IMPACT OF COVID19 ON PURCHASING DECISIONS OF CONSUMERS

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Abstract:

Vision of Paper:
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, consumer cannot go to the store, so the store comes to home. While consumers go back to old habits, it is likely that they will be modified by new regulations and procedures in the way consumers shop and buy products and services. New habits will also emerge by technology advances, changing demographics and innovative ways consumers have learned to cope with blurring the work, leisure, and education boundaries.

Research Methodology:
In this research project, we have used a survey method to find out the buying behavior of the consumers, before and after the pandemic. A structured questionnaire was conducted and was circulated among different age groups.

Findings:
The study states that, most people prefer online shopping post pandemic keeping in mind the safety. Instead of going to the stores and risking the lives, people have now switched to online mode of shopping.

Keywords:
Pandemic, covid19, shopping, buying, method, consumers, behaviour, online.
Introduction:

The uncontrolled spread of the COVID-19 epidemic exceeded all expectations. It was only on March 11 that the world health organization declared the disease a pandemic. Epidemics are not a novelty closely related to modern societies as they have been recorded since ancient times. Each epidemic has resulted in dramatic economic changes, regional and international policies, public morals, and citizens' attitudes. Most people contracted and became infected with the virus which is a frustrating country, as a result of which they are unable to provide much-needed medical care or to keep the wheel of the economy working and maintaining it and the community. Like any other epidemic, COVID-19 has undergone major changes at all levels of society today. All provinces; continents; regions; urban and rural communities; families; and finally, the thinking and lifestyle of each individual contributed to the epidemic. Most countries have slowed down production. Various industries and sectors are affected by this disease; these include the pharmaceutical industry, the solar energy industry, the tourism industry, the Information industry and electronics. The virus causes significant effects on the daily lives of citizens, as well as on the global economy.

According to Nielsen (2020b) there has been a record-breaking sale of healthcare products such as sanitizers and masks, as well as a negative impact that has led to a wide range of consumer purchases as the number of COVID-19 cases grows. Sales of toilet paper towels increased by 123% over the week ending March 21, 2020, compared to the same week last year. Also, according to Criteo (2020) US consumers began to buy their food online, with products such as rice, flour, and the sale of cooked beans increased by more than 400% compared to the first four weeks of January. This unusual buying behavior is the result of disasters

Objective:

The purpose of this study paper is to examine the impact of the Covid-19 epidemic on consumer behavior. Will consumers permanently change their use habits due to the closure and distance from the community or will they return to their old habits once the global crisis is over? Will there be new trends that consumers will experience as a result of new regulations related to air travel, shopping malls and attending concerts and sporting events? Will consumers find that going to the store or attending an event in person is a big burden, so it is best to let the store or event come home? To some extent, this has long been the case in sports and entertainment competitions on television and radio.
Therefore, the main purpose of this thesis is:

- expand the scope of consumer behavior as a forum by adding a consistent perspective on current literature on how the epidemic affects product choice in purchasing behavior

The second purpose of this thesis is to generate data that can be used by management to effectively manage during an epidemic.

**Literature**

Currently, many markets are in a state of uncertainty. COVID-19 has affected the world economically and socially. Considering the economic impact of the situation. Sales patterns have changed since this epidemic. The price of critical items such as toilet paper and hand sanitizers has gone up. In addition, Swedish supermarkets are facing stock problems. People buy food at a high price, and many products such as pasta and rice are sold and many shelves are left empty in supermarkets (Westerberg & Arvidson, 2020). Therefore, there are currently changes in the use and demand for products such as sanitizers, toilet paper and food, which may be due to the COVID-19 epidemic. Moreover, the economic impact did not rest on purchasing power. It also affected supply chains due to closed borders and changes in production. In addition, with a special focus on personal hygiene and food products, Sweden outside the country also faces the problem of empty personal hygiene shelves and food products in supermarkets, as they are the main products that people buy and collect.

