill, it has started a wait list for new customers.

Another measure taken by Amazon is that in recent weeks, it has run fewer ads on Google that drive customers to its site when they search for products. It is paying less to media sites that review products that refer customers to its listings. Besides, on its own home page, Amazon removed the prominent "Shop Deals of the Day" button and for weeks has featured streaming video and book downloads rather than product promotions. Underlying these efforts, Amazon is expressing a message that it would rather lose a sale than disappoint a customer by not delivering an order in a promised time. In sum, in an attempt to further reduce the burdens on its fulfillment centers, Amazon is turning away business through its navigation approach and new advertisement deploy.

Regarding after-sale service, Amazon is giving its customers more time to return items. it temporarily extended return windows in light of the ongoing global health crisis. Most items ordered through Amazon or seller partners in the U.S. and Canada between March 1, 2020, and April 30, 2020, can now be returned until May 31, 2020.

Bestbuy--Setting Up and Repairing Service while Social Distancing

Completing a transaction is not end of a deal, especially in customer electronics sectors because for some items it requires installation service. It poses a big challenge amid the outbreak as it limits the ability to handle any in-home installation and repair. Best Buy made several large-scale changes to limit the potential exposure of customers and staff to the coronavirus. As normal, customers can still order online or on the app and have their products shipped directly to their homes. Large products such as appliances will be delivered where permitted and under strict safety guidelines with everything being left by the customer's door. Best Buy continues to offer setting up and repairing service. That might include installing a doorbell, television set, kitchen appliance, or setting up their computer or home router, for example. If in-home installation is needed, in-house agents will pre-call the customer to ask if they are experiencing any COVID-19 symptoms, disinfect surfaces and tools before and after service, maintain social distancing, and obtain visual confirmation of necessary paperwork while social distancing, meaning the customer does not need to provide a signature or touch an employee's device.

JD--Drone Delivery

In this hard time, it may be more difficult to deliver the goods to the buyer in remote areas. At this time, the e-commerce platform may also encounter challenges in the delivery of the goods, but they can also use the products sold by themselves to carry the goods--it not only can solve the delivery problem, but also directly show the buyer the effect of their products. JD used drones to address delivery challenges to isolated areas during the epidemic period.

For instance, JD opens a drone route to Baiyang Lake in Hebei province during the coronavirus period, replacing hours-long delivery with a 2 km flight that could be completed in just 10 minutes. Previously, couriers would deliver packages to the village by boat, but this route was temporarily suspended due to the virus. With JD's drone program, the drones drop parcels at a fixed point. In this case, customers are able to pick them up without human-to-human contact, better protecting both customers and JD couriers. In addition, JD has also uses drones to spray disinfectant, helping strengthen protective measures against the coronavirus. With a flight radius of

5km, using drones enables the city of Ordos, Inner Mongolia to cover a wider and more thorough area than they would be able to cover with human personnel, in a shorter period of time.

Newegg--Work from Home Portal

In addition to making innovative changes to offline services, some e-commerce platforms also provide targeted services online. Newegg is making it easier to find the products most commonly used by people working from home. The company's Work from Home portal is launched to meet the demand for efficient home workspaces as a growing number of companies and local municipalities ask employees to work remotely. This move follows a sharp, recent increase in searches for products such as webcams, laptop computers and other products suited to remote work. Newegg will continue to monitor product category searches to ensure the selection of products available evolves with customer demand. The establishment of a special portal for electronic products with increased sales during the epidemic not only reflects the thoughtfulness of the e-commerce platform for customers, but also allows customers to see the products they want more quickly, thereby increasing the e-commerce platform page conversion rate (CR). Although this is a simple change, the data growth behind this move can reflect the cleverness of this innovation.

