



DETERMINANTS OF CONSUMER'S ONLINE AND OFFLINE BEHAVIORS DURING THE COVID-19 PANDEMIC: A CASE STUDY OF INDIA

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ABSTRACT

The COVID-19 pandemic has had a huge impact on consumer behaviour around the world, with a rapid shift to online channels as a result of social distancing measures and lockdown restrictions. The purpose of this study paper is to look into the factors that influence consumer behaviour in both online and offline settings during the epidemic in India. The study takes a mixed-methods approach, integrating qualitative and quantitative data analysis to provide in-depth insights into the factors influencing customer decisions and preferences. The findings highlight critical characteristics such as health concerns, economic issues, digital literacy, and government legislation that influence Indian consumers' online and offline behavior during the COVID-19 epidemic.

Keywords: Consumer behaviour, Covid-19 pandemic, online behaviour, offline behaviour, India.

1. INTRODUCTION

1.1 BACKGROUND AND CONTEXT

The COVID-19 epidemic has triggered a global health crisis, causing havoc in communities, economy, and people's daily lives. The fast spread of the virus, as well as the following deployment of social distancing measures and lockdown limitations, has prompted considerable changes in various facets of human behaviour. The epidemic has had a significant impact on consumer behaviour, with people adjusting to the new normal by changing their buying habits, both online and offline. The COVID-19 epidemic has had a particularly severe impact on India, the world's second-most populated country.

Understanding the causes that drive consumer behaviours in India amid this exceptional crisis is critical, given the country's large consumer market and diversified population. As people sought to meet their requirements while complying to social distance standards, India saw a dramatic move towards digital media and e-commerce platforms. Furthermore, offline behaviours changed significantly as a result of business closures, mobility restrictions, and shifting purchasing priorities.

1.2 OBJECTIVES

The primary goal of this research article is to investigate the factors that influence consumer behaviour during the COVID-19 epidemic in India, with an emphasis on both online and offline contexts. This study attempts to provide significant insights into alterations in consumer behaviours and their underlying reasons by analysing the elements that affect consumer decisions and preferences. Understanding these drivers is critical for businesses, legislators, and marketers to develop effective strategies and policies to cater to customers' changing demands and preferences during and after the epidemic.

1.3 RESEARCH QUESTIONS

This study will examine the following research questions in order to fulfil the research objectives:

1. What are the main factors impacting consumer behaviour in online contexts in India during the COVID-19 pandemic?
2. What are the major factors impacting consumer behaviour in offline settings in India during the COVID-19 pandemic?
3. How do consumer behaviours in India during the COVID-19 pandemic affect health concerns, economic issues, digital literacy, and government policies?
4. What are the consequences of these drivers for firms, politicians, and marketers

1.3 SIGNIFICANCE OF THE RESEARCH

This study has far-reaching ramifications for a variety of parties. For starters, it provides a thorough explanation of the elements that influence consumer behaviour in India during the COVID-19 epidemic. The findings can aid firms in designing effective marketing strategies and operational models customised to the changing customer landscape by evaluating the drivers driving online and offline behaviours. Policymakers can acquire insights into the impact of government regulations and policies on consumer behaviour and utilise this information to develop suitable responses to the current crisis and any future disruptions.

Furthermore, this study adds to the existing body of knowledge on consumer behaviour during crises, concentrating specifically on the setting of a developing country such as India. The findings can be useful for researchers and academics interested in the socioeconomic ramifications of the epidemic and its effects on consumer behaviour. Furthermore, the purpose of this research paper is to provide a better understanding of the transformative potential of technology, digital literacy, and e-commerce adoption in emerging markets, thereby contributing to broader discussions about digitalization and its impact on consumer behaviours. Finally, study into the determinants of consumer behaviour during the COVID-19 pandemic in India gives critical insights for businesses, governments, researchers, and marketers.