Therefore, consumer behavior and the special purchase of personal hygiene and food products becomes an important and appropriate area to focus on in order to better understand consumer behavior in the epidemic, both from an educational and practical point of view. From an academic point of view, it is important to study due to the lack of solid research on consumer behavior in a crisis situation. In addition, the current textbooks on consumer behavior are focused on the financial crisis or the economic downturn, thus allowing the entire region to thrive by adding a non-financial perspective, and especially the epidemic. From a practical point of view, it is important to read as it will allow managers and supermarkets to understand how it works in the midst of the epidemic and which could turn into an investment opportunity. From an academic point of view, consumer behavior is a broad and well-developed field. There have been many studies done on the field of consumer behavior that include many different angles. However, there are important concepts within the arena. First, it plays a role in how behavior is constructed. The traditional view is that consumers are rational players who do what is considered their best interest and thus make sound decisions based on the collection of sufficient information that supports the choice in counter-buying will only happen if the consumer feels a strong enough outage. their way and use resources like time and money to visit the store and buy the product. However, the main criticism of this sudden purchase, which is debated as emotional response and thus irrational However, there is a contradiction to this which means that emotional responses are logical and 10 at the time of purchase was a wise
purchase decision. product to find emotional value in it (Bellini, Cardinal, & Grandi, 2017; Herrmann, Heitmann, Morgan, Henneberg, & Landwehr, 2009). In addition, previous studies have shown a link between nature and consumer behavior (Sneath, Lacey, & Kennett-Hensel, 2009). As a result, the global customer base becomes a priority. However, while essays and studies offer different findings and perspectives, they have one thing in common. All studies are conducted in a normal market or in a safe environment. When it comes to purchasing ethics and making decisions about disaster perceptions, many studies have focused on financial problems (namely, Ang, Leong, & Kotler, 2000; Gázquez-Abad, Martínez-López, & Esteban-Millat, 2017; Puellas, Diaz-Bustamante, & Carcalén, 2016) experienced changes during and after the crisis in purchasing consumers at discounted routes or independent types of supermarkets during the recession. This was due to financial uncertainty experienced during the crisis and changed the value of consumer purchases in terms of quality, thus forcing them to access affordable markets such as private store products (Ang, Leong, & Kotler, 2000; Puellas, Diaz-Bustamante, & Carcalén, 2016). On the other hand, in the current context of the COVID-19 epidemic there has been a shift in focus to quality as a preventative measure that works to try to reduce the risk of contracting the virus (Legget, 2020; Nielsen, 2020a). Moreover, this change in consumer behavior was driven and remained in the aftermath of the economic downturn. By providing consumers with new information with confidential labels in a supermarket, many find products that do not match their previous views of low-quality private products and thus continue to purchase products (Gázquez-Abad, Martínez-López, & Esteban-Millat, 2017). However, recession is only part of the problem. If we look at non-financial problems, it is obvious that a shortage of books. One article within a particular field of non-financial problems states Sneath et al. (2009) which studies consumer behavior of U.S. citizens affected by Hurricane Catrina, but due to obvious limitations this study was conducted after the disaster. Next, there is a shortage of research studies during the non-financial crisis. Finally, while the COVID-19 epidemic is similar to the financial crisis, implementing the Swedish perspective allows for greater focus on non-financial issues as their approach reduces the economic impact of the epidemic compared to other countries (Rolandet, 2020). As a result, there is a need for more research on consumer behavior during a disaster in order to improve understanding and expand the field. Another factor known for influencing the decision to buy a sales role (Degeratu, R.}
RESEARCH METHODOLOGY

RESEARCH DESIGN-
Research design is the framework of research methods and techniques chosen by a researcher. The design allows researchers to hone in on research methods that are suitable for the subject matter and set up their studies up for success.

RESEARCH DESIGN:

- By analysing the situation, I listed some questions.
- Gradually, I framed a general questionnaire.
- As I mentioned, that I would be sending the questionnaire through social media (whatsapp). I went through my contacts and categorized them in 3 category
  - Students
  - Private Job
  - Govt job
  - Self Employed
- After sending to all of them, I received 61 responses.

The data is collected through phone because it is the easiest medium to reach people. It is the easiest way to complete the survey. It is time saving. There are no limitations such as printing costs and time spent on distribution.

The scale used is Multiple Choice type and Simple answer type questions.

SAMPLING DESIGN AND PLAN:

- TARGET POPULATION- 100 Person of 18 or above 18
- SAMPLING UNIT USED- 61
- METHOD USED FOR SELECTING SAMPLE UNITS- NON PROBABLITY SAMPLING
- SAMPLE SIZE- 61
RESEARCH OBJECTIVES:

- To understand what types of product consumers preferred during pandemic.
- To understand brand preference of consumer during covid.
- To know what consumer preferred – Health or budget.
- To know from where consumers preferred to do shopping during lockdown.

