

# A STUDY ON CONSUMER BUYING BEHAVIOR DURING LOCKDOWN DUE TO COVID-19

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## ABSTRACT

The aim of this research is to study the Consumer Buying Behaviour during Lockdown due to Covid-19. There are millions of people affected by the virus. This research attempts to answer a number of questions regarding consumer behaviour and how their buying pattern has been affected. It also shows how the behaviour varies across age groups and gender. This research is focused on the perceptions, buying behavior and consumer satisfaction in Indian market due to Covid-19. This paper also talks about the shift of consumers from online to offline. This study of consumer behaviour is concerned with all the aspects of purchasing and consumption behaviour. It talks about how the preferences have changed. It shows the change of consumers from being impulsive to being rational in terms of buying or in some cases just buying whatever is available during these hard times. This research also shows the consumers behaviour based on a lot of

psychological factors. Brands are no more a factor for buying essentials. Non-essentials are not at all the need of the hour. This research also shows how increase in price has influenced consumers buying pattern. Since social-distancing is the most important measure in preventing Covid-19 from spreading, this research also shows how well social-distancing is being practiced by the consumers and retailers as well. The data is collected by using questionnaire. The analysis and interpretations are done using SPSS software. The analysis is done by assuming the hypothesis and applying the required quantitative methods to reach the conclusion. In conclusion, this research proves that consumer buying behaviour has been affected during Lockdown due to Covid-19.

**Keywords:** Brands, Consumer Buying Behaviour, Covid-19, Impulsive, Lockdown, Rational.

## I. INTRODUCTION

It's been hard for each and every one of us. Covid-19 has affected us in a lot of ways. It is such a critical point for humanity. If we don't change from this, we would face similar situations in future. So, we have to use this as an experience to grow and learn. People have reacted to this global pandemic in aberrant ways. Living in a state with the maximum cases and still growing, it is clear that this is going to test our patience and our will for a long period of time.

People have been impulsive, rational, aggressive, etc in terms of their behaviour. As marketing students, we know that customers are everything and we should prioritize customers first. So, the change in people's behaviour has made us realize that there have been changes in terms of consumers buying behaviour. Hence, we felt the need to study this and here is the complete report on it based on our observations, facts and collected data.

Consumer behaviour as the name suggests is the study of behaviour of individuals or groups. But this behaviour is not just the attitude or mannerism. It goes beyond that and makes it more interesting to study.

Consumer Behaviour or Consumer Buying Behaviour is associated with the buying of goods, consuming essential as well as non-essential products to fulfill their wants and needs including the emotional and mental state of consumers. This is the most basic explanation of consumer buying behaviour.

Consumers or their buying behaviour is very difficult to predict. But still we have tried to prove how this global pandemic has affected consumers and the changes observed in their buying pattern. Normally consumers go through a certain process while buying. This process mainly focuses on the decision making of the consumers.

Consumer Buying Process:

1. Requirement: Consumers realize what they don't have and is there any reason to buy a product.
2. Information: In this stage, consumers finally know what to buy and hence they do a little research of their own in finding the right product.
3. Substitutes: Consumers find a lot of options to choose from and they begin comparison between brands, quality and price.
4. Buying Decision: Here, consumers decide between all the available substitutes and go with the top of the shelf product.
5. Purchase: This is when the consumer actually purchases the product and starts using it.
6. Evaluation: The consumer realizes the satisfaction level of the product bought and creates a brand image based on the experience.

There are different types of Consumer Buying Behaviour:

Complex Buying Behaviour:

This buying behaviour occurs when the consumer is involved in buying expensive,

infrequently bought products. Consumers make decisions very carefully. Usually there is a lot of risk involved while buying. For Example: Buying a luxury car.

#### Habitual Buying Behaviour:

It occurs when customers buy the same product on a regular basis. Customers don't think so much about buying day-to-day required products. Consumers buy the products on the basis of their habit. For Example: Salt, Sugar, etc.

