

Impact of COVID-19: Study on Disruption in Consumer Behavior

Bipasha Kashyap

Operation Manager- Delhivery Pvt. Ltd., India,

Post Graduate Diploma in Management - Jaipuria Institute of Management, India

Abstract:

The objective of this study is to bring out the factors that influenced the habitual transformation of buying behavior of consumers during the COVID-19 pandemic era. There have been drastic changes in the purchasing behavior of consumers for their demand and consumption. The disruptive changes have impacted different industries with economic instability resulting in inflation, unemployment, suppressed demand, extemporization of people's lifestyles, etc. There have been new unconventional approaches and strategies laid out by businesses, and industries to attract consumers' minds and behavior towards them. This paper will do a descriptive discussion on the impact of COVID-19 on the consumer buying pattern in terms of social and technological context and also the repercussion faced by businesses and individuals in the pandemic era.

Keywords: Consumer Behavior, COVID- 19, Disruptive Changes, Habitual transformation

1. INTRODUCTION

The outbreak of COVID-19 was one of the most disastrous events in recent decades which has changed the perspective of every individual in terms of economic lifestyle, social and habitual transformation, and consumption process. The novel coronavirus was first reported in Wuhan, China 2019, and the rapid contagious and transmission rate of this deadly virus immediately halted the everyday life of individuals, businesses, and organizations. A nationwide lockdown was imposed on several countries around the globe which led to a dysfunctional supply chain in businesses, economic instability, shortage in healthcare facilities due to rapid transmission amongst the masses, outrageous layoffs - restructuring of the employees in the organizations, etc.

Amidst such a chaotic phenomenon going around, consumers' patterns of purchasing behavior changed, and their usual consumption commodities were swapped or doubled. It was also observed that new habitual formation of needs, requirements, and supply-demand, amongst consumers according to the pandemic scenario were patterned. So, new strategies, and trends were put into action by businesses and organizations slowly to bridge the gap between consumers which has paused during and after the lockdown so that the process of evaluating, decision-making, purchasing, and disposing of products becomes easier.

In the figure, given below and retrieved from World Health Organization (W.H.O.) dated from December 2019 to July 2022, global cases are reflected along with deaths encountered due to this virus.