Currys PC World--Virtual Shopping Experience

The electricals retailer has launched a virtual shopping experience to enable customers to receive expert advice during the Covid-19 lockdown. The initiative, called ShopLive, allows customers to speak to store experts via video link when they visit the Currys PC World website. With virtual pop-ups, retailers can immerse their customers in an online brand store environment and attract consumers in a deeper way when they are at home. This virtual shopping platform brings online shopping a discovery and brand experience that is currently lacking in e-commerce platforms in a very scalable manner. Although this is an excellent opportunity for retailers to interact with customers during the crisis, the impact of the global crisis on consumer behavior will accelerate the evolution of physical retail to "experience."

Rakuten TV--Added over 100 movies

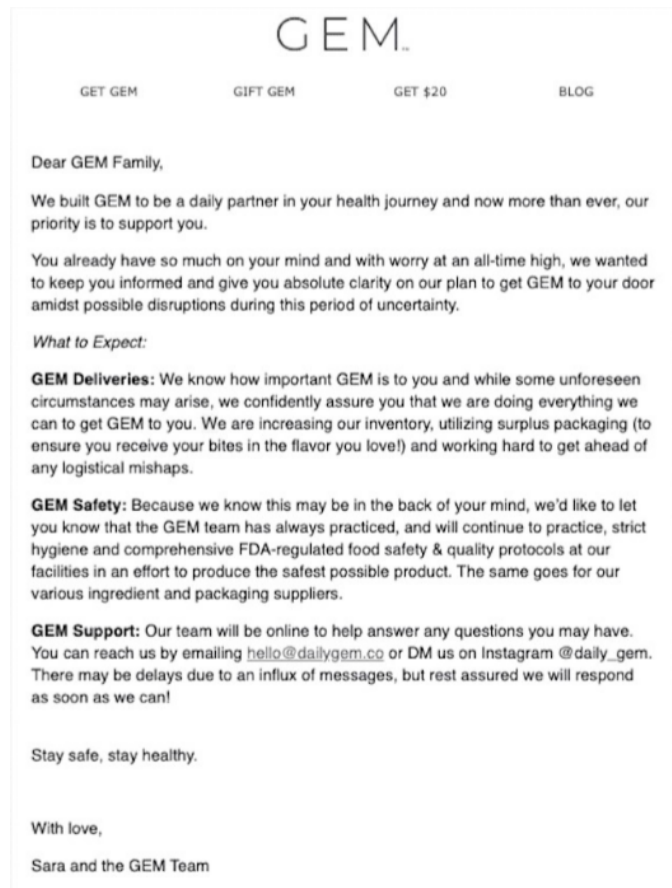
Many e-commerce platforms have their own TV channels on YouTube. Some platforms initiate activities to record staying at home during the crisis on these channels to increase interactions, and some platforms add more videos to let people pass the time at home. Rakuten TV has added over 100 movies to its video streaming platform available to be viewed free of charge in a number of European countries impacted by the COVID-19 lockdown. The platform also puts in place a number of partnerships to provide movies from top industry brands and provide high-profile movies through video on demand during the theatrical release. The company also takes part in a CSR activity with one of the main hospitals in Barcelona, donating tablets and movies to patients who cannot see their relatives due to COVID-19 medical quarantine.

- **Marketing**

Although consumers may be increasingly guarding their wallets during the coronavirus outbreak, they are also spending more time online than ever. Currently, there is a huge opportunity for digital marketers to thrive, by meeting their audience where they are online and building a strong foundation for long-lasting customer-brand relationships.

GEM--Live Meditation Session

During times of crisis, marketers must focus less on pushing sales and instead on building trust with their audience and on leveraging generosity and empathy over flashy sales or opportunistic product messaging. A recent email sent by DTC brand GEM to their customers in response to COVID-19 is a good example of communicating about COVID-19 transparently with company's customers.



Thanks to new work-from-home policies and many listless hours spent social distancing, consumers are now online more than ever. Instagram Live usage alone has doubled during the coronavirus. As a result, marketers should find ways to engage more frequently with consumers where they are, from following relevant hashtags to starting discussions in online communities. Many companies are getting creative with their online marketing strategy and connecting on a much deeper level with their base. DTC band MUD\WTR now hosts regular live meditation sessions for its customers. Fitness chain Orange Theory creates daily at-home workout videos for its members, demonstrating how to use items from around the house as free weights while their fitness studios are closed. Now is the perfect time to dive in, engage your community in a new way, and become more responsive to your base.

Gome--Million People Livestream Festival

In China, marketing through live broadcasting is also very popular. The regional general manager of Gome led the team to build a live broadcast platform, organized employees of each store to download live broadcast software, and learned the live

broadcast skills of celebrity anchors, including how to attract fans, how to pay attention to the audience, how to interact with customers and so on. In preparation for Gome's "Million People Live Festival", he selected potential employee hosts from the whole stores, and talented employees to prepare for the live broadcast of singing and dancing performances. In terms of product selection, the business team actively communicated with brand manufacturers and carefully selected 5 representative products such as rice cookers, air conditioners, TVs, washing machines, and range hoods as the main products for live broadcast. In addition, 13 products were added to meet the needs of more users watching live programs.

Their employees were very nervous when they started the livestream. After a few days of learning and practice, basically every shopping guide can proficiently introduce the product in the live room and can attract fans to the Gome store community. Employees found a sense of accomplishment in the new things of real-time marketing and believed that work was no longer just tasks and pressure.

Smartisan--Founder Turned E-Commerce Livestreamer

Luo Yonghao, the flamboyant and charismatic founder of indebted Chinese smartphone brand Smartisan, sold more than 110 million RMB (\$15.5 million) worth of goods, including gadgets, snacks, and even laundry pods during his first ever e-commerce livestream on Ticktock. The 3.5 hour long e-commerce livestream started at 8 pm and topped the platform's top chart within two minutes, earning Luo millions of "Vibes" from viewer--the virtual currency on Ticktock. He ended up receiving 36.32 million Vibes, which is equal to RMB 3.62 million, and attracted more than 200 million new followers after the show. Cumulatively, more than 48 million viewers flocked into the livestreaming room.

The list of goods he sold ranged from ice cream to gift cards for bubble tea chain Naixue's Tea, which has filed for a US initial public offering. Among other products, Luo sold skincare sets, video projectors, AI recorders from Sougou, and phones by his former competitor Xiaomi, in particular, the latest flagship, the Mi 10.

- **Corporate Social Responsibility**

In such harsh conditions, organizations and leaders might be forgiven for going into survival mode and putting social responsibility aside. But it should be noted that people will remember brands for their acts of good in a time of crisis, particularly if done with true heart and generosity. Therefore, if companies are capable, it is strongly advised to make a move toward helping those in need.

Amazon--Donation to the Education

Education is certainly an area to pull an effort. The crisis has cast a bright light on deep inequalities not just in who has devices and bandwidth, which are critically important, but also who has the skills to self-direct their learning, and whose parents have the time to spend helping.

Amazon has been taking a lead in addressing devices inequality problem. Amazon has given a \$150,000 grant to the Alliance for Education's Right Now Needs Fund to support Seattle Public Schools students and families experiencing hardship during the COVID-19 pandemic. The donation includes flexible funding and credits to shop online for eligible groceries, health products, and personal care items sold on Amazon, which will be delivered directly to doorsteps. One more example is that Amazon donates \$3.9 million to expand computer science education in Virginia. The Amazon Future Engineer donation includes virtual resources, training for over 12,000 teachers and curriculum to students whose schools closed due to COVID-19. Amazon Future Engineer is a comprehensive childhood-to-career program aimed at increasing access to computer science education for children and young adults from underserved and underrepresented communities. More than 700 Virginia schools that may otherwise lack access, training, or funding, will benefit from the donation.

Often, customer engagement in corporate social responsibility makes for better results in terms of resonance and recognition. Through the AmazonSmile program, Amazon has donated more than \$180 million to hundreds of thousands of charities worldwide so they can expand their meaningful work. When customers start their shopping at smile.amazon.com, Amazon will donate a percentage of the purchase price of eligible products to a charity of their choice. Customers can also

visit AmazonSmile Charity Lists to donate needed items directly to charitable organizations of their choice.

Century & Adobe--Free Access to Learning Platform

Besides, many companies are trying to make up the losses to students due to the school lockdown. The British-based Century offers free access to its learning platform—which typically costs thousands of pounds—to schools in China that had started to close as a result of the spreading coronavirus. Starting in early February, Century Tech, an AI-driven learning platform for schools, made its platform free for all schools who need it. By March, it had expanded the offering to include all students who needed it. Similarly, Adobe immediately made Creative Cloud available to K-12 institutions, knowing this was a moment to give rather than be purely commercial.

Rakuten-Users Donation & Partnership with the WHO

Rakuten hopes to extend its deepest sympathy to patients, their families and all those affected by the COVID-19 pandemic. The company now accepts donations through the Rakuten Clutch Special Charity Fund to support the COVID-19 crisis response plan. Those who wish to donate can choose from a variety of payment methods, including Rakuten points, VISA and MasterCard credit cards (including Rakuten cards), and cash transfers to designated Rakuten bank accounts.

In addition, Rakuten has partners with the World Health Organization to launch a chat bot that provides verified and reliable information about the spread of COVID-19 in multiple languages. It currently has 2.4 million subscribers. Rakuten Viber also supports government health agencies in 11 countries/regions to open their official communities on Viber and provide real-time updates and approval information to more than 10 million members who have followed these communities. The company also increases the number of participants in free audio group calls to 20.

Recommendations

Historically, great success emerges from disruption. Just as SARS spurred the growth of e-commerce, with the outbreak of COVID-19, it will encourage the rapid movement from traditional store-based selling to digitalization and retail through

omnichannel. How to seize the opportunity in this crisis and turn the changes and uncertainties into business opportunities becomes particularly important.

The innovation cases discussed lend entrepreneurs insights into how some big corporations, online retailers particularly, tried to maintain their momentum during the pandemic. From these practices aforementioned, many valuable lessons can be drawn to small and medium-sized customer electronics online retailers. The underlying principles are that giant Ecommerce retailers are stepping back in some areas, for example Amazon pulled back on stocking items like consumer electronics and toys and delayed customer shipments of other items that Amazon considered low demand, thus creating a niche market for small and medium market ecommerce players to thrive. Moreover, the shift of customers from brick-and-mortar stores to online shopping makes for a larger population of online shoppers. While some default ecommerce failed to deliver their service as well as they did before COVID-19, resulting in customer complains caused by shipping delays or out-of-stock items. It is time for local online retailers to move forward. Local online retailers are nimble and can implement changes quickly without any big corporate wheels to turn.

Regarding the health and safety of employees, common practices include the following: First, make sure employees have access to reliable information about the virus through trusted, official sources. Next, through detailed metrics and analysis most boards have regular oversight of company safety considerations, including worker injuries or fatalities. This information should give board members visibility on the pandemic's impact on both full-time and sub-contracted employee health and safety on a real-time basis. If the company offers health insurance, boards can review if any modifications or adjustments need to be made so employees can care for themselves and their families. In addition, for employees who still volunteer to work in warehouses, temperature checks at select sites, Disinfectant wipes and hand sanitizer and daily audits of the new health and safety measures are already standard across workplaces. Also, a payment rise for hourly associate is advised to employ at this point.

Small- and med- market online retailers are encouraged to make moves to claim market shares and win recognition of as least local customers. For one thing, just as the fluctuations with fulfillments and out-of-stocks are wreaking havoc for some brands, they are creating opportunities for others. when consumers are faced with an out-of-stock or long delay they will search for other options, creating an opportunity for smaller, emerging brands that play their advertising cards right. The overall recommendation for advertising right now is buy the brand in terms of your competitors as much as you can. You definitely want to get some display ads and some sponsored brands and check whenever they are out of stock to make sure that you re running those and maximizing your returns.

As brick-and-mortar business closed down, many physical retailers are looking for channels to reduce their losses. A strongly recommended action would be opening the ecommerce platform to those retailers. Many third-party sellers rely heavily on Amazon's platform, and while Amazon stops accepting their products into warehouse, they will catch any olive branch if there are any. Ecommerce platforms allow retailers display their items on the website without actually accepting the products into warehouse, and then the retailers are responsible for the shipping by themselves. Platforms benefits from a maintenances fee and a broader influence. This is a win-win situation for both parties.

Another feasible approach is to use price discrimination strategy. Although Amazon is still the first choice for most customers and retailers, some of retailers have their own websites selling the same products. When shipping delay is common in Amazon, company's own website can promise a timely delivery to attract sensitive customers.

As with customer experience when shopping online, especially for the first-time online shoppers, customer retention depends heavily on a good shopping experience. In order to increase the retention rate, a good approach is to reorganize the website to better facilitate customers' search for desired goods. For example, the current coronavirus outbreak has disrupted our normal routines and homelife, including how we work, how we educate, how we entertain ourselves, and even how we connect

with others. An option for the reconfiguration might be “Work from Home”, “Learn from Home”, “Stay Entertained at Home”, and “Socialize from Home”. Therefore, a customer who has different preference can locate their items of interest more effectively.

As for in-home installation and repairing service, two options are available. One is to provide in-home service under stringent conditions that prevent the spread of COVID-19; another is to offer virtual technical guidelines. For example, a pre-made video-combined a live video instruction if required-will suffice to help customers finish their installation task.

With respect to communication with customers, while sales may be down for business, there is still a huge opportunity to win with customers by building their trust in company’s brand, especially if companies are an online retailer with an email list or any business with an engaged online community. Be open with your plan for handling supply and demand, keep your list updated if anything changes in the supply chain. If stock on a popular product runs out, try and give a reasonable estimate of when it will be available next. If you don’t know, be honest about that too, and recommend any alternative in-stock products to your customers. The bottom line is to put honesty and transparency above all else, and the consumer will trust that you are doing everything you can to resolve their issues.

For other possible marketing strategies, use social media such as a live broadcast platform, and cooperate with celebrities to sell products to achieve marketing goals. At the same time, companies can encourage employees to use the live broadcast platform to promote products in daily scenes, so that customers can have a stronger sense toward the value of products in daily life.

Appendix

Name	Country	Industry	Category	Action
			Internal Business	Increased Investment and Compensation
			External Business	Decrease Stock on Consumer Electronics

Amazon	US	E-Commerce	Customers	Estimated Long Delivery Time & More Time to Return Items
			Corporate Social Responsibility	Donation to the Education
Rakuten	Japan	E-Commerce	Internal Business	Test Kit for Employees
			Customers	Rakuten TV--Added over 100 movies
			Corporate Social Responsibility	Users Donation
			Corporate Social Responsibility	Rakuten Viber--Partnership with the WHO
Wayfair	US	E-Commerce	Internal Business	Internal Employee Forum
Tesco	UK	E-Commerce	Internal Business	Free Access to Digital Wellness Tools
ByteDance	China	Internet	Internal Business	Health Management Platform
DingTalk	China	E-Communication	Internal Business	Health Management Platform
Alipay	China	E-Finance	Internal Business	Enterprise Employee Health Code
Hema Xiansheng	China	E-Commerce	Internal Business	Sharing Employees
Pinduoduo	China	E-Commerce	External Business	Invested in Smaller Electronics Retailer
Bestbuy	US	E-Commerce	Customers	Setting Up and Repairing Service while Social Distancing

JD	China	E-Commerce	Customers	Drone Delivery
Newegg	US	E-Commerce	Customers	Work From Home Portal
Currys PC World	UK	E-Commerce	Customers	Virtual Shopping Experience
Gome	China	E-Commerce	Marketing	Million People Live Festival
Smartisan	China	Technology	Marketing	Founder Turned E-Commerce Livestreamer
Century	UK	Technology	Corporate Social Responsibility	Free Access to Learning Platform
Adobe	US	Technology	Corporate Social Responsibility	Free Access to Learning Platform