#### Variety Seeking Behaviour:

It is common in consumers who keeps exploring new products. Consumers keep changing the brands that they use. The reason for the change may be boredom. Lack of variety may be another reason for the change. For Eg: Clothing apparels, non-essentials.

This study will help you understand the consumer buying behaviour more thoroughly and also give you insights on the changes in the consumers buying pattern during this global pandemic. It also shows the awareness and necessity of social distancing and its effect on consumers as well as on retailers.

## **Objectives of the research**

1. To study the buying behaviour of consumers during lockdown.
2. To explore the types of buying behaviour demonstrated by consumers during lockdown.
3. To understand the overall buying experience of the consumers during lockdown.

## **Significance of the research**

The core significance of this research is consumer buying behavior. This research proves to be a vital source of information about consumer buying behaviour and how it changes according to the situation. The analysis will also help a lot of marketers in understanding the needs and preferences during a situation like lockdown or global pandemic. It would also help marketers in understanding customer requirements & needs and at the same time ensuring customer satisfaction. It gives you insights about the behaviour across all age groups. As India is a growing market for e-

commerce ventures, it shows the significance in terms of online and offline buying. In a country where people are more emotionally connected to brands, it depicts the change in perception and consumers behaviour in crisis. The varied process of consumer's buying has made this even more interesting to study.

## **Limitations of the research**

1. The study area is restricted to Pune city only.
2. Responses may vary depending on the regions.
3. Consumers may not follow their own stated responses.
4. One to one interaction with consumers was not possible due to lockdown.
5. During data collection, enough suggestions were not received.
6. This research is restricted to the study of consumers buying behaviour only during lockdown due to COVID-19.

## II. LITERATURE REVIEW

Maslow's Hierarchy of Needs shows that there are several groups of needs which need to be satisfied. Physiology needs which is the most important and basic needs includes air, water, food, shelter, clothing and reproduction. It will be difficult for anyone to survive if these needs are not satisfied. The feeling of being safe is also important for human being. So, significance of safety needs where employment, personal security, health, resources are also vital for survival. (Steinberg, 2007, 22)

Most of the businesses are consumer based or driven by consumers. The key to any consumer-based business is to think about the customers first. Consumers have the power to make or break a business. The economy of scale of the business may be compromised. Hence, the business should always be customer centric and not product centric. (Kotler and Keller, 2009)

Perception is nothing but the image of a brand that the customers have in their minds. It develops mainly by past experiences or the first impression that a brand imposes. Perception may also be defined as a process of interpretation of a present stimulus based on past experience. Two individuals exposed to exactly same marketing communication may have different perception of the same product. The perception of the consumer for any product or service may keep on changing from time to time. It is widely used in the concept of consumer behaviour. (Hogg & Solomon, 2006, 36)

Market Segmentation is the process of dividing customers into groups that have similar traits such as interests, location, needs and also there are several types of segmentation based on these traits such as Behavioral, Demographic, etc. It is always

better to do segmentation as it gives a clear vision of the target consumers. It becomes easier for marketers too in terms of making important strategies for the business. A group of customers with similar taste and preferences is considered as a market segment. (Brady, Goodman, Hansen, Keller & Kotler, 2009, 334)

Various personal characteristics such as buyers age, occupation, financial situation, lifestyle, peronality and self-concept also influences a lot on the buyer's decision. It depends a lot on the stadard of living of the consumers. Consumers make decisions being conscious about the mentioned personal characteristics. It is interesting to see consumers always looking to go up the ladder and trying to make a change in their lifestyle or personality. (Kotler 2001)

## III. HYPOTHESIS

H<sub>00</sub>: There is no association between Consumer Buying Behaviour and Stockpiling of items during the lockdown.

H<sub>01</sub>: There is an association between Consumer Buying Behaviour and Stockpiling of items during the lockdown.

H<sub>10</sub>: There is no association between social distancing and the kind of products bought by the customers from shops during lockdown.

