



ORIGINAL RESEARCH PAPER

Management

A STUDY ON THE IMPACT OF COVID-19 PANDEMIC ON THE ONLINE BUYING BEHAVIOUR OF CONSUMERS

KEY WORDS: covid 19, online buying behavior, e-commerce, social media

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ABSTRACT

As a developing country, we are embracing new technologies while keeping our customers in mind. However, the covid-19 pandemic had a significant impact on the entire country. The people's ability to satisfy their needs and desires would be harmed by the unexpected shutdown. The streets are deserted, and the stores are closed. As a result, individuals are adopting new technology, virtual platforms, and social media engagement. They make their purchases using an e-commerce platform. Each customer's perception and online buying behavior are likewise monitored by the companies. With the use of the relative importance index, we are analyzing how social media, advertisements, celebrities, and other factors are influencing consumers' online buying behavior during the covid-19 outbreaks.

INTRODUCTION

Billions of people were affected by the COVID-19 pandemic are driving a "historic and dramatic shift in consumer behaviour"-according to the latest research from PwC. Consumers shift to digital channels will remain after the pandemic -PwC report.

Physical distancing and stay-at-home orders had forced the customers to move to a different kind of shopping which continues to increase especially in the essentials and home entertainment categories. Moreover, customer loyalty has plummeted with buyers switching brands at unprecedented rates and the use of smartphones for online shopping has more than doubled since 2018. The purchase intention positively influenced online shopping behavior. Not high-income earners are in the lead when it comes to online shopping but middle salaried low-income based families are included in the online purchase of products during the covid-19 pandemic time. As the situation is like this, the brands need to ensure strong availability and also convey values. A strong need to follow hygiene values is also equally important. As people are doing more at their homes than before, they choose online shopping because they want the ability to choose between online or in-person shopping at any time.

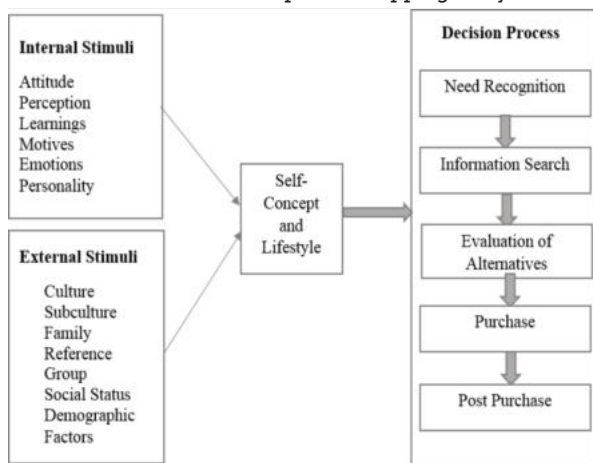
The first stage of the online buying decision process is considered the need for recognition. For example, in pandemic times people are sitting inside their rooms. They have an intention to buy the food while online. So this intention would be formed as the need for recognition. After the first stage, people try to search for the availability of resources. If they satisfy their needs eventually they also search for an alternative (comparing price, quality, delivery time, etc.). In addition to the evaluation of alternatives, the consumer comes up with a solution. The outcome will be the form of purchase. Furthermore, if the consumer is satisfied with the product they will automatically turn to post-purchase behavior. In this study, we are analyzing how the consumers buying behavior during the outbreak of a covid pandemic.

Literature Review

KatarinaValaskova et.al (2021) in their study "Changes in Consumer's purchase patterns as a consequence of the Covid 19 pandemic" examined how the pandemic has affected consumer behavior including consumer's investment, expenses, financial and social wellbeing, etc. They collected around 425 responses and did a Pearson's chi-square test to find out the important factors impacting the consumer's financial situations and the trend in new shopping habits. They concluded that the new buying behavior is mainly because of the uncertainty caused by the covid 19 pandemic. Restricted movement of the population has made the shift to digital technologies. The changes are affected mostly by age, income, and sector of occupation, but the gender of respondents didn't play a significant role.

Rashed Alhaimer (2021) in the article "Fluctuating attitudes and behavior of customers towards online shopping in the times of emergency: The case of Kuwait during the covid-19 pandemic explains the risk factors that alter the online Shopping behavior in Kuwait during the pandemic. He collected over 385 responses via online questionnaires and analyzed the data using AMOS 21. He found out that risk severity, risk susceptibility, and risk of formal penalties positively affected consumers' online buying attitudes in product risk, financial risk, and non-delivery risks had no such effect on it. They showed how different online shopping is in normal non-emergency times with that from emergency times like covid 19 pandemic.

Adolfo Di Crosta et.al (2021) in the study " Psychological factors and Consumer behavior during the covid 19 pandemic" tells about the unpredictable change that occurs in the way people live or in their lifestyle. The scenario has heavily impacted the spending level of individuals, their working habits, etc. Consumer priorities have become centered on basic needs including hygiene, food, and cleaning products. The pandemic changed the consumption



Online Consumer Buying Process

The online buying process arises from two stimuli called internal stimuli and external stimuli. The internal stimuli are formed by the internal conception of the consumer can be in the form of attitude, learnings, perception towards the product, Personality, and emotion. While the external stimuli are formed by the consumer's culture, subculture, Family, reference group, Social Status, and demographic factors. The intention of these stimuli will lead to a change in the self-concept and lifestyles of the consumer.

pattern and the uncertainty experienced during the pandemic negatively impacted the consumer behavior of Italian workers. The authors studied the psychological antecedents during the pandemic and highlighted that as a result, the consumption of non-necessary products increased. Stress is a factor that affects these changes and depressive mood can be related to severe dysfunctional aspects of consumer behavior such as impulsivity and compulsivity

Samuli Laato (2020) in the article "Unusual purchasing behavior during the early stages of the covid 19 pandemic: The stimulus - organism - response approach", collected almost 211 responses via an online survey and did an analysis using PLS-SEM and found a strong link exists between self-intention to self-isolation and intention to make unusual purchases. They used the S-O-R model to understand the reasons for influencing individuals' intention to self-isolate intention to make unusual purchases. They studied the unusual retail consumer behavior such as hoarding toilet papers and food during the covid 19 pandemic due to the high risk of quarantine and because of the fear of causing factories to halt production and global disruption of the supply chain.

Dian Novita et.al (2020) in the article "Behavioral Intention Towards Online Food Delivery (OFD) services (the study of consumer behavior during pandemic covid 19) analyzed the correlation between convenience motivation and behavioral intention during the online food delivery system. They used sampling techniques to analyze the online food delivery services. They collected almost 209 responses. The 4 variables they used in the research are Time Saving Orientation (TSO), Prior Online Purchase Experience (POPE), Convenience Motivation (CM), and behavioral intention toward OFD services(BI) finally revealing that there is a positive relationship between convenience motivation and behavioral intention towards OFD services.

Yuvika Gupta et.al (2020) in the article "To study the impact of instafamous celebrities on the consumer buying behavior "found out that Instagram is the most popular social networking application in the world. Social influencers play a major role in the shifting of consumers' buying behavior in online buying. Using social media influencers in communication and marketing campaigns has grown in popularity in almost all industries such as beauty/fashion, health /fitness, food/ beverage, home/family, etc. Through this study, they found out about the factors that affect consumer buying concerning Instagram. As social media has drastically transformed the means of information sharing, the study investigates the credibility of Instagram celebrities in consumer buying behavior.

Vivek S Kanade (2018) in the research article predicting consumer behavior in online purchase decision making " explains that consumer behavior is a process of consumer psycho which helps in understanding how the decision is made in the purchase of either online or offline. 4 Ps of marketing is considered to be important while doing an offline buying whereas a detailed knowledge about the website and how to attract customers. It is also important to note how consumers react to new technology and innovative marketing practices adopted by online retailers and analyzed the factors affecting every stage of the online consumer decision-making process descriptively.

Gloriya Agustiningsih et.al (2017) in the article "Mapping of Indonesian Consumer Behavior on social media - Netnography study of online Shopping Behavior on social media for improving Medium and Small Manufacturing Enterprises in Indonesia "talks about the increasing MSMEs push in the state minister cooperativesrative, small and medium enterprises to encourage their performance. They use a Netnography method for mapping online consumer

behavior. They collected the primary data by observing the online interaction between consumers and sellers and then analyzed it using Philip Kotler's consumer behavior model as well as Kozinet's online consumer model.