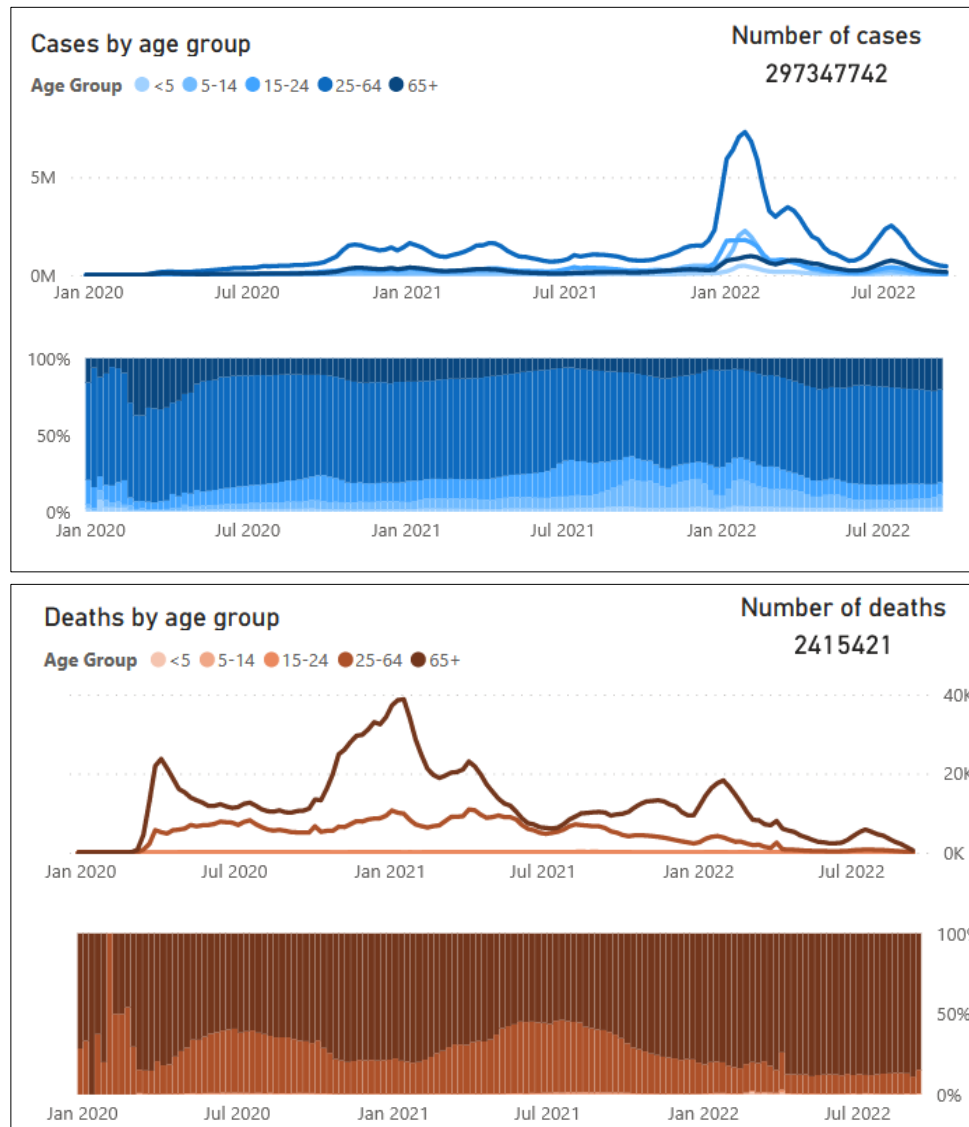


Fig-1

Source: World Health Organization

2. LITERATURE REVIEW

Jorge Cruz-Cardenas, Ekaterina Zabelina, Jorge Guadalupe-Lanas, Andres Palacio-Fierro, and Carlos Ramos-Galarza in their article: “*COVID-19, consumer behavior, technology, and society: A literature review and bibliometric analysis*” have vividly described the profound consequences of the COVID-19 into social stratification of society beginning from an individual household to massive organizations. The paper describes the data which identifies 70 selective relevant studies from the Scopus database to differentiate consumer behavior in the COVID era, where it analyses and systematizes as per the consumer behavior model

- Macro-environmental factors
- Micro-environmental factors
- Marketing strategies and influences
- Personal and psychological characteristics and decision-making
- Purchasing behaviors
- Post-purchase behavior
- Consumer behavior model under COVID-19: the near future