H<sub>11</sub>: There is an association between social distancing and the kind of products bought by the customers from shops during lockdown.

H<sub>20</sub>: Majority of consumers buying behavior was not rational throughout the lockdown.

H<sub>21</sub>: Majority of consumers buying behavior was rational throughout the lockdown.

H<sub>30</sub>: Customer's buying behavior was not affected by the increase in pricing of goods during lockdown.

H<sub>31</sub>: Customer's buying behavior was affected by the increase in pricing of goods during lockdown.

H<sub>40</sub>: Overall buying experience of majority of consumers during the lockdown is not average.

H<sub>41</sub>: Overall buying experience of majority of consumers during the lockdown is average.

#### **IV. RESEARCH METHODOLOGY**

This research is of single cross-sectional descriptive research design which involves the collection of information from respondents only once. Since, this empirical study is

quantitative and analytical in nature so, we have used quantitative approach and the data was collected through primary source that is consumers. Individual consumer is our sampling unit and our sample size is 135. In non-probability sampling method, we have used convenience sampling in which we approached only those consumers who were easily accessible to us

during the lockdown. A questionnaire was prepared keeping in mind the relevant questions according to the current situation and the responses of the consumers was recorded for the analysis. Hypothesis were made for each relevant question which are in-line with the objectives and then coding was done followed by the suitable quantitative tool using SPSS software. Since our sample size is more than 30, so we will be applying Chi-Square test. Frequency analysis test will be also used for data analysis. The data interpretation and conclusion will be drawn out of the findings based on the above-mentioned tests.

## V. DATA ANALYSIS

Table 1: Data Analysis for Null Hypothesis  $H_{00}$  using Chi-Square Test

Did you do Stockpiling? * Buying Behaviour during early stage of lockdown Crosstabulation						
			Buying Behaviour during early stage of lockdown			Total
			Impulsive (Random)	Rational (Exact)	Aggressive (Bulk)	
No	Count		14	11	4	29
	Expected Count		7.3	18.5	3.2	29.0
Did you do Stockpiling? Yes	Count		13	63	9	85
	Expected Count		21.4	54.1	9.4	85.0
Maybe	Count		7	12	2	21
	Expected Count		5.3	13.4	2.3	21.0
Total	Count		34	86	15	135
	Expected Count		34.0	86.0	15.0	135.0

Table 1.1: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.864 <sup>a</sup>	4	.005
Likelihood Ratio	14.483	4	.006
Linear-by-Linear Association	.877	1	.349
N of Valid Cases	135		

Chi-Square Value = 14.864 & Significance Value = 0.005 Significance Value < 0.05 therefore, Reject the Null Hypothesis  $H_{00}$ .

Table 2: Data Analysis for Null Hypothesis H<sub>10</sub> using Chi-Square test

Kind of products \* How well did you practice social distancing? Crosstabulation

			How well did you practice social distancing?				Total
			Strictly Followed	Followed	Rarely Followed	Not at all Followed	
Kind of Products	Basic	Count	81	29	0	1	111
		Expected	78.1	29.6	2.5	.8	111.0
	Necessities	Count	4	2	0	0	6
		Expected	4.2	1.6	.1	.0	6.0
	Habitual Items	Count	2	0	1	0	3
		Expected	2.1	.8	.1	.0	3.0
	Addictive Items	Count	8	5	2	0	15
		Expected	10.6	4.0	.3	.1	15.0
	All of the above	Count	95	36	3	1	135
		Expected	95.0	36.0	3.0	1.0	135.0
	Total	Count					
		Expected					

Table 2.1: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.121 <sup>a</sup>	9	.002
Likelihood Ratio	15.710	9	.073
Linear-by-Linear Association	4.850	1	.028
N of Valid Cases	135		

Chi-Square Value = 26.121 & Significance Value = 0.002 Significance Value < 0.05 therefore, Reject the Null Hypothesis H<sub>10</sub>.