EXPLORATORY RESEARCH

A structured questionnaire was used to collect relevant data pertaining to the said research. The study based on primary data. With the help of questionnaire, we conducted this survey via social networking sites from where we got the responses. The survey helped us a lot to gather the required data.

GENERAL AND SPECIFIC QUESTIONS:

In my research there are no specific questions. All of them are generally related to what brands or products consumers preferred to use during lockdown, with respect to this we prepared a questionnaire including following questions:

The specific objectives of the research are to answer the following questions:

- Which mode of shopping you prefer during Covid19 pandemic?
- Did Covid19 Pandemic force you to buy daily needs from local market?
- Which type of product you preferred during pandemic?
- Consumers are more fearful of the economic impact of Covid - 19 than for their health.
- Has pandemic changed your shopping preference permanently?
- What did you cared more about during shopping in pandemic?
- Has price dictated what brand of food and hygi products you buy during the pandemic?
- Have you tried more or less new brands then you would before the pandemic?
- Have you tried new brands of food or hygiene products during the pandemic?
- What factors are normally important in your brand choice for food and hygiene products, before the pandemic?
DATA ANALYSIS AND INTERPRETATION:

The gathering of data includes a variety of alternatives.

The method I used was the QUESTIONNAIRE method to collect the raw data.

Information gained from research should be as accurate as possible. The error which was found during the research was minimized by using some strategies.

Data analyze includes editing, reducing, minimizing, summarizing and applying techniques to interpret data.

Analysis of the survey is as follows-

![Gender Distribution](image)

I tried to take response from all the genders of society to understand purchasing behavior of everyone in the society.

![Age Group Distribution](image)

I included the age group from 18 as this is the age from where consumer generally becomes rational so they are good sample for my research.
I tried to take responses from sample who are single or in any marital status as purchasing behavior mostly depends on how we live.

Occupation plays an important role in deciding how you spend money for daily uses product, so I tried to take response from all the sectors.
Qualification also decides how you do shopping, so I tried to take responses from people from persons of educational background.

Which mode of shopping you prefer during Covid pandemic?

Online shopping has big market share these days and covid pandemic & lockdown boosted it a little more as public didn’t preferred to go out of the home so a major group of public preferred to get things online, so I took response regarding this to understand what consumers preferred during Lockdown.
During covid pandemic consumers didn’t had a lot of option to buy all the products they want as all the supermarkets, groceries, mall were closed during lockdown so consumers were left with the option is local markets.

Broadly consumers had option of locally made products but some of consumers continued to use their preferred brand, we can see the difference of preference from above graph.
During pandemic some consumers preferred health over budget and some preferred budget over health. By above graph we can see difference between the preference of consumers.

During pandemic some consumers started to use locally made products or other the products they were earlier using and now they started using the same products as their preference got changed.
This response shows that most of the consumers preferred their health over their budget during pandemic.

Have you tried more or less new brands then you would before the pandemic?

61 responses

- 31.1% Yes
- 68.9% No

This response shows that the consumers have tried new brands & products or not during the lockdown, by above graph we can see that a majority of public had tried new products.

**RESULTS**

**FINDINGS:**

- A majority of consumers preferred to purchase daily use items from online sites as this consumers considered safe as they don’t had to go out for shopping.
- The set of consumers who always did shopping from branded stores, super markets, groceries were also forced to buy from local markets as they were left with option only.
- During covid majority of consumers preferred local made products as this was easily accessible during lockdown.
- During covid almost every consumers preferred health over budget as health was most important during covid pandemic.
• Majority of consumers have changed their shopping preference permanently after lockdown but also group of consumers didn’t changed their preference and stick to their preferred brand.

• Majority of consumers had tried new brands or products they haven’t used earlier and also major group didn’t preferred to use new brands and products as they didn’t shown trust in new products.

**CONCLUSION**

Covid19 pandemic and lockdown was a such a situation which none of us has ever witness, we never seen such a drastic change in our life neither our older generations had any experience about this type of situation. Everything was just on hold, people were losing jobs, financial crisis was a major problem that we all dealt with. As the financial crisis hit the consumer behavior also changed as majorly consumers had changed their brand preference and the way of shopping. Inspite of preferring brand, consumers preferred value for money products, basically the products which were good in the budget of consumers were preferred. After using some new brands or products during lockdown, majority of the consumers have permanently shifted to newly used products.

**REFERENCE**

Links:
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Journals and Magazines: