

The Impact of Covid-19 on Consumers Behavior in India

Priyanka

Research Scholar,
MBA Department (MGMT) Magadh University Bodh Gaya

Dr. Gopal ji Singh

Assiatant Professor,
Department of Economics Magadh University Bodh Gaya

ABSTRACT

The COVID-19 pandemic has fundamentally altered the global landscape. This study aims to analyze consumer purchasing behavior during the COVID-19 pandemic