Table 3: Frequency table for Null Hypothesis H<sub>20</sub>

Buying Behaviour during early stage of lockdown				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Impulsive (Random)	34	25.2	25.2
	Rational (Exact)	86	63.7	88.9
	Aggressive (Bulk)	15	11.1	100.0
	Total	135	100.0	100.0

Buying Behaviour during later stage of lockdown				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Impulsive (Random)	28	20.7	20.7
	Rational (Exact)	97	71.9	92.6
	Aggressive (Bulk)	10	7.4	100.0
	Total	135	100.0	100.0

Frequency Table 3 shows that the majority of Consumer Buying Behaviour during the early and the later stage of lockdown was Rational i.e, 63.7% and 71.9% respectively.

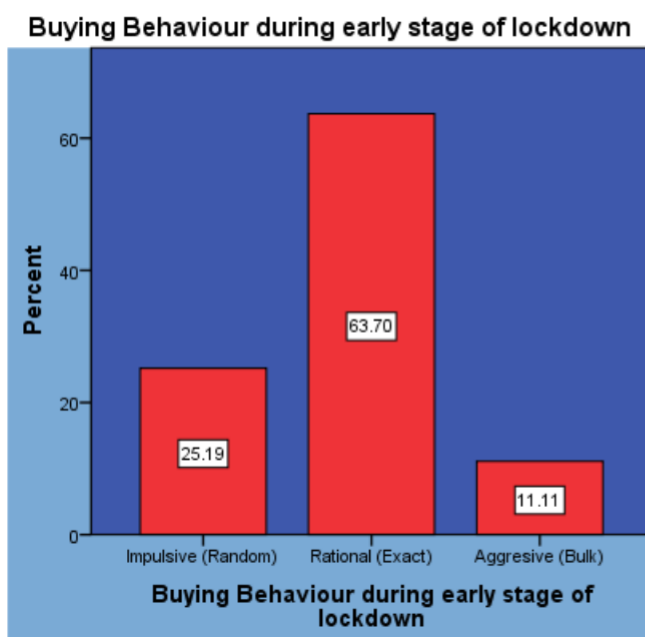


Fig. 3.1

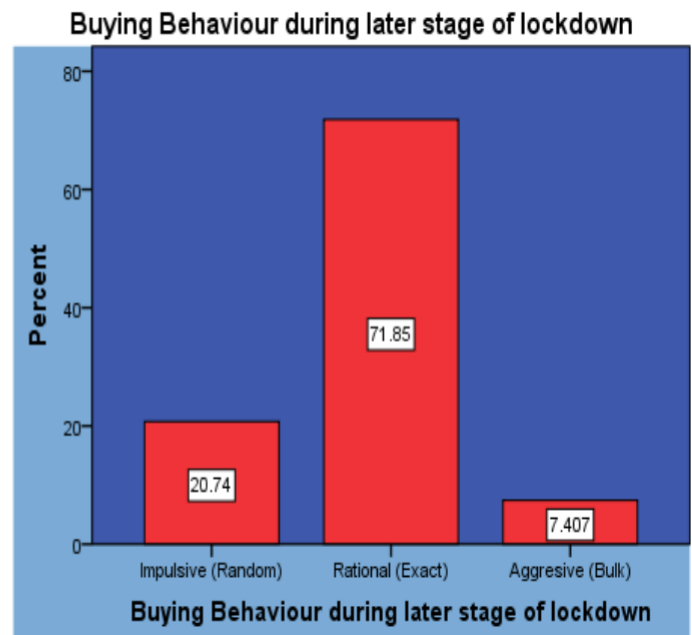


Fig. 3.2



Table 4: Frequency Table for Null Hypothesis H<sub>30</sub>

Is Buying Behaviour affected by the increase in price?				
	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	17	12.6	12.6	12.6
Agree	59	43.7	43.7	56.3
Neutral	45	33.3	33.3	89.6
Disagree	13	9.6	9.6	99.3
Strongly Disagree	1	.7	.7	100.0
Total	135	100.0	100.0	

Frequency Table 4 shows that the majority of consumers (43.7%) agree that Consumer Buying Behaviour was affected by the increase in pricing of goods during lockdown.

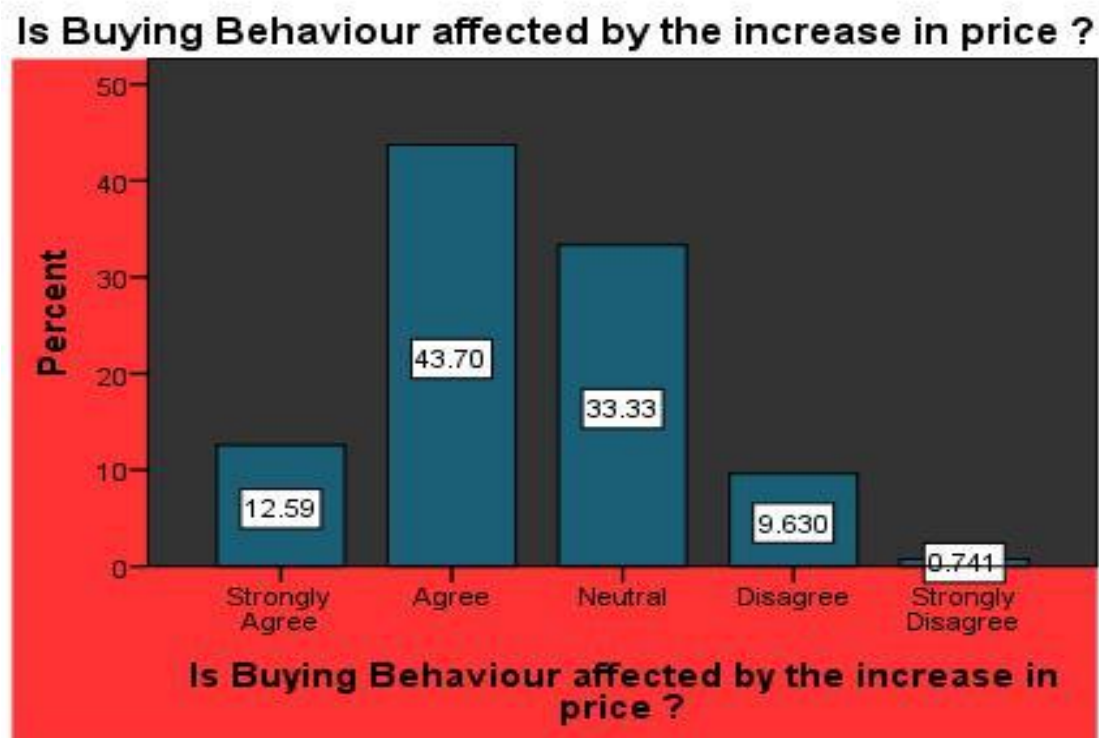


Fig. 4.1

Table 5: Frequency Table for Null Hypothesis H<sub>40</sub>

Overall buying experience during lockdown				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor	1	.7	.7
	Below Average	19	14.1	14.8
	Average	58	43.0	57.8
	Good	49	36.3	94.1
	Best	8	5.9	100.0
	Total	135	100.0	

Frequency Table 5 shows that the overall buying experience of majority of consumers (43%) during lockdown is Average.

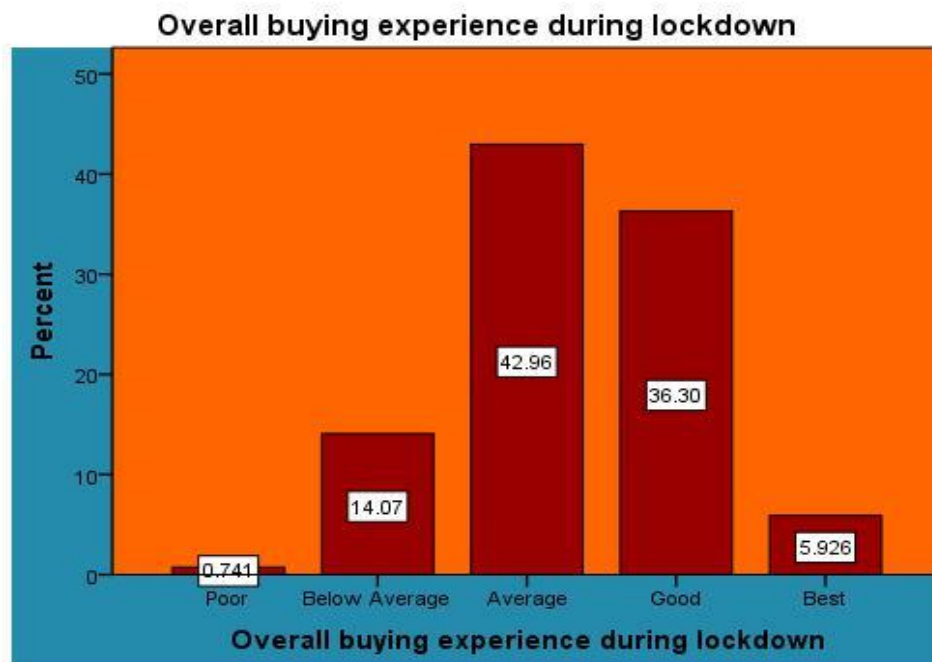


Fig. 5.1

## VI. FINDINGS AND OBSERVATIONS

For Chi-Square test interpretation using SPSS, we can say that when the significant value is less than 0.05 – Null Hypothesis is rejected = Alternative Hypothesis is accepted. Table 1.1 & 2.1 clearly indicates that for Pearson Chi-Square, the significance value  $<0.05$  which is 0.005 and 0.002 respectively. Hence, Alternative Hypothesis is accepted which means there is an association or an impact between them. For Null Hypothesis  $H_{20}$ , Frequency Table 3 indicates that the Buying Behaviour of consumers is same throughout the lockdown that is Rational which means consumer did Rational (Exact) type of buying, indicating that the consumers only purchased the required items. This shows that the Null Hypothesis  $H_{20}$  is rejected. Similarly, Table 4 for Null Hypothesis  $H_{30}$ , shows the frequency analysis which indicates that 43.70% of consumers (sample size) agree that the buying behaviour is affected by the increase in pricing of the goods. Hence, Null Hypothesis is again rejected here. Lastly for Null Hypothesis  $H_{40}$ , Table 5 shows the frequency table for overall buying experience of consumers during the lockdown which indicates that the majority of the consumers (43%) had an average overall buying experience. Thus, Null hypothesis is again rejected.

## VII. CONCLUSION

Consumer Buying Behaviour can be observed in everyone but hardly anyone notices it. From this study we can conclude that Consumer Buying Behaviour is never constant, it keeps on fluctuating depending on the situation. It has been observed that there is a drastic change in Buying Behaviour of consumers due to lockdown and consumers are not fully satisfied with the current situation, they are still adapting to the change. From the above findings, we can say that the Buying Behaviour of consumers during lockdown is associated with Stockpiling of items which means consumers who bought items during the lockdown must have done stockpiling of items also. Majority of consumers who bought basic necessities items from shops, strictly followed social distancing. Buying Behaviour is affected by the increase in price of goods which means price is an important factor while buying. Overall buying experience of majority of consumers is average during lockdown. All these shows that Consumer Buying Behaviour is influenced by many factors including personal, psychological, economic, social, cultural, etc. So, in combination of all these we can finally conclude that Consumer Buying Behaviour is affected during lockdown due to COVID-19.

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