# IMPACT OF COVID-19 ON CONSUMER BEHAVIOUR

#### IMPACTO DE COVID-19 EN EL COMPORTAMIENTO DEL CONSUMIDOR

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#### **ABSTRACT**

A deadly virus has forced entire mankind to be confined to their homes. While many businesses were permanently shut, most others are still trying to sustain this less profit-generating period. Numerous workers are facing pay-cuts or job loss. This theoretically implies a major impact on the economies of countries with purchasing power of customers reduced due to lower income and supply chain disruption due to strict curbs. However, industries based on Information Technology, e-commerce, dairy products etc, thrived and continued to meet consumers' demands.

This particular study aims to analyze the impact of COVID-19 on consumer behavior. The impact shall be studied with respect to various parameters such as gender, age, income etc of consumers.

**Keywords**: Consumer behavior; COVID-19; lockdown; impact.

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#### RESUMEN

Un virus mortal ha obligado a toda la humanidad a estar confinada en sus hogares. Si bien muchas empresas cerraron permanentemente, la mayoría de las demás todavía están tratando de mantener este período de menor generación de ganancias. Numerosos trabajadores se enfrentan a recortes salariales o pérdida de empleo. En teoría, esto implica un impacto importante en las economías de los países con un poder adquisitivo de los clientes reducido debido a la disminución de los ingresos y la interrupción de la cadena de suministro debido a restricciones estrictas. Sin embargo, las industrias basadas en la tecnología de la información, el comercio electrónico, los productos lácteos, etc. prosperaron y continuaron satisfaciendo las demandas de los consumidores. Este estudio en particular tiene como objetivo analizar el impacto de COVID-19 en el comportamiento del consumidor. El impacto se estudiará con respecto a varios

Palabras clave: comportamiento del consumidor; COVID-19; bloqueo; impacto.

parámetros como el sexo, la edad, los ingresos, etc. de los consumidores.

### INTRODUCTION

The spread of COVID-19 triggered the need for imposing lockdowns worldwide. Governments of numerous nations imposed restrictions on human movement to curb the spread of the virus. International borders were closed, and within the country, only essential services were permitted to operate.

A large section of the workforce had to take pay cuts due to lower economic turn-overs while many people lost their jobs. Businesses were shut, the manufacture of products was halted, and the transport was hindered due to strict lockdown rules. However, e-commerce activities were allowed.

Earlier, several outdoor activities such as sports, social and religious gatherings were held. All such activities were either banned or had to be carried out under strict social-distancing norms. Cinema halls, shopping malls, restaurants, and educational institutions were shut. Industries relating to these sectors were affected.

On the other hand, medical and hygiene products gained focus of the masses. Use of equipment such as Personal Protection Equipment (PPE) kits, surgical and N-95 masks, surgical gloves, sanitizers increased and so did increase their production.

A number of non-essential products such as books, furniture, electronics and footwear could be purchased only through e-commerce portals while manufacture of vehicles was completely stopped. Many industries, which could, shifted to work-from-home culture, some permanently.

All these instances prompt observable changes in consumer behaviour which shall be studied through the course of this research paper.

# LITERATURE REVIEW

Chukwu et al (2019) in their study claim that buying behaviour of consumers is impacted by several emotional, psychological and physical factors. These factors may include availability of alternative products, the prices of alternative products and income of the consumer.

According to Valaskova et al (2015) buying behaviour of customers is largely influenced by the social norms and their personal economic condition.

Laato et al's (2020) research shows that consumers were forced to shift to alternative brands due to unavailability of certain goods of certain brands during the pandemic, majorly because of hoarding of commodities.

Gulf News (2020) reported that sudden announcements of restrictions due to COVID-19 led to panic buying which then led to shortage of commodities in markets. A number of essential goods ran out of stock.

Tanveer et al (2020) have suggested that decrease in national average income during lockdown has resulted in a lag in supply chain.

McKinsey and Co.'s study in 2020 revealed that expenditure on expensive cosmetics decreased by 15% and people invested up to 14% more on self-care products during the pandemic in India.

#### **OBJECTIVES**

- 1. To examine the impact of Covid-19 pandemic on consumer behaviour.
- 2. To study and analyse the impact of age and gender influencing behaviour of consumers before lockdown, during lockdown and during unlock
- 3. To analyze the consumers attitude towards COVID -19 impact on the buying behaviour

# **HYPOTHESES**

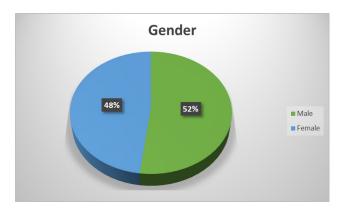
- 1. The age of respondents has no significant effect on various aspects of consumer behaviour during Covid 19 pandemic
- 2. The gender of respondents has no significant effect on various aspects of consumer behaviour during Covid 19 pandemic

# RESEARCH METHODOLOGY

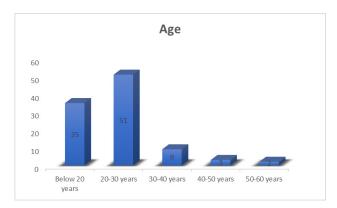
The present study is mainly descriptive research which focuses on change in the purchase behaviour of customers during Covid 19 pandemic. The sampling unit taken is respondents of different age groups, gender, and locations. The sample size taken for study is 100

and sampling technique used is convenience sampling. Primary data was collected using structured questionnaire method.