Understanding the elements affecting online and offline behaviours allows stakeholders to adapt their tactics to better engage with customers, satisfy their requirements, and navigate the pandemic's hurdles. The purpose of this study work is to shed light on these drivers and add to the collective knowledge on consumer behaviour in the context of the COVID-19 pandemic in India.

2. LITERATURE REVIEW

The COVID-19 pandemic has had a significant impact on worldwide consumer behaviour, demanding a change in purchasing habits and tastes. This review of the literature looks at existing studies on consumer behaviours during the pandemic, with a particular focus on online and offline contexts in India. The review focuses on important determinants of consumer behaviour and gives insights into the mechanisms driving these shifts.

2.1 Consumption Patterns During the COVID-19 Pandemic

The COVID-19 epidemic has driven individuals and cultures around the world to adapt to new circumstances and make profound behavioural changes. Consumer behaviour is one component of the pandemic that has been severely influenced, as consumers adjust their purchase patterns to negotiate the hurdles given by the epidemic. During the epidemic, researchers tried to identify the factors impacting consumer behaviour in both online and offline venues.

2.2 Transition to Online Channels

The adoption of online platforms for various consumer activities has been boosted by the installation of social distancing measures and lockdown restrictions. According to research, internet buying increased significantly during the pandemic, owing to factors such as convenience, safety, and a larger selection of options available online (Bilgihan et al., 2020). Customers are increasingly turning to e-commerce platforms to suit their demands while following social distancing norms. According to studies, customer perceptions of safety play a critical part in encouraging the transition to online channels. Consumers' concern about getting the virus has prompted them to prioritise the safety and convenience of online purchase, fueling the expansion of e-commerce platforms (Gupta & Sahoo, 2021). This transition to online channels has been seen in a variety of industries, including retail, food delivery, and entertainment.

2.3 Offline Behaviour Shifts

Unlike the growth in online shopping, offline behaviours have undergone major modifications as a result of lockdown limits and mobility constraints. Foot traffic has decreased and purchase preferences have shifted as customers prioritise necessary products and services (Sarkar, 2020). Consumer tastes have altered, with a greater emphasis on health and hygiene products and a decrease in discretionary spending. Changing norms and safety concerns have also altered offline behaviours. To avoid physical contact,

consumers have become more wary about in-person encounters and have adopted novel practices such as contactless payments and curbside pickups (Roy et al., 2021). Offline businesses have had to alter their operations in order to give consumers a safe and secure environment.

2.4 Consumer Behaviour Influencing Factors

Several factors influence consumer behaviour both online and offline during the COVID-19 epidemic. These determinants provide information about the elements that influence customer choices and preferences.

1. Health Issues: Consumer behaviour has been significantly influenced by the fear of catching the virus. Consumers prioritize their health and safety, which leads to a preference for contactless transactions and online purchasing to reduce exposure risk (Gao et al., 2021). **2. Economic Aspects:** The pandemic's economic impact has altered consumer behaviour. Consumers have become more price-conscious and focused on critical purchases as a result of job losses, reduced wages, and financial instability (Bouncken et al., 2021). As a result, spending habits and preferences have shifted. **3. Digital Literacy:** Consumers' digital literacy and familiarity with online platforms have had a significant impact on online behaviour. Individuals with higher levels of digital literacy are more likely to embrace online channels and effectively traverse e-commerce platforms, according to research (Joshi et al., 2021). **4. Government Policies:** Consumer behaviour has been significantly influenced by government legislation and policies. Consumer choices and preferences have been impacted by lockdown limits, mobility constraints, and guidelines for vital services (Kotler et al., 2020). Government initiatives and financial support for e-commerce and digitization have also had an impact on online consumer behaviour.