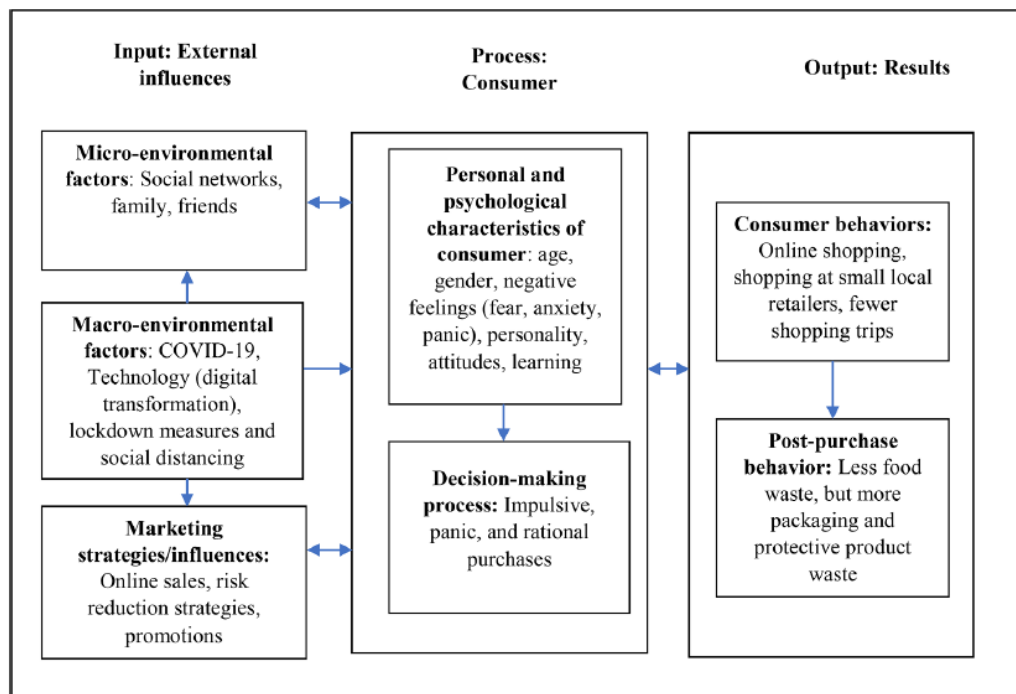


Fig -2

Source: Generic model adapted of Consumer Behavior; Adapted from the mentioned titled paper of Jorge Cruz-Cardenas, Ekaterina Zabelina, Jorge Guadalupe-Lanas, Andres Palacio-Fierro, and Carlos Ramos-Galarza

In another article titled “*Psychological factors and consumer behavior during the COVID-19 pandemic*” by Adolfo Di Crosta, Irene Ceccato, Daniela Marchetti, Pasquale La Malva, Roberta Maiella, Loreta Cannito, Mario Cipro, Nicola

Mammarella, Riccardo Palumbo, Maria Cristina Verrocchio, Rocco Palumbo, Alberto Di Domenico, the study delves into psychological antecedents of the consumer and COVID -19 effect on individual's spending levels apart from health crisis as per economic data sales. A study produced by Nielsen, states that there have been statistically data changes in spending levels regarding consumers in terms of work habits, communication, and shopping more than any disruption in the near decade.

Previously, there have been instances of pandemics and natural disasters where it has adversely impacted mental health, mostly due to a perceived lack of control and instability, leading to the stressful condition which influences the behavior pattern of consumer. There has been a rise in hedonic urges of consumers in terms of materialism, starting with basic needs to seeking far quality in terms of merchandise and better prices.

Data is collected through various demographic questionnaires where the factors below are considered.

- Change in spending levels due to COVID-19
- Big five inventory 10 item
- Generalized anxiety disorder
- Generalized anxiety disorder (GAD - 7)
- Patient health questionnaire (PHQ – 9)
- Perceived stress scale (PSS)
- Perceived economic strategy

3. RESEARCH METHODOLOGY

Primary research has been carried out for a better comprehension of the changes in consumer buying patterns and lifestyles during the peak pandemic period. The survey is calculated primarily across India where a majority of the people in the Northeastern part are taken in the sample and asked to fill up a questionnaire.

The data is presented in graphical formats for better easy representation and analyzed accordingly.