Statement OfThe Problem

This study aims to study the impact of the covid-19 pandemic on the online buying behavior of consumers and how they are adapting to the new changes in online purchases concerning consumer buying behavior. Also, analyze the gap between customer expectation and customer satisfaction of the online purchasing product.

Objective OfThe Study

- To study the online consumer buying behavior during the covid outbreaks
- To study the decision-making process of online consumer purchase
- To study the consumer preference toward different products
- To study which are factors considered while purchasing online
- To study the brand and advertisement influences that affect the online buying decision process

Methodology

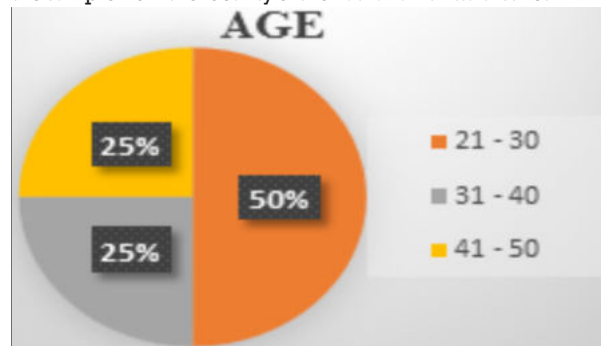
We have collected 100 responses from each locality of Mallappally and Manarcad of the district – Kottayam, and Pathanamthitta. Data collection was carried out from February 2022 to March 2022 through stratified random sampling. The questionnaire was designed according to the ordinal scale method. The questions were measured on a 5-point Likert scale from 1-strongly disagree and 5- strongly agree. Concerning Likert scales, the study was concluded with the help of a relative important index. Furthermore, some questions were measured as "yes" or "no".

Comparative Study

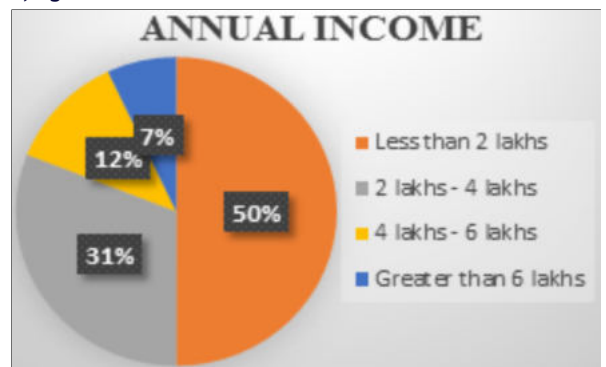
I. Pathanamthitta District

Demographic Factors

The demographic factors include age, annual income, gender, education, social class, etc. in this we have collected the sample from the locality of the Pathanamthitta district.



a) Age



b) Annual Income



Products That Were Bought Online Since The Start Of The Covid Outbreak

Ordinal Scale

In this study, we have used the 5-point Likert scale for the respective questionnaire (5-Strongly agree, 4-Agree, 3-Neutral, 2-Disagree, and 1-Strongly disagree). The table below shows the number of respondents with their perceptions of online shopping during the Covid pandemic.

Ordinal Scale

| Questions | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|---|----------------|-------|---------|----------|-------------------|
| During the coronavirus outbreak, I shopped online for the first time. | 2 | 11 | 12 | 33 | 42 |
| During the coronavirus outbreak, I have increased online shopping. | 10 | 43 | 33 | 8 | 6 |
| During the coronavirus outbreak, I decreased my online shopping. | 0 | 6 | 47 | 29 | 18 |
| After the end of the outbreak, I expect online spending on items besides groceries to change. | 2 | 22 | 49 | 19 | 8 |
| I believe the price has influenced my online purchase | 15 | 54 | 19 | 6 | 6 |

| | | | | | |
|--|----|----|----|----|----|
| I believe Product's brand reputation has influenced my online purchase | 12 | 54 | 23 | 7 | 4 |
| I believe the Online store's reputation has influenced my online purchase | 10 | 57 | 23 | 8 | 2 |
| I believe fast and convenient delivery has influenced my online purchase. | 13 | 47 | 28 | 8 | 4 |
| I believe the website's friendliness has influenced my online purchase. | 6 | 29 | 6 | 10 | 49 |
| While shopping for a product in an online store, I would like to click an ad showing a similar product at a lower price from a competitor's store. | 4 | 33 | 22 | 33 | 8 |
| Does celebrity influence your online shopping? | 0 | 14 | 20 | 44 | 22 |
| Does advertisement influence online buying behavior? | 2 | 42 | 28 | 14 | 4 |