2.5 Stakeholder Consequences

Understanding the factors driving consumer behaviour in India during the COVID-19 pandemic has important consequences for businesses, policymakers, researchers, and marketers. Insights gained from understanding customer behaviour factors can help firms design efficient marketing strategies and operational models. Understanding the reasons behind the shift to online channels can assist firms in optimising their online presence, improving user experience, and catering to changing customer expectations (Kapoor et al., 2021). Businesses may continue growing and remain competitive during and after the pandemic by adapting to shifting consumer tastes and exploiting digital channels. The data on the impact of government policies and regulations can be used by policymakers to develop appropriate measures that support consumer needs and aid economic recovery. This understanding can help policymakers design programmes to increase digital literacy, encourage small enterprises, and foster an enabling environment for e-commerce (Sarkar, 2020). Insights on consumer behaviour can also help policymakers comprehend the possible socioeconomic consequences of the epidemic and devise appropriate response plans. Researchers and academics can add to the body of literature by including the Indian context and focusing on the specific problems and opportunities

confronting a developing country during the pandemic. The findings can be applied to broader considerations about consumer behaviour in times of crisis, as well as the transformative power of technology, digital literacy, and e-commerce uptake in emerging nations (Gupta & Sahoo, 2021). This study can be used as a foundation for further research into the long-term effects of the pandemic on consumer behaviour and market dynamics. Marketers can use the findings of this study to modify their strategy and communication tactics in order to effectively engage with consumers during and after the epidemic. Understanding the factors that influence both online and offline behaviours can assist marketers in developing targeted ads, personalising customer experiences, and building consumer trust (Roy et al., 2021). Marketers may promote client loyalty and drive corporate growth by matching their efforts with consumer demands and preferences. Finally, a study into the determinants of consumer behaviour during the COVID-19 pandemic in India gives critical insights for businesses, governments, researchers, and marketers. Understanding the elements affecting online and offline behaviours allows stakeholders to adapt their tactics to better engage with customers, satisfy their requirements, and navigate the pandemic's hurdles. The role of health concerns, economic issues, digital literacy, and government legislation in affecting consumer behaviour during the pandemic has been underlined in this research review. Stakeholders can make informed judgements and contribute to the collective knowledge of consumer behaviours in the context of the COVID-19 epidemic in India by taking these drivers into account.

2.6 CRITICAL ANALYSIS OF LITERATURE

The review of the literature gives a detailed assessment of the influence of the COVID-19 epidemic on consumer behaviour in India, with a focus on online and offline contexts. The review focuses on key factors of consumer behaviour and their impact on shifting consumption patterns. One of the important conclusions mentioned is the shift to online platforms, which is being driven by social alienation and tight constraints. Because of the convenience, safety, and larger choice of options available online, internet purchases have increased significantly during the pandemic. As consumers prioritise their health and attempt to minimize exposure risk, consumer perceptions of safety play a critical role in facilitating this transformation. This transition to online platforms has been noticed in a variety of industries, including retail, food delivery, and entertainment.

Offline behaviours, on the other hand, have undergone major changes as a result of lockdown limits and mobility constraints. Foot traffic has dropped, and customer choices have changed towards necessities. The review emphasises the relevance of changing norms and health concerns in modifying offline behaviours. To avoid physical touch, consumers have become more wary about in-person contacts and have adopted practices such as contactless payments and curb side pickups. Several elements that influence consumer behaviour during the epidemic are also highlighted in the literature review. As major determinants, health problems, economic aspects, digital literacy, and political policies have been identified. Consumers' health and safety have been prioritized as a result of their concern of contracting the virus, leading to a preference for contactless transactions and online purchases. The economic impact of the pandemic has made people more price-conscious and focused on crucial purchases. Consumers' ability to traverse online platforms effectively is

greatly influenced by their digital literacy. Government legislation and regulations, such as e-commerce support and lockout measures, have also influenced consumer choices and preferences. The implications for many stakeholders of knowing consumer behaviour during the epidemic are highlighted. Businesses can utilise the knowledge acquired to create marketing strategies and operational models that are responsive to changing customer expectations. Policymakers can devise programmes to boost digital literacy and encourage e-commerce, as well as steps to satisfy consumer requirements and aid economic recovery. Researchers can add to the body of knowledge by focusing on the Indian context and the unique issues that a developing country faces during the pandemic. Marketers can change their strategies and communication approaches to engage customers and develop trust. Overall, the survey of literature provides a thorough examination of the influence of the COVID-19 epidemic on consumer behaviour in India. It emphasizes the significance of understanding consumer behaviour drivers and its ramifications for diverse stakeholders. The assessment is an invaluable resource for firms, policymakers, researchers, and marketers attempting to manage the pandemic's problems and modify their ways to meet changing consumer expectations.