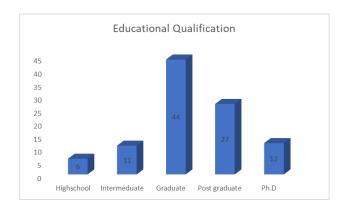
## **DATA ANALYSIS**



The the demographic characteristics respondents show that most of the respondents were males (52%) and 48% were females.



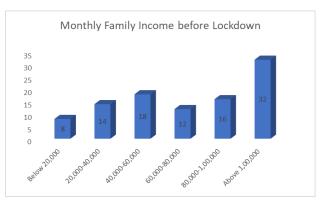
A majority of the respondents (51%) were aged 20 to 30 years while 35% of them were aged 20 or below. The percentages of respondents lying in the 30-40 years, 40-50 years and 50-60 years are 9, 3 and 2 respectively.



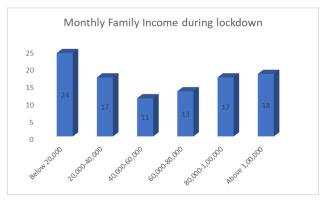
44% of the respondents were graduates, 27% postgraduates and 12% had doctorates. The pool also consisted of 11% and 6% pupils who had completed their intermediate and high school education respectively.



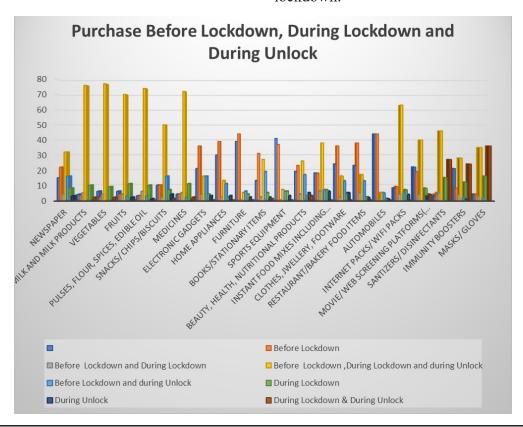
81% of the respondents were students while 12% were employed in private sector. 3% of the respondents had their own business and 1% were employed in public sector. 3% had some other occupation.



32% of the respondents' family income was more than INR 1,00,000 per month before lockdown.



Only 18% of the respondents' family income was more than INR 1,00,000 per month during lockdown.



From the data it was seen that purchase for certain products there was no change in the purchase behaviour of customers like milk & milk products, vegetables, fruits, pulses, flour, spices, edible oils, snacks, chips & biscuits. Purchase decreased for certain products like newspaper, furniture, electronic gadgets, home appliances, books/ stationary, sports items, beauty, products, clothes, jewellery, foot wares, automobiles, restaurants etc Purchase increased for certain products like Medicines, Immunity boosters, masks, gloves, Internet/net packs, health & nutritional products, sanitizers, disinfectants etc.

	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree	Mean
You have reduced the number of shops you visit after lockdown	0	1	4	25	70	4.64
You have increased purchasing goods from nearby shops	5	2	18	30	45	4.08
You have increased purchasing goods online	6	6	21	37	30	3.79
You prefer buying goods from local markets compared to malls	3	6	12	30	49	4.16
You have purchased non- essential goods 3	12	18	33	24	13	3.08
You have experienced shortage of goods in shops	4	7	17	37	35	3.92
Restaurant/ bakery products are safe for consumption	10	15	43	22	10	3.07
You have started spending more on sanitizers/disinfectants	2	1	17	39	41	4.16
You have stocked more products 2 which 5wise I wouldn't have	3	10	25	38	24	3.70
Your overall expenditure has increased 2	3	10	31	33	23	3.63
Your purchase 2 consists mostly of food items	3	1	18	34	44	4.15
Your internet usage has increased 2	3	0	10	16	71	4.52

Most respondents (95%) agreed that they have reduced the number of visits to shops. 75% people had started going to nearby shops for purchase off goods. 67% respondents accepted that they had begun buying goods from e-commerce websites. 79% preferred purchasing goods from local markets as compared to shopping malls. 37% had purchased non-essential goods during lockdown while 33% were neutral about it. 72% people felt that they had experienced shortage of goods in shops. Upto 43% people had no specific opinion regarding whether they considered

bakery products safe for consumption. 80% of the respondents agreed spending more on sanitizers/disinfectants during lockdown. Up to 62% people had stocked goods which they otherwise wouldn't have. 56% respondents felt that their overall expenditure increased during the pandemic. 78% people's view was that their purchase mostly consisted of food items during lockdown. A majority of 87% people were of the view that their internet consumption had increased significantly.