Relative Important Index

The Relative Importance Index (RII) is used to determine the relative importance of the quality factors involved. The points of the Likert scale used are equal to the value of W, with weighting given to each factor by the respondent. The Relative Importance Index (RII) was calculated by using the equation.

$$5n_5 + 4n_4 + 3n_3 + 2n_2 + 1n_1$$

$$\text{Relative Important Index} = \frac{A * N}{A * N}$$

- n_5 = Number of respondents for Strongly Agree
- n_4 = Number of respondents for Agree
- n_3 = Number of respondents for Neutral
- n_2 = Number of respondents for Disagree
- n_1 = Number of respondents for Strongly Disagree
- A = Highest Weight
- N = Total number of respondents

Relative Important Index

| Questions | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree | Total | Total Number(N) | A*N | RII | Rank |
|--|----------------|-------|---------|----------|-------------------|-------|-----------------|-----|-------|------|
| I believe the price has influenced my online purchase | 75 | 216 | 57 | 12 | 6 | 366 | 100 | 500 | 0.732 | 1 |
| I believe the Online store's reputation has influenced my online purchase | 50 | 228 | 69 | 16 | 2 | 365 | 100 | 500 | 0.73 | 2 |
| I believe Product's brand reputation has influenced my online purchase | 60 | 216 | 69 | 14 | 4 | 363 | 100 | 500 | 0.726 | 3 |
| I believe fast and convenient delivery has influenced my online purchase. | 65 | 188 | 84 | 16 | 4 | 357 | 100 | 500 | 0.714 | 4 |
| During the coronavirus outbreak, I have increased online shopping. | 50 | 172 | 99 | 16 | 6 | 343 | 100 | 500 | 0.686 | 5 |
| Does advertisement influence online buying behavior? | 10 | 168 | 84 | 28 | 4 | 294 | 100 | 500 | 0.588 | 6 |
| While shopping for a product in an online store, I would like to click an ad showing a similar product at a lower price from a competitor's store. | 20 | 132 | 66 | 66 | 8 | 292 | 100 | 500 | 0.584 | 7 |
| After the end of the outbreak, I expect online spending on items besides groceries to change. | 10 | 88 | 147 | 38 | 8 | 291 | 100 | 500 | 0.582 | 8 |
| During the coronavirus outbreak, I decreased my online shopping. | 0 | 24 | 141 | 58 | 18 | 241 | 100 | 500 | 0.482 | 9 |
| I believe the website's friendliness has influenced my online purchase. | 30 | 118 | 18 | 20 | 49 | 235 | 100 | 500 | 0.47 | 10 |

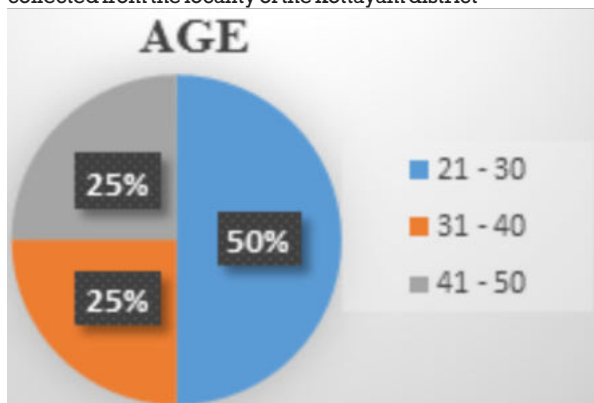
| | | | | | | | | | | |
|---|----|----|----|----|----|-----|-----|-----|-------|----|
| Does celebrity influence your online shopping? | 0 | 56 | 60 | 88 | 22 | 226 | 100 | 500 | 0.452 | 11 |
| During the coronavirus outbreak, I shopped online for the first time. | 10 | 44 | 36 | 66 | 42 | 198 | 100 | 500 | 0.396 | 12 |

Interpretation

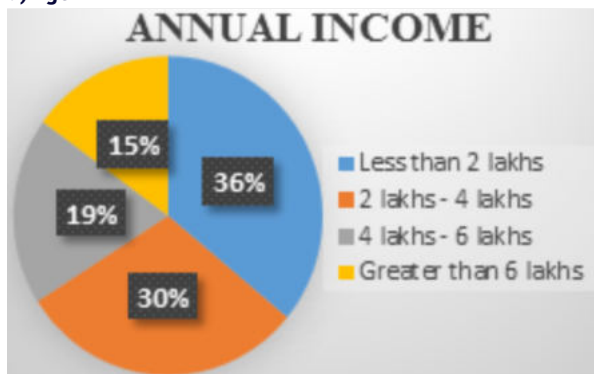
Based on these ranking results, the price that has influenced the online purchase has the greatest ranking for online purchasing behavior of consumers (RII = 0.732). They shopped online for the first time during the coronavirus outbreak, which is of lesser importance (RII = 0.396).

II. Kottayam District Demographic Factors

The demographic factors include age, education, gender, annual income, social class, etc. The same ratio of responses is collected from the locality of the Kottayam district



a) Age



b) Annual Income



Products That Were Bought Online Since The Start Of A

Relative Important Index

| Questions | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree | Total | Total Number(N) | A*N | RII | Rank |
|--|----------------|-------|---------|----------|-------------------|-------|-----------------|-----|------|------|
| I believe the price has influenced my online purchase | 50 | 284 | 45 | 4 | 2 | 385 | 100 | 500 | 0.77 | 1 |
| I believe Product's brand reputation has influenced my online purchase | 60 | 220 | 63 | 20 | 2 | 365 | 100 | 500 | 0.73 | 2 |
| I believe the website's friendliness has influenced my online purchase | 70 | 192 | 78 | 16 | 4 | 360 | 100 | 500 | 0.72 | 3 |

Covid Outbreak

Ordinal Scale

| Questions | Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |
|--|----------------|-------|---------|----------|-------------------|
| During the coronavirus outbreak, I shopped online for the first time. | 2 | 10 | 8 | 37 | 43 |
| During the coronavirus outbreak, I have increased online shopping. | 24 | 35 | 19 | 16 | 6 |
| During the coronavirus outbreak, I have decreased online shopping | 0 | 12 | 21 | 43 | 24 |
| After the end of the outbreak, I expect online spending on items besides groceries to change. | 2 | 22 | 58 | 10 | 8 |
| I believe the price has influenced my online purchase | 10 | 71 | 15 | 2 | 2 |
| I believe Product's brand reputation has influenced my online purchase | 12 | 55 | 21 | 10 | 2 |
| I believe the Online store's reputation has influenced my online purchase | 12 | 50 | 27 | 5 | 6 |
| I believe in fast and convenient delivery has influenced my online purchase | 15 | 48 | 27 | 6 | 4 |
| I believe the website's friendliness has influenced my online purchase | 14 | 48 | 26 | 8 | 4 |
| While shopping for a product in an online store, I would like to click an ad showing a similar product at a lower price from a competitor's store? | 6 | 44 | 28 | 17 | 5 |
| Does celebrity influence your online shopping? | 4 | 20 | 15 | 41 | 20 |
| Does advertisement influence online buying behavior? | 4 | 31 | 25 | 26 | 14 |

| | | | | | | | | | | |
|--|-----|-----|-----|----|----|-----|-----|-----|-------|----|
| I believe the Online store's reputation has influenced my online purchase | 60 | 200 | 81 | 10 | 6 | 357 | 100 | 500 | 0.714 | 4 |
| During the coronavirus outbreak, I have increased online shopping. | 120 | 140 | 57 | 32 | 6 | 355 | 100 | 500 | 0.71 | 5 |
| I believe in fast and convenient delivery has influenced my online purchase | 60 | 192 | 81 | 12 | 4 | 349 | 100 | 500 | 0.698 | 6 |
| While shopping for a product in an online store, I would like to click an ad showing a similar product at a lower price from a competitor's store? | 30 | 176 | 84 | 34 | 5 | 329 | 100 | 500 | 0.658 | 7 |
| After the end of the outbreak, I expect online spending on items besides groceries to change. | 10 | 88 | 174 | 20 | 8 | 300 | 100 | 500 | 0.6 | 8 |
| Does advertisement influence online buying behavior? | 20 | 124 | 75 | 52 | 14 | 285 | 100 | 500 | 0.57 | 9 |
| Does celebrity influence your online shopping? | 20 | 80 | 45 | 82 | 20 | 247 | 100 | 500 | 0.494 | 10 |
| During the coronavirus outbreak, I have decreased online shopping | 0 | 48 | 63 | 86 | 24 | 221 | 100 | 500 | 0.442 | 11 |
| During the coronavirus outbreak, I shopped online for the first time. | 10 | 40 | 24 | 74 | 43 | 191 | 100 | 500 | 0.382 | 12 |

Interpretation

Based on these ranking results, the price that has influenced the online purchase has the greatest ranking for online purchasing behavior of consumers (RII = 0.77). They shopped online for the first time during the coronavirus outbreak, which is of lesser importance (RII = 0.382).

Findings

| Rank | Pathanamthitta District | Kottayam District |
|------|---|---|
| 1 | Price has influenced the online buying behavior | Price has influenced the online buying behavior |
| 2 | The online store's reputation has influenced the online buying behavior | The product's brand reputation has influenced the online buying behavior |
| 3 | The product's brand reputation has influenced the online buying behavior | They believed the website's friendliness has influenced my online purchase |
| 4 | Fast and convenient delivery has influenced the online buying behavior | The online store's reputation has influenced the online buying behavior |
| 5 | They have increased online shopping since the coronavirus outbreak | They have increased online shopping since the coronavirus outbreak |
| 6 | Advertisement has influenced the online buying behavior | Fast and convenient delivery has influenced the online buying behavior |
| 7 | While shopping for a product in an online store, they liked to click an ad showing a similar product at a lower price from a competitor's store | While shopping for a product in an online store, they liked to click an ad showing a similar product at a lower price from a competitor's store |
| 8 | After the end of the outbreak, they expect online spending on items besides groceries to change | After the end of the outbreak, they expect online spending on items besides groceries to change |
| 9 | During the coronavirus outbreak, they have decreased online shopping | Advertisement has influenced the online buying behavior |

| | | |
|----|--|---|
| 10 | They believed the website's friendliness has influenced my online purchase | Celebrity has influenced the online shopping |
| 11 | Celebrity has influenced the online shopping | During the coronavirus outbreak, they have decreased online shopping |
| 12 | During the coronavirus outbreak, they have shopped online for the first time | During the coronavirus outbreak, I have shopped online for the first time |

Limitation of the Study

The present study confines only the particular locality of the Kottayam and Pathanamthitta districts. Based on the demographic factors, the sample size is very less.

Scope of the Study

This study can be conducted throughout the State. Also, it can analyze how factors are directly related to one another.

CONCLUSION

Online shopping is more and more driven by the ICT infrastructure development, online payment systems, and the Internet penetration rate. Studying this unique characteristics of online shopping and consumer behavior of online shoppers would benefit the tech-entrepreneurs and policymakers to craft their strategies properly for the market. This study empirically reveals the consumer behavior of online shoppers in two districts of Kerala.

Keralite online shoppers are young (mostly below 40 years) similar to other parts of the world. They do online shopping because it saves time, offers home delivery, provides ease in shopping, and offers more variety of products for apparels, accessories, and ticketing than that brick and mortar stores. Most of the shoppers get the information primarily from Facebook advertisement which is pursued by friends and family by following their "word of mouth" communication. They mostly rely on price and their experience as the basis of the quality judgment of items in online shopping and for payment systems they prefer cash on delivery option. However, privacy and inability to touch and feel are the most disliking factors for online shoppers.

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