

Consumer Behaviour: Impact of COVID-19

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Abstract— The COVID-19 pandemic and the lockdown and social distancing mandates have disrupted the consumer habits of buying as well as shopping. Consumers are learning to improvise and learn new habits. For example, consumers cannot go to the store, so the store comes to home. While consumers go back to old habits, it is likely that they may follow new regulations and procedures in the way consumers purchase products and services. The new habits will also emerge because of technological developments, changing demographics and the various innovative ways consumers have learned to cope up with the present situation of COVID.

Keywords— COVID-19, Consumer preference, customer experience, consumer habits

I. INTRODUCTION

This research paper is mainly designed to evaluate the impact of COVID -19 pandemic on the consumer purchasing behaviour. The point of discussion is whether the consumers will permanently change their purchasing habits due to severe lock down or after the pandemic gets over will they return to their regular purchasing behaviour.

The purchasing behaviour of the consumers is habitual also contextual. There are four major contexts which create as well as disrupt the purchasing behaviour.

1. Social context
2. Technology context
3. Rules and Regulations laid by the government
4. Natural Disasters

The following gives the eight immediate effects of Covid-19 pandemic on consumption and the purchasing behaviour of the consumers.

1. Stock piling:

Consumers are hoarding all the necessary products for their daily consumption due to the fear of stockouts or shortages. This also creates the formation of gray market where the middlemen who are not actually authorized to be hoard the products and increase the price for their own benefit. This has happened with respect to PPE (personal protection equipment) products for healthcare workers including the N95 masks.

2. Extemporization

It is a boon to the human beings to adapt to the changing environment. This pandemic of Corona virus had unleashed the creativity of the consumers to host ZOOM weddings, online meetings, conferences and also other online services including the online education.

3. Suppressed Demand

It was really difficult for the common man to cope up with the unemployment or work from home situations which led to the reduction in the family income. Suppressed demand is a situation where the access to the market is denied and the consumers are forced to purchase the only things available for that period of time.

4. Advanced Digital Technology

The high usage of Zoom/Webex/ and other online platforms by the consumers to keep up with family and friends also it extended to remote classes at home for schools and colleges also doctors available online for virtual visits. The time spent by the consumers on mobiles and online apps is more during this pandemic era.

5. In-Home Everything

Today due to the pandemic situation as almost all the countries are in a lockdown stage, the marketer in order to sustain themselves brought the store to home so does work and education. Disney, Netflix and Amazon prime is removing the previous habits of the consumers going to the stores for purchasing.

6. Unidentifiable Work Life Balance

Consumers are forced to be at home for working, learning, shopping and without socialization. Hence there is an unidentifiable work life balance as a boundary is not set between work and home chats. The element of socialization is also absent as the consumers can't meet their colleagues, friends and relatives since months. The consumers were forced to cope up with too many needs and wants with limited resources.

7. Missing Friends and Family

There are many who were not able to meet their family members for a longer period of time due to COVID and quarantine procedures. It has also affected the schools and colleges reunions or family weddings. All the ceremonies were hosted online and the face to face interaction with friends and family members became null. Hence we expect a dramatic change in consumer behaviour as a consequence of speedier and universal adoption of advanced technologies accelerated by the pandemic.

8. Discovery of new talents and innovative ideas

With more of time available at home, consumers started experimenting with new recipes, new talents and various innovative and creative ideas of sharing, learning and shopping online. Also many consumers are becoming producers with commercial possibilities.

II. FUTURE HABITS OF CONSUMERS

Many expectations from the marketer that the consumer habits will be back to normal once the pandemic subsides. May be some of the habits might have died because of the lockdown condition as the consumers might have found some other alternatives that is more convenient, affordable and accessible. Examples include streaming services such as Netflix and Disney. They are likely to switch consumers from going to movie theatres. This is similar to ride sharing services such as Uber which is more user friendly than calling a taxi service. Due to corona virus, consumers may find it easier to work at home, learn at home and shop at home. In short, what was a peripheral alternative to the existing habit now becomes the core and the existing habit becomes the peripheral.

III. CHANGED HABITS

The existing habits of purchasing grocery shopping and delivery shall pertain to new rules and regulations such as social distancing, wearing masks etc. The changing habits are more concerned with the service industry such as beauty parlours, physical therapies and gyms.

IV. MODERN HABITS

The main factors behind creating new habits are: Rules and regulations by the government, advanced technology and the changing demographics.

For e.g all the major airlines are having new procedures for embarking and disembarking passengers as well as meal services. There will be more screening and boarding procedures including COVID test while boarding the flight. In the earlier days living without cellular phones were very easy but after pandemic in order to order food, pay

insurance premium, watch movies, attend meetings etc. we require our cellular phone and we even cant think our life without smart phones. The need for health and retirement plans is increasing. Hence todays generation instead of enjoying are trying to make their future safe with different retirement plans because of the fear of the pandemic which may repeat in future.

V. MANAGERIAL IMPLICATIONS

The three major managerial implications from the impact of Covid-19 on consumer behaviour are as follows:

- Business Improvisation
- Demand equals Supply
- Virtual World

Today the business is practising to change to PPP (payroll protection program) loans (in US) as well as employing for unemployment benefits. Many supermarkets and large retailers such as Wal-Mart are moving to cloud computing where they practised to have online home delivery system thus making their infrastructure, systems and processes to be more resilient in order to manage the global crisis.

Even though there was a huge demand for many items, the marketers couldnot make it available to their customers because of labour shortage or raw material shortage during lockdowns. Hence there was a huge need of online procurement and reverse process from the merchandise waiting on the shelf for the customer to customer ordering first and the marketer making it available to the customers.

The customers will go back to their old habits unless the virtual world creates something which can drastically change their lives.

VI. RESEARCH IMPLICATIONS

- Scope of empirical research on stock piling, seeking work life balance and use of advanced technology during a period of crisis to enrich the discipline of consumer behaviour.
- Research on how consumer purchasing behaviour improvised to adapt to the crisis period.

VII. CONCLUSION

Covid-19 had brought a very significant disruption on consumer buying behaviour. The consumers today have learnt to improvise in creative and innovative ways. The marketers have also improvised by bringing the store to consumer (online purchasing). As the consumers are locked at home for a longer period of time, they may find different alternatives for purchasing, working, imparting education. Embracing digital technology is likely to modify existing

habits.

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