

# An Empirical Investigation On Consumer Behavior Concerning Online Shopping During Covid-19 In India

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**Abstract:** *The goal of this study was to understand customer behavior during the covid-19 period. The covid-19 pandemic has significantly impacted the Indian economy and consumer behavior. Consumer purchase behavior has shifted away from traditional, i.e., offline, venues towards online platforms due to the pandemic. This adjustment helped e-commerce sales, but in the early days of the statewide lockdown, when the number of cases in India was growing by the day, they had to put their services of delivering goods to homes on hold. The economic operations were halted during the lockdown, which had a negative impact on consumer behavior. Consumers all around the country were obliged to spend solely on necessities, raising the value of money among them. Due to the financial crisis, consumers have become warier in purchasing commodities on the market. We attempted to quantify the impact of covid-19 on consumer behavior and purchasing patterns and policy measures taken by the Government at the central and state levels to ameliorate the pandemic situation through this study.*

**Keywords:** *Covid-19 pandemic, Consumer Behaviour, Social Media, Social Distancing*

## 1. INTRODUCTION

In India, at the beginning stage of covid-19 positive cases were reported more in International travelers, but after that situation became critical day by day because the number of cases in India started increasing rapidly. Due to the pandemic situation, the Indian Government announced a nationwide lockdown in March 2020. In the nationwide lockdown situation, all the economic activities gone stopped. Due to this fear, consumers started to purchase essential goods in bulk to store them for the future. Moreover, sellers also started black-marketing essential goods to sell them later at higher rates, especially face masks and hand sanitizers, because the demand for face masks and sanitizers was high in the pandemic situation.

All these uncertain events remarkably affected the Indian market at every stage, but before this, consumers were not serious about the pandemic situation of covid-19. The coronavirus pandemic has seriously changed consumer behavior and shopping methods from traditional

platforms to online platforms. Buying things offline has changed due to the closure of physical outlets and the health risk factor associated with visiting such outlets; now, most consumers feel safe shopping online.

The covid-19 pandemic effect is different on different products; on some products, the effect is high; on the other hand, it has less impact, but overall the sale has increased on the e-commerce platform. It shows that the coronavirus has impacted positively on the e-commerce platform. Coronavirus has rapidly changed the way of working globally. The rapid change of consumer buying patterns and how business entities work can be observed easily. This pandemic has brought many changes in consumer behavior towards their buying pattern and the nature of trading in business entities.

## **2. REVIEW OF LITERATURE**

Based on the previous research papers and other relevant sources published in this area, significant findings have been drawn:

Bharat Patil and Nerita Patil, 2020<sup>1</sup> both concluded in their research paper which was based on an empirical study to assess the behavior of consumers during the pandemic situation, that 96.66 percent of consumers buying behavior have affected by nationwide lockdown. Further stated in their research paper, most consumers were not taking enough precautions to recommend the Government. In the starting stage of lockdown, consumers were not more concerned about social distancing in the market.

In their study, T.Narayana Rao and K.Ratnamadhuri, 2018<sup>2</sup> stated that income plays a pivotal role in consumer buying behavior. The role of income is different from person to person, and the level of income creates differences among consumers' opinions towards buying commodities. Moreover, every person plays different roles in their life, and these roles have specific effects on consumers' buying behavior. Another factor the authors consider in their research is status because the person holds a special status in society, and the status factor influences consumer buying decisions.

Ankur Kumar Rastogi, 2010<sup>3</sup> has attempted to study the consumer buying behavior towards online shopping by using different socio-economic variables. The study suggests that assessing consumer buying behavior can better understand consumer buying behavior regarding online shopping. This research has found that consumers are very much aware of online shopping and the majority of the consumers are male. Most consumers feel that online shopping is easy to buy things in one place, so this research has concluded that the e-commerce platform has a bright future in India. With the ease of shopping, online consumers can compare products online and shop anywhere.

N Ramya and Dr. SA Mohamed Ali, 2016<sup>4</sup> both authors concluded that many factors, specificities, and characteristics influence consumers' decision-making process. According to them, a consumer's purchase decision is the result of these factors. By analyzing and understanding the factors that influence the consumer buying decision, companies can meet the needs of the consumers and increase sales. All the service providers' marketers should work as a psychologist to understand the thinking patterns of the consumer to meet their needs. According to the authors based on the study, consumer buying behavior study is a gateway that leads to success in the market.

In the research paper, Dr. Bayad Jamal Ali, 2020<sup>5</sup> stated that consumer behavior has changed in the covid-19 pandemic and has affected consumer behavior worldwide. The study is conducted to assess consumer behavior towards online shopping in Iraq. According to the study, the results reveal that companies have to mold themselves or work according to the new and uncertain covid-19 circumstances. Technology has become an essential tool in the daily life of the consumer and business entities.

Seema Mehta et al., 2020<sup>6</sup> stated in the study that consumers are the drivers of market competitiveness and growth, and economic integration. If any instability occurs in the economy, it leads to a change in the behavior of consumers. In this study, consumer behavior has been divided into the psychical-based, sociological, and economical, under which consumers define their requirements. With the help of these approaches, the author has tried to define consumer behavioral patterns in the globalized world. This study has tried to track consumer sentiments during covid-19, revealed the transformation in consumer behavior, and indicated that the consumer behavior model is taking a different shape. The study further states that understanding new models will play a significant role in success and failure in the covid-19 scenario. This uncertain situation is creating a challenge for the business to bring strategic change for sustainability and rethink the existing consumer behavior models and their usefulness for businesses and marketing strategies to remain capable of working successfully across all consumer segments.

Mckinsey and Compay Survey 2020<sup>7</sup> on consumer sentiments and behavior have changed in the covid-19 pandemic. Consumers' behavior has shifted to value and essentials. In most countries, consumers continue shifting their spending to essentials. It has created a shock on loyalty because Consumers across the globe have responded to the crisis by trying different shopping behaviors.

One of the articles published in The Indian Express newspaper 2020<sup>8</sup> Consumer behavior has changed due to falling in income which has made Indian consumers spend more on essential items such as food and grocery. Moreover, during the initial stage of nationwide lockdown, consumers responded to the covid-19 crisis with anxiety and fear, which led to buying essential items in bulk to store them for future periods. The article further stated that 91 percent of Indian consumers changed their shopping behavior due to this pandemic.

S. Laato et al. 2020<sup>9</sup> based on the stimulus-organism-response (S-O-R) framework, research has tried to test the unusual consumer behavior during the covid-19 crisis. The main highlights of the research are to find the people's purchase and isolation behavior during the COVID19 pandemic and which information source leads to information overload among consumers; the result of this research revealed that people who were exposed to several information sources during March 2020 did not have an impact on their perceived severity of the situation. Further, this research states that self-isolate intention was significant for unusual purchases. The results suggest in this research that as long as people keep self-isolating, they will also keep unusual purchases.

Muhammad Naeem 2021<sup>10</sup> The study results revealed that social media had developed panic buying among UK consumers during the fear of covid-19 by seeing viral videos. People were advised to keep social distancing by purchasing essential items in bulk by staying at home for

an uncertain period. Hence, people started buying essential food items and household supplies. Many people of different countries shared viral videos and recommended buying essential items in bulk; moreover, some shared the empty shelves videos after the panic buying of essential items in the supermarket. In the study, it is found that many people shared the speech of the UK Prime Minister and other authorities regarding their concern of growing cases of covid-19 in the country that people must follow social distancing after buying necessities for life.

### **3. METHODOLOGY**

An explanatory research design has been used to understand consumers' behavior regarding online shopping during covid-19 disease. The present study is attempted to study the consumer behavior regarding online shopping during the covid-19 pandemic through digital mode in India.

#### **3.1. Sampling Design**

For selecting the sample, the researcher has used the method of empirical investigation. The questionnaire has been prepared through the use of google form, and a sample has been selected on Nonprobability based convenience sampling method for this present research on consumer behavior. The researcher has selected 54 respondents for this present study.

#### **3.2. OBJECTIVES OF THE STUDY**

1. To find out the critical challenges faced by the consumers during a covid-19 pandemic.
2. To determine consumer behavior regarding online shopping during the lockdown period.
3. To know the role of media in influencing consumers' buying decisions during a covid-19 pandemic.
4. To know the policy measure taken by the Indian Govt. to provide essential commodities to the consumers during this uncertain situation.
5. To determine the factor that affected consumer buying decisions if online fraud happened while shopping online during this pandemic and awareness of these crimes.

#### **3.3. Hypothesis of the study**

$H_0$ = There is no significant relationship between consumer behavior and buying patterns during the covid-19 pandemic situation.

$H_1$ =There is a significant relationship between consumer behavior and buying patterns during the covid-19 pandemic situation.

#### **3.3. Research Design**

##### **3.4.1. Scope of the Study**

This research focuses on consumers' behavior towards online shopping and the factor influencing the consumer buying pattern in the pandemic situation of covid-19. The purpose of this study is to ascertain the extent of consumer behavior, the primary challenges facing consumers, and the role of the media in elevating the topic of a covid-19 pandemic. Numerous variables have had a detrimental effect on consumer behavior, forcing consumers to purchase essential goods on a low budget. The current study is limited to the uncertain circumstances created by the covid-19 pandemic and the direct effect it has had on consumer

lifestyles and purchasing habits. This research tried to understand the situation psychologically and practically by conducting an empirical study through a questionnaire. This research covered all the nationwide lockdown periods announced by the Indian Government from time to time, from beginning to ending.

### **Limitation of the Study**

- i. The present research is limited to studying the nationwide lockdown period effect due to covid-19 and its impact on consumer behavior.
- ii. Due to the anxiety and fear of coronavirus among people, it was impossible to collect the data personally, so a digital model was used.
- iii. The present study is only concerned with the covid-19 effect and its impact on consumer buying behavior towards online shopping; other factors like change in preference and style, the economic condition of the economy, transportation facility, demand and supply, and others can be the factors that influence the consumer behavior and buying decisions have not been considered in this research. This research could have provided more reliable results if it had been considered.
- iv. There may be a chance of sampling error as the convenience sampling method has been adopted.

### **3.4.2. Sources of Data**

To understand and observe the consumer buying behavior in respect of online shopping due to the covid-19 pandemic following sources of data collection have been used.

- i. **Primary Data**  
Respondents have been contacted through a mobile device to understand consumers' buying patterns and behavior during the nationwide lockdown period. The researcher has requested them to fill out the questionnaire, which was prepared with the help of a google form.
- ii. **Secondary Data**  
During the research process, secondary data has also been considered to reach the correct conclusion of this research. If any need arises for secondary data, secondary data has been appropriately used to make research reliable. Secondary data has been collected from the reputed English newspapers, Govt. publications, and websites related to the research topic published in this area.

### **3.4.3. Contribution to the study**

- i. The present study will be helpful to analyze the behavior of consumers in this pandemic situation towards online shopping for e-commerce companies.
- ii. The study will also be helpful for the policymakers to make efficient policy during the occurrence of this kind of pandemic situation.

#### 4. RESULTS AND DISCUSSIONS

The first covid-19 case was found in India in January 2020, and after that, the cases started increasing in India day by day. In the beginning, most of the positive cases of covid-19 were found in international travelers. Still, after that, cases were started found positive among those who have not had any travel history from other countries. In March 2020, the Honorable Prime Minister of India announced the Janta curfew, and after that Government announced full 21 days nationwide lockdown. This pandemic has halted all economic activity and has significantly impacted consumer behavior in India and worldwide. The covid-19 pandemic brought consumers anxiety and fear, and they started purchasing essential commodities in bulk. Due to this pandemic, it became difficult for the sellers to manage this sudden crowd to purchase essential commodities. Most people across the country started sharing rumors with the help of viral videos recommending purchasing essential commodities in bulk and staying home. In the initial stage of covid-19, most people were not serious about the results of this disease. They were not following the proper safety measure in the market, which was issued by the Govt. from time to time. The respondents were classified based on factors influencing their buying decisions during the covid-19 pandemic.

Table No. 1  
 Change in preference

Response	No of Respondents	Percentage
Yes	31	57.4
No	13	24.1
Maybe	10	18.5
<b>Total</b>	<b>54</b>	<b>100</b>

##### Source: Primary Data

According to the discussion and data collected regarding this shows that 57.7 percent of consumer preferences have been changed due covid-19 pandemic situation. The research discovered that most customers' behavior had altered abruptly due to the pandemic, and some consumers are unsure whether their preference for a particular product has changed or not during this country-wide lockdown time.

Table No. 2  
 Spend only essential Commodities

Response	No of Respondents	Percentage
Yes	41	75.90
No	08	14.80
Maybe	05	9.30
<b>Total</b>	<b>54</b>	<b>100</b>

##### Source: Primary Data

The figure in the above table clearly shows that the covid-19 pandemic has made 75.9 percent of consumers spend only essential commodities such as groceries and household supplies and cut back on categories like apparel, footwear, and travel. Therefore, it is concluded that the covid-19 pandemic has significantly impacted consumers' buying behavior.

Table No. 3  
 Value of money perception and compromise towards brands

Response	No of Respondents	Percentage
Yes	42	77.80
No	07	13.00
Maybe	05	9.20
<b>Total</b>	<b>54</b>	<b>100</b>

**Source: Primary Data**

The figure obtained from the above table shows that the covid-19 pandemic has made 77.8 percent of consumers towards the value of money, which leads to compromise in brand quality and personal comfort. The results show that the financial crisis during the covid-19 situation has forced the consumer to adapt.

Table No. 4  
 Change of shopping method from offline to the online platform

Response	No of Respondents	Percentage
Yes	34	63.00
No	08	14.80
Maybe	12	22.20
<b>Total</b>	<b>54</b>	<b>100</b>

**Source: Primary Data**

Above table 4 shows the respondents' data classification according to the effects of change in consumer shopping patterns offline to an online platform, which positively impacted the e-commerce companies. It shows that the sale of these companies has increased. Out of 54 respondents, 34 (63%) admitted the change of shopping pattern, and 08 respondents did not agree with it; moreover, the rest of the 12 respondents were not sure about the changed shopping pattern.

Table No. 5  
 Role of media to influence the buying decision

Response	No of Respondents	Percentage
Yes	28	51.90
No	18	33.30
Maybe	08	14.80
<b>Total</b>	<b>54</b>	<b>100</b>

**Source: Primary Data**

The above figure states the classification of respondents that out of 54 respondents, 28 (51.90 %) admitted that media had played a role in influencing their buying decisions. In the early stages of lockdown, panic buying can be seen in supermarkets across many nations. It was beyond the seller's power to handle this unexpected crowd in the stores; therefore, it is assumed that the media has also affected the purchasing choices of the country's customers.

Table No. 6  
Perception towards buying essentials in future also after pandemic over

Response	No of Respondents	Percentage
Yes	30	55.60
No	08	14.80
Maybe	16	29.60
<b>Total</b>	<b>54</b>	<b>100</b>

#### Source: Primary Data

According to the observation, it clearly shows that consumers will continue to buy essential commodities online when this pandemic situation. Out of 54 respondents, 30 (55.60%) agree they will continue to buy essential commodities online after this pandemic is over. Very few of the respondents are not agree with the statement. Therefore it can be said that e-commerce companies have a bright future in the upcoming time in India.

#### Hypothesis Testing

In the study, the chi-square test has been used for testing the hypothesis at a 0.05 level of significance. It means there is a 5% risk to reject the null hypothesis and accept the alternate hypothesis. While testing the hypothesis, we found that the critical value at the level of 0.05 level of significance, i.e. (18.3070), is less than the calculated value of the chi-square test (i.e. (23.86652).

Therefore **Chi-square value 23.86652** is **greater** than the **tabular value 18.3070**, so alternate hypothesis, i.e., there is a significant relationship between consumer behavior and buying pattern during the covid-19 pandemic situation, is accepted.

## 5. FINDINGS, SUGGESTIONS, AND CONCLUSIONS

### 5.1 FINDINGS

1. During the research, it was found that e-commerce companies' sales have increased due to the shutdown of physical outlets in the markets.
2. In the initial stage of covid-19, it was observed that consumers were in anxiety and fear to store the essential household items.
3. The research also found that consumers' behavior regarding government guidelines to protect from covid-19 was not satisfactory while buying commodities in the market.
4. Research revealed that social media had played a significant role in influencing consumer buying decisions.
5. The research also observed that Govt had taken many policy measures to create awareness among consumers.

### 5.2 SUGGESTIONS

From the above research point of view, it is suggested that consumers should obey the government guidelines to break the chain of the covid-19 virus and govt should also try to



make aware people on time to avoid the panic buying which was seen in the initial stage of covid-19 pandemic. Govt. of India needs to focus on buying and selling in the market, and black-marketing of essential goods should be prohibited. It was found in the research that many sellers were involved in black-marketing of essential commodities, and they were charging high prices from the consumers. In this pandemic situation, the Government also took many initiatives to alleviate the current pandemic situation. These steps should be taken in the future, especially for unorganized sectors.

### 5.3 CONCLUSION

It is concluded that the covid-19 pandemic has drastically affected the buying and selling pattern in the market and has affected consumer behavior. This pandemic situation has changed consumers' preferences and has negatively affected income. Consumers have been forced in this pandemic situation to spend only essential commodities. All the respondents in this study admitted that covid-19 had impacted their life negatively; moreover, social media also played a role in influencing their buying decisions. In the pandemic situation, consumers were advised through viral videos to buy all the essential commodities in bulk and maintain social distancing to stay safe. In the initial stage of covid-19, consumers were also not serious about the consequences of this virus and did not follow the government guidelines. So, in the end, the Government had to take the step of nationwide lockdown to break the chain of virus and restrict people's movement; hence, it shut down all economic activities, which harmed daily consumer buying behavior.

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