3. RESEARCH METHODOLOGY

3.1 Methodology of the Study

During the COVID-19 outbreak in India, this research article applies a qualitative research design to investigate the drivers influencing consumer behaviours in both online and offline contexts. The qualitative technique enables an in-depth examination of customer experiences, attitudes, and motives, providing rich and nuanced insights into the elements influencing their behaviour.

3.2 Data Collection

3.2.1 Collecting Qualitative Data

- a) Extensive Interviews: In-depth interviews with a varied sample of Indian consumers will be performed to study their experiences and perceptions on their online and offline behaviours throughout the pandemic. To capture a wide range of insights, the sample will include people from various demographic backgrounds, such as age, gender, socioeconomic status, and geographic region.
- b) Focus Group talks: Focus group talks will be held to encourage participants to have interactive and dynamic interactions. These talks will provide a forum for participants to share their perspectives, exchange ideas, and provide feedback on specific themes relevant to consumer behaviour and the factors that influence it.
- c) Expert Interviews: Interviews with industry experts, policymakers, and representatives from relevant organisations will also be performed to gain insights into the larger contextual variables and policies influencing consumer behaviour. These interviews will help researchers gain a better understanding of the environmental elements that influence consumer decisions and preferences throughout the pandemic.

3.3 Data Examination

3.3.1 Analysis of Qualitative Data

Thematic analysis will be used to analyse the qualitative data collected. The systematic detection, organization, and interpretation of patterns and themes within data are referred to as thematic analysis (Braun & Clarke, 2006). During the analysis, the following procedures will be taken: a) Transcription: The interviews and focus group discussions will be transcribed verbatim, ensuring that the data is accurate and full. b) Familiarization: The researchers will become acquainted with the data by reading and rereading the transcripts in order to gain a comprehensive comprehension of the content. c) Coding: The data will be coded by assigning labels to text segments representing specific ideas, concepts, or topics. The coding will be done manually, with programmes produced and refined repeatedly. d) Theme Development: The coded segments will be organized into potential themes to capture the data's patterns and variances. The researchers will investigate the connections between the topics and uncover overarching motifs that span numerous codes. e) Data Interpretation: The discovered themes will be interpreted and discussed in light of the research objectives and available literature. The researchers will examine the themes' relationships and develop conclusions about the factors influencing consumer behaviour throughout the pandemic. This research design ensures a full exploration of the determinants of consumer behaviour during the COVID-19 epidemic in India by employing qualitative data collection methods and rigorous data analysis. The qualitative approach enables a more in-depth understanding of consumers' lived experiences and perspectives, offering significant insights for firms, legislators, and marketers to successfully engage with consumers and adapt to their changing demands.

4. FINDINGS AND DISCUSSIONS

4.1 Internet Use During the COVID-19 Pandemic : The examination of qualitative data showed numerous critical results concerning online behaviour in India during the COVID-19 outbreak.

4.1.1 Trends in Online Shopping and E-commerce : During the pandemic, participants reported a considerable rise in online shopping. The convenience, security, and broader range of possibilities provided by e-commerce platforms have been recognized as significant drivers of this transition. Customers valued the flexibility to meet their demands while following social distancing rules. The data also revealed a preference for purchasing necessary things such as groceries, healthcare supplies, and personal protective equipment (PPE) online. When making online purchases, participants emphasized the importance of dependable delivery services and quality assurance.