# HYPOTHESIS TESTING

S.N	Hypothesis	Chi-square	Value	Degrees of freedom	Decision
1	There is no significant relationship between Gender and Purchase of Newspaper	Chi-square	3.052	6	Accepted
2	There is no significant relationship between Gender and Purchase of milk and milk products	Chi-square	3.79	5	Accepted
3	There is no significant relationship between Gender and Purchase of vegetables	Chi-square	1.737	5	Accepted
4	There is no significant relationship between Gender and Purchase of fruits	Chi-square	9.67	6	Accepted
5	There is no significant relationship between Gender and Purchase of Pulses/flour/spices/edible oil	Chi-square	5.636	6	Accepted
6	There is no significant relationship between Gender and Purchase of Snacks/chips/biscuits	Chi-square	14.605	7	Rejected
7	There is no significant relationship between Gender and Purchase of Medicines	Chi-square	9.183	6	Accepted
8	There is no significant relationship between Gender and Purchase of Electronic gadgets	Chi-square	3.17	6	Accepted
9	There is no significant relationship between Gender and Purchase of Home appliances	Chi-square	3.839	6	Accepted

10	There is no significant relationship between Gender and Purchase of Furniture	Chi-square	8.058	5	Accepted
11	There is no significant relationship between Gender and Purchase of Books/ stationary items	Chi-square	8.607	7	Accepted
12	There is no significant relationship between Gender and Purchase of sports items	Chi-square	8.54	5	Accepted
13	There is no significant relationship between Gender and Purchase of beauty/health/nutritional products	Chi-square	7.461	7	Accepted
14	There is no significant relationship between Gender and Purchase of Instant food mixes including instant noodles	Chi-square	7.659	6	Accepted
15	There is no significant relationship between Gender and Purchase of clothes/jewellery/footwear	Chi-square	10.758	6	Accepted
16	There is no significant relationship between Gender and Purchase of Restaurants/ bakery food items	Chi-square	6.359	6	Accepted
17	There is no significant relationship between Gender and Purchase of Automobiles	Chi-square	8.235	6	Accepted
18	There is no significant relationship between Gender and Purchase of Internet packs/ Wi-Fi packs	Chi-square	18.59	6	Rejected
19	There is no significant relationship between Gender and Purchase of Movie/ web screening platforms (amazon. Netflix etc)	Chi-square	16.151	6	Rejected
20	There is no significant relationship between Gender and Purchase of sanitizers/ disinfectants	Chi-square	12.868	5	Rejected
21	There is no significant relationship between Gender and Purchase of immunity boosters	Chi-square	8.186	7	Accepted
22	There is no significant relationship between Gender and Purchase of masks/gloves	Chi-square	3.686	6	Accepted

When association of Gender was checked with purchase of different products it was seen that there was no significant relationship with purchase of newspaper, milk & milk products, vegetables, fruits, pulses, Flour, spices, edible oil, medicines, electronic gadgets, home appliances, furniture, books , stationary, sports items, beauty, health, nutritional products, instant food mixes, clothes, jewelry, foot wares, restaurants, bakery food items, automobiles, immunity boosters, masks & gloves. Chi-square test was used to study the association of these items with gender. Since the calculated value was less than the table value at 5% level of significance null hypothesis was accepted. Significant association was seen for purchase of snacks, chips, biscuits, internet packs, movies, Wi-Fi packs/ net packs, web streaming services like Netflix, amazon, sanitizers and disinfectants with the gender since the calculated value of Chi-square was greater than the table value.

S.N	Hypothesis	Chi-square	Value	Degrees of freedom	Decision
1	There is no significant relationship between Age and Purchase of Newspaper	Chi-square	31.434	20	Rejected
2	There is no significant relationship between Age and Purchase of milk and milk products	Chi-square	14.558	20	Accepted
3	There is no significant relationship between Age and Purchase of vegetables	Chi-square	21.899	20	Accepted
4	There is no significant relationship between Age and Purchase of fruits	Chi-square	31.751	20	Rejected
5	There is no significant relationship between Age and Purchase of Pulses/ flour/spices/edible oil	Chi-square	22.081	20	Accepted
6	There is no significant relationship between Age and Purchase of Snacks/ chips/biscuits	Chi-square	24.339	20	Accepted
7	There is no significant relationship between Age and Purchase of Medicines	Chi-square	17.878	20	Accepted
8	There is no significant relationship between Age and Purchase of Electronic gadgets	Chi-square	14.458	20	Accepted
9	There is no significant relationship between Age and Purchase of Home appliances	Chi-square	35.62	20	Rejected

10	There is no significant relationship between Age and Purchase of Furniture	Chi-square	11.95	20	Accepted
11	There is no significant relationship between Age and Purchase of Books/ stationary items	Chi-square	17.493	20	Accepted
12	There is no significant relationship between Age and Purchase of sports items	Chi-square	17.796	20	Accepted
13	There is no significant relationship between Age and Purchase of beauty/ health/nutritional products	Chi-square	21.143	20	Accepted
14	There is no significant relationship between Age and Purchase of Instant food mixes including instant noodles	Chi-square	27.798	20	Accepted
15	There is no significant relationship between Age and Purchase of clothes/ jewellery/footwear	Chi-square	19.981	20	Accepted
16	There is no significant relationship between Age and Purchase of Restaurants/ bakery food items	Chi-square	19.63	20	Accepted
17	There is no significant relationship between Age and Purchase of Automobiles	Chi-square	11.879	20	Accepted
18	There is no significant relationship between Age and Purchase of Internet packs/ Wi-Fi33 packs	Chi-square	26.539	20	Accepted
19	There is no significant relationship between Age and Purchase of Movie/ web screening platforms (amazon. Netflix etc)	Chi-square	20.116	20	Accepted
20	There is no significant relationship between Age and Purchase of sanitizers/ disinfectants	Chi-square	27.416	20	Accepted
21	There is no significant relationship between Age and Purchase of immunity boosters	Chi-square	23.0125	20	Accepted
22	There is no significant relationship between Age and Purchase of masks/ gloves	Chi-square	38.129	20	Rejected

Chi-square test was used to check the relationship between age and purchase of different products. Findings showed that there was no significant relationship of age with purchase of products like milk & milk products, vegetables, pulses, Flour, spices, edible oil, medicines, electronic gadgets, furniture, books, stationary, sports items, beauty, health, nutritional products, instant food mixes, clothes, jewellery, foot wares, restaurants, bakery food items, automobiles, immunity boosters Further findings showed that significant relationship exist for products like newspaper, fruits, home appliances, masks & gloves

### **CONCLUSION**

It was seen that there was a drastic shift in the consumer behaviour and purchase habits of customers during Covid-19 pandemic and most of these changes would continue in the post pandemic period also. It was seen that the purchase of basic need items had no change in the before lockdown, during lockdown and during unlock period like milk & milk products, vegetables, fruits, pulses, flour, spices, edible oils, snacks, chips & biscuits. Purchase decreased for certain products like newspaper, furniture, electronic gadgets, home appliances, books/ stationary, sports items, beauty, products, clothes, jewellery, footwear, automobiles, restaurants etc during lockdown period. Purchase increased for certain products like Medicines, Immunity boosters, masks, gloves, Internet/net packs, health & nutritional products, sanitizers, disinfectants etc. This shows that people are more concerned about the health & sanitization products. During lockdown the consumption of net packs and internet increased as many people started work from home jobs and education.

In order to test the association of Gender with purchase of different products Chi square test was used and it was seen that there was no significant relationship with purchase of newspaper, milk & milk products, vegetables, fruits, pulses, Flour, spices, edible oil, medicines, electronic gadgets, home appliances, furniture, books, stationary, sports items, beauty, health, nutritional products, instant food mixes, clothes, jewellary, foot wares, restaurants, bakery food items, automobiles, immunity boosters, masks & gloves. Significant association was seen for purchase of snacks, chips, biscuits, internet packs, movies, Wi-fi packs/ net packs, web streaming services like Netflix, Amazon, sanitizers, and disinfectants with the gender

When relationship between age and purchase of different products was seen, findings showed that there was no significant relationship of age with purchase of products like milk & milk products, vegetables, pulses, Flour, spices, edible oil, medicines, electronic gadgets, furniture, books, stationary, sports items, beauty, health, nutritional products, instant food mixes, clothes, jewellary, foot wares, restaurants, bakery food items, automobiles, immunity boosters Further findings showed that significant relationship exist for products like newspaper, fruits, home appliances, masks & gloves

It was found that number of visits to shops and malls was reduced as respondents purchase from nearby shops and e-commerce websites. Respondents have reduced purchasing nonessentials goods and stocked essential items in panic which mostly included food items. The expenditure on sanitizers, disinfectants and internet and overall expenditure have increased during the pandemic It can be concluded that as the income of the respondents was low in the lockdown period so respondents are spending only on basic utility items and are restricting their purchases for other items. They are ready to spend any amount for health and sanitization related products. Consumption of internet related things have increased as this is required to continue their jobs and studies. It is expected that these changes are likely to continue in future also.

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