Covid-19 creates job openings in e-commerce sector

While the rest of the economy sees gloomy prospects, online sellers have been hiring with a frenzy.



The sector has hired more than 2,500 people recently as their business is booming, according to e-commerce traders. SHUTTERSTOCK



Krishana Prasain



Finding a job in the midst of a pandemic when companies are laying off staff or slashing salaries is no easy task.

But many job hunters like Sheshraj Lamichhane, who began to look for work after becoming unable to continue with the Roads Department, are finding opportunities in new avenues spawned by Covid-19.

"I came to know about a vacancy for store in-charge at Mero Kirana through Facebook, and applied for it," said the 31-year-old Lamichhane who lives with his wife and daughter at Kalanki. "It has been more than two months since I started working there, and I am being paid regularly," he told the Post.

Businesses have been dismissing their employees due to the slowdown caused by the virus. But while the rest of the economy sees gloomy prospects, the e-commerce sector has been hiring with a frenzy in the delivery, logistics and warehouse departments.

Online sellers like Sasto Deal, Daraz, Mero Kirana and Thulo.com, among others, are on a hiring spree and picking up entry-level talents.

Their turnover is soaring as people are switching to buying things online instead of making a trip to the market, and risk contracting the coronavirus with the caseload rising by the day.

According to a report by Nepal Rastra Bank, the e-commerce sector conducted business worth Rs1.20 billion from 168,627 transactions in one month. The central bank started collecting data of online sales from mid-August.

The central bank stated that electronic payment transactions increased significantly due to the development of payment infrastructure, a policy of encouraging electronic payments and gradual adoption of electronic payment instruments.

According to e-commerce traders, the sector has hired more than 2,500 people recently as their business is booming.

Subal Chitrakar, co-founder and operation head of Sasto Deal, said the company had announced vacancies for 500 people with more than 60 percent of them required for the logistics department.

E-commerce is creating employment opportunities, especially for those who do not have a strong qualification background and are semi-skilled, he said. More hiring is being done for the entry level compared to the mid-level and senior level, said Chitrakar.

"Orders jumped fourfold after the pandemic hit the country with growing public confidence in online shopping," Chitrakar told the Post.

The number of complaints from consumers has also gone up.

At a recent virtual meeting entitled Future of E-Commerce in South Asia organised by South Asia Watch on Trade, Economics and Environment, Ratnakar Adhikari, executive director for the Enhanced Integrated Framework Secretariat at the World Trade Organisation (WTO), Geneva, said that the South Asia region held tremendous potential for e-commerce, but also faces critical challenges—primarily, inadequate regulatory arrangements, poor infrastructure, and dearth of skills.

"All these challenges have to be resolved through collective efforts, policy support and through building an environment of trust," said Adhikari, emphasising the importance of trade facilitation and logistics for the development of the e-commerce ecosystem.

"The number of people buying clothes, footwear, mobile phones and electronic items is growing significantly with the coming festival this year compared to the same time last year," Chitrakar said. "We are not seeing the pandemic's impact on people's purchasing behaviour," he said.

E-commerce traders have high hopes that offline buyers will switch to online shopping leading to a growth of their business. The number of customers and buying frequency has increased.

With the Covid-19 caseload rising in Kathmandu, online shopping has become the only option for valley dwellers. The government imposed a lockdown on March 24 which forced people to buy household goods on the internet as the markets were closed.

"It used to be difficult to find staff before the pandemic, but as many people are being laid off and migrant workers are returning home, it has become easy to hire people from the pool of talent," said Surakchya Adhikari, co-founder and chief operating officer at the company.

"People who have had their pay halved are also showing interest in transitioning to the ecommerce sector," she said.

"Even though the lockdown restrictions have been eased, people still prefer to do their buying online, which is a positive growth sign for the sector," she said.

"The e-commerce sector has helped in unemployment reduction and employment generation in the country," said Sagar Dev Bhatta, coordinator of the Nepal E-Commerce and Online Delivery Service Operator Forum.

According to e-retailers, most people tried online shopping during the lockdown, and many first-time buyers have become regular customers now. While many businesses are collapsing due to the pandemic, e-commerce has provided an opportunity to start a new business, they said.