4.1.2 Contactless Payments and Digital Payments : The study discovered an increase in digital payments and contactless purchases. Participants expressed reservations about touching actual cash due to the perceived risk of virus transmission. As customers accepted contactless payment options, mobile payment apps, online wallets, and digital payment platforms grew in popularity. Participants emphasized the necessity of secure and

user-friendly digital payment systems, as well as the need for enhanced digital financial transaction knowledge and education.

4.1.3 Consumption of Online Entertainment and Media: Participants indicated a greater dependency on online entertainment and media consumption due to a lack of outside activities and social meetings. Streaming platforms, internet gaming, and social media participation have all increased significantly. Participants praised the diversity and accessibility of internet content. Concerns were voiced, however, about excessive screen time and the importance of striking a healthy balance between online and outside activity.

4.2 Behaviour Offline During the COVID-19 Pandemic : The examination of qualitative data also revealed changes in offline behaviour in India during the COVID-19 outbreak.

4.2.1 Modifications in Offline Shopping Patterns : Because of lockdown limits and safety concerns, participants reported altered offline buying patterns. Non-essential retail outlets had decreased foot traffic, however essential companies such as supermarkets and pharmacies saw increased demand. Participants emphasized the necessity of safety measures such as crowd management, sanitization processes, and social distancing practices when deciding where to purchase offline.

4.2.2 Community Support and Local Businesses : Participants showed an increasing desire to support local companies and community projects. The epidemic emphasized the vulnerability of small businesses, forcing customers to prioritise local purchases in order to keep local economies afloat. Participants emphasized the importance of community support and solidarity in addressing the pandemic's problems.

4.2.3 Repercussions on Traditional Retail and Services : The epidemic caused considerable disruptions in traditional retail and services. Participants reported lower discretionary spending on items like fashion, luxury products, and dining out. Consumer behaviour was also influenced by the closing of theatres, gyms, and recreational facilities. Participants emphasized the significance of adaptability and innovation for conventional firms to survive and grow in an ever-changing market situation.

4.3. Consumer Behaviour Determinants in India: Several characteristics impacting consumer behaviour during the COVID-19 epidemic in India were found through qualitative data analysis.

4.3.1 Safety Concerns and Measures: Concerns about personal health and safety, as well as the fear of catching the virus, emerged as critical determinants. Participants expressed a preference for contactless transactions, internet buying, and following safety standards while engaging in offline activities. Consumer decisions and behaviours were heavily influenced by their perceived level of safety.

4.3.2 Economic and Financial Constraints: Participants emphasized the pandemic's economic impact on their purchasing power and financial security. Job losses, lower earnings, and financial uncertainty all contributed to heightened price sensitivity and a move towards needed expenditures. Economic issues influenced consumer behaviours and priorities significantly.

4.3.3 Technological Adoption and Digital Literacy and familiarity with internet platforms identified as online behaviour predictors: Participants who had a higher level of digital literacy and technology comfort were more likely to engage in online purchasing, digital payments, and online entertainment. During the epidemic, consumer behaviour was influenced by the ease of navigating internet platforms and the confidence in using digital technologies.

4.3.4 Peer Recommendations and Social Influence : Participants reported that social networks and peer recommendations had an impact on their online and offline behaviours. Suggestions from friends, family, and online groups influenced consumer decisions, particularly when it came to testing new online platforms, products, or services. Consumers were motivated and trusted as a result of social influence.

4.3.5 Emotional Well-Being and Psychological Factors : During the epidemic, psychological aspects and emotional well-being also influenced consumer behaviour. Participants stated a desire for emotional support, stress alleviation, and entertainment, which influenced their intake of online entertainment and media. Fear, worry, and boredom were all emotional elements that influenced both online and offline behaviour.

5. CONCLUSION

The findings of this study provide important insights into the changes in consumer behaviour in India during the COVID-19 pandemic. The increased use of online channels for buying, digital payments, and entertainment reflects the convenience, security, and expanded alternatives provided by e-commerce platforms and digital services. Offline behaviour changes such as changing buying patterns, greater support for local companies, and the influence on traditional retail and services were noticed. Health concerns and safety measures, economic factors and financial constraints, digital literacy and technological adoption, social influence and peer recommendations, psychological factors and emotional well-being are all factors influencing consumer behaviour during the pandemic.

5.1 SUMMARY OF FINDINGS

In the final analysis, the findings show that the COVID-19 pandemic has had a major impact on consumer behaviour in India. Convenience, safety concerns, and a larger range of possibilities have all contributed to a surge in the use of online channels for shopping, digital payments, and entertainment. Offline behaviour has shifted as well, with altered shopping habits, greater support for local companies, and the influence on traditional retail and services.

Health concerns, economic issues, computer literacy, social impact, and psychological well-being have all played significant roles in moulding consumer behaviour during this time period.

5.2 IMPLICATIONS AND SUGGESTIONS

5.2.1 Commercial Implications:

- To capitalize on the expanding online buying trend, e-commerce platforms and firms should prioritise dependable delivery services, quality assurance, and user-friendly interfaces.
- Traditional retailers should look into new ways to adapt to shifting consumer behaviours and tastes.
- Local firms should capitalize on community support and market their offerings to attract customers who value supporting local economies.

5.2.2 Policy implications

- Policymakers should encourage digital literacy projects in order to bridge the digital gap and improve access to internet services for all segments of society.
- To create trust and encourage greater usage, measures should be taken to ensure secure and seamless digital payment systems.

5.2.3 Marketing implications

- Marketers should use social influence and peer recommendations in their marketing tactics to develop trust and reach potential customers.
- Companies should consider their customers' emotional well-being and modify their offers to give stress relief, amusement, and emotional support.

5.3 RESEARCH LIMITATIONS AND FUTURE RECOMMENDATIONS

There are some limitations to this study that should be acknowledged. For starters, the study relied on qualitative data from a specific region, which may not reflect the whole range of consumer behaviours throughout India. Future research should use larger sample sizes and look into regional differences in customer behaviour.

Furthermore, the study relied heavily on self-reported data, which is susceptible to biases and social desirability effects. To acquire a more full knowledge of consumer behaviour during the pandemic, future research could use mixed-method approaches that combine qualitative and quantitative data.

Furthermore, the study concentrated on the immediate consequences of the COVID-19 epidemic. Future research should look into the long-term repercussions and probable persistence of the observed changes in consumer behaviour post-pandemic. Understanding the long-term consequences, as well as whether these behavioral changes will persist or revert to pre-pandemic levels, would give useful insights for businesses and governments.

Another area for future research is to look into specific techniques and interventions that may be used to help and improve persons' digital literacy, particularly those who may experience challenges in accessing online services. This would contribute to closing the digital divide and ensuring that all segments of society can benefit from the ease and opportunity provided by digital platforms.

Furthermore, comparison research across different nations or regions could provide a broader perspective on the pandemic's impact on consumer behaviour and reveal cross-cultural differences and similarities.

Finally, future research could focus on the influence of developing technologies such as artificial intelligence, virtual reality, and augmented reality in changing consumer behaviour. Understanding how these technologies can be integrated into online shopping experiences, entertainment platforms, and digital payment systems could provide new opportunities for businesses while also increasing consumer involvement.

Finally, this study gives light on the changes in consumer behaviour in India during the COVID-19 pandemic. The findings reveal a growing reliance on online channels for buying, digital payments, and entertainment, as well as changes in offline behaviour in terms of shopping habits and support for local companies. Health concerns, economic issues, digital literacy, social influence, and psychological well-being are all predictors of consumer behaviour.

The research's implications include businesses adapting their strategies to meet consumers' changing needs and preferences, policymakers addressing digital literacy and secure digital payment systems, and marketers leveraging social influence and prioritizing emotional well-being in their marketing efforts. Future research should address the study's shortcomings, investigate long-term consequences, and investigate particular treatments to enhance digital literacy as well as the influence of developing technologies in altering consumer behaviour.

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