3.1 ANALYSIS OF THE DATA COLLECTED

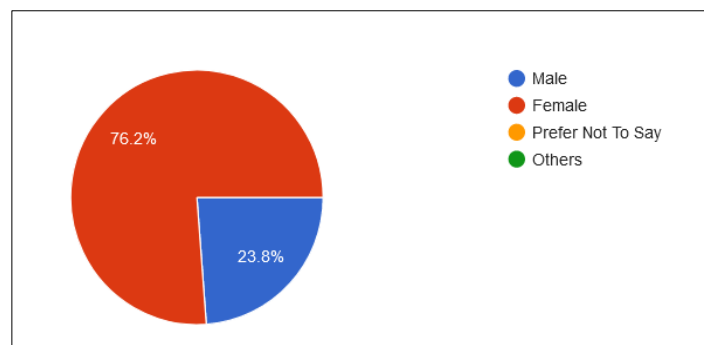


Fig 3: Gender

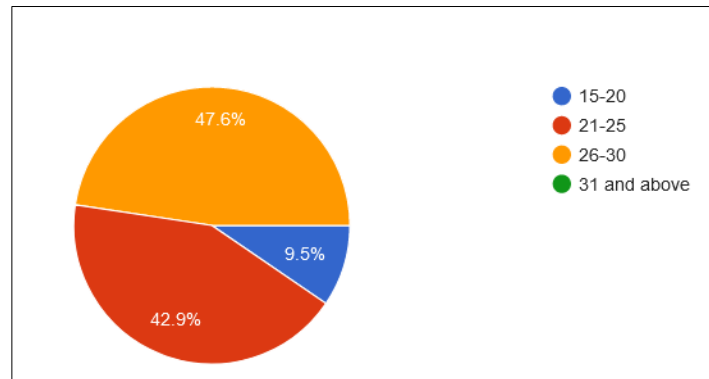


Fig 4: Age

- Out of a sample size of 80, 76.2% consists of females than males in the survey process of the questionnaire with a maximum of people from 26-30 of age group have attempted the questions

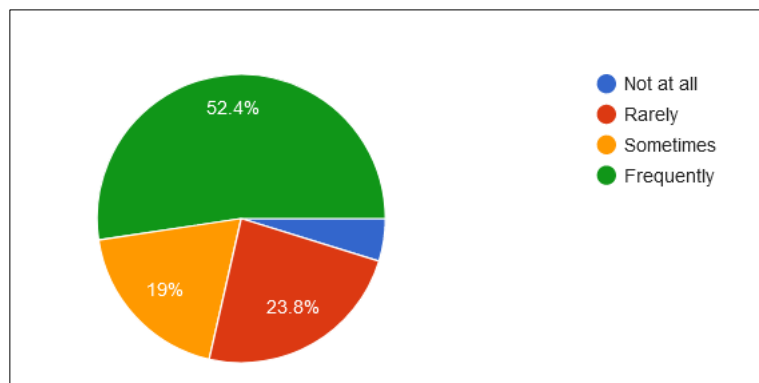


Fig 5: Usage of E-Commerce sites in the COVID-19 period

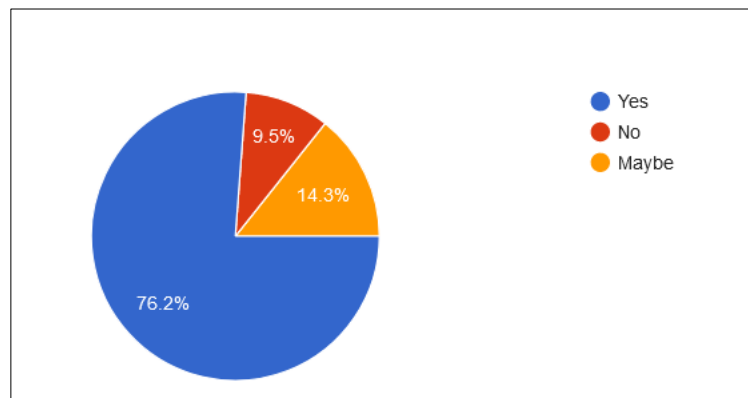


Fig 6: Preference for purchasing commodities Online rather than Offline in the post Pandemic era

- The above representation depicts there has been a steep increase in dependency on e-commerce websites in post-pandemic time, a few reasons being ease of access, time management, maximizing social distancing, etc

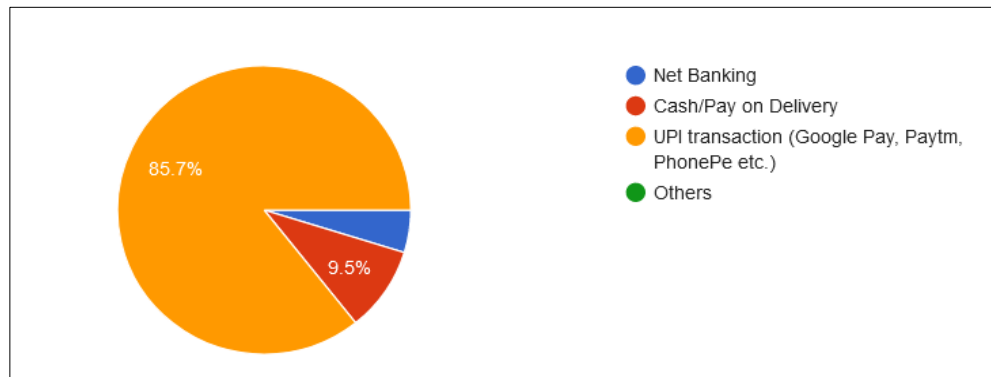


Fig 7: Preference of payment method during the COVID-19 period

- People have gone for contactless payment options and since UPI (Unified Payments Interface) offers a hassle-free and easy interface, people opted for that method the most

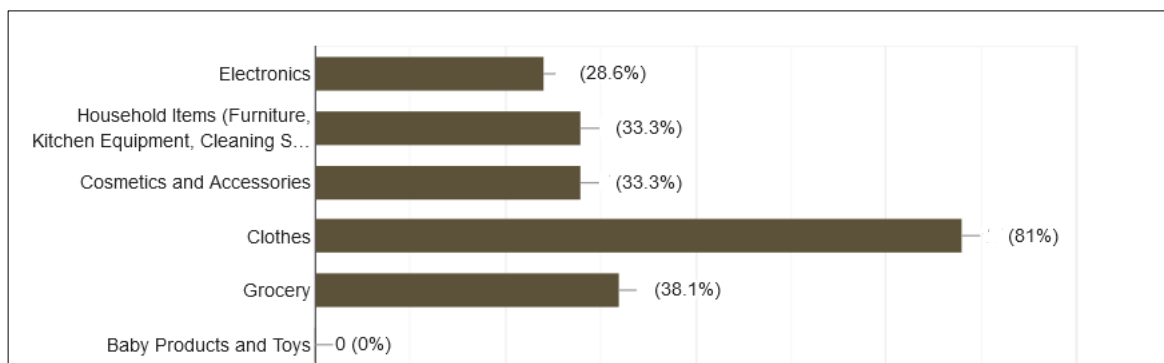


Fig 8: Commodities preference during the post-pandemic period

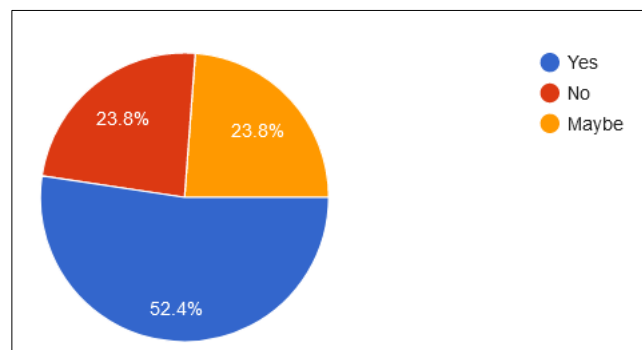


Fig 9: Dependency shifted to online digital platforms due to the Pandemic

- Elevated dependency has been increased for commodities in all segments of e-commerce items possible after the pandemic and lifestyle has gradually shifted to online platforms (Work from home, online classrooms) which is more likely formed a pattern or disruption in their behavior

4. CONCLUSION

The pandemic has surely disrupted every aspect of the daily life and lifestyle of consumers be it their buying behaviors or the creation of new alternatives as per new norms and social distancing. For example, digital platforms and e-commerce have boomed like never before, and accordingly, efficient supply chains are taken into consideration and put into action. Also, in the peak pandemic area, people mostly stayed indoors and avoided contact or communication due to fear of the spread of COVID-19, this has gone into research on psychological impacts which has given rise to heterogenic urges (shopping, excessive storing of necessities, etc). Although the peak pandemic time has subsided, the adverse effects of behavior and disruption still continue as the habitual formation of the post-COVID-19 era.

5. REFERENCES

- Jorge Cruz-C´ardenas ,Ekaterina Zabelina , Jorge Guadalupe-Lana , Andr´es Palacio-Fierro , Carlos Ramos-Galarza (2021). Technological Forecasting & Social Change 173 (2021) 121179. *COVID-19, consumer behavior, technology, and society: A literature review and bibliometric analysis*. Retrieved from ScienceDirect - <https://doi.org/10.1016/j.techfore.2021.121179>
- Sandile Gilbert Nzeku1 and Tebesi Peter Raliengoane2 (2021). *The Impact of Covid-19 on Consumer Buying Behaviour*. Retrieved from GIS Science Journal
- John R. Bryson & Lauren Andres (2020). *Covid-19 and rapid adoption and improvisation of online teaching: curating resources for extensive versus intensive online learning experiences*. Journal of Geography in Higher Education, 44:4, 608-623, DOI:10.1080/03098265.2020.1807478. <https://doi.org/10.1080/03098265.2020.1807478>
- Sheth Jagdish N. Wiley & Sons; New Delhi, India. 2020. The Howard-Sheth Theory of Buyer Behavior.
- Manjot Kaur Shah and Dr. Ishpreet Viridi (2021). *Impact of Covid-19 on Consumer Behaviour: What has changed?*. IOSR Journal of Business and Management (IOSR-JBM),e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 23, Issue 8. Ser. V (August 2021), PP 61-67
- Seema Mehta, Tanjul Saxena and Neetu Purohit (2020). *The New Consumer Behaviour*

Paradigm amid COVID-19: Permanent or Transient? Retrieved from academia.edu - Journal of Health Management 22(2) 291–301, 2020 © 2020 Indian Institute of Health Management Research. DOI: 10.1177/0972063420940834 journals.sagepub.com/home/jhm

- Di Crosta A, Ceccato I, Marchetti D, La Malva P, Maiella R, Cannito L, et al. (2021). *Psychological factors and consumer behavior during the COVID-19 pandemic*. PLoS ONE 16(8): e0256095. <https://doi.org/10.1371/journal.pone.0256095>
- Oh Zi Jian, Siti Nur Madhiah Binti Ahmad, Liem Gai Sin, Chan Weng Hoo , Daisy Mui Hung Kee, Jeremy Tou Jia Hao, Leong Kar Chun, Lim Xin Wee, Decesta Kelcya Valentine, Mohamad Fikri Bin Azhar, Norazwa Binti Abdullah, Jeevendra A/L Rajendran (2021). *Factors Influencing Consumer Behaviour in Indofood Products during Covid-19 Pandemic*. International Journal of Tourism and Hospitality in Asia Pacific.
- Arriaga P, Esteves F, Pavlova MA and Piçarra N (2021). *Editorial: Coronavirus Disease (COVID-19): The Impact and of Mass Media During the Pandemic*. Front Psychol. 12: 729238.doi: 10.3389/fpsyg.2021.729238
- Dr. Priya Dwivedi, and Dr. Jyoti Badge (2021). *Maslow Theory Revisited-Covid-19 - Lockdown Impact on Consumer Behaviour*. Turkish Journal of Computer and Mathematics Education Vol.12 No.2 (2021),2445-2450.
- Anam, B. et al., 2020. *E-commerce trends during COVID-19 Pandemic*. International Journal of Future Generation Communication and Networking, 13(2), pp. 1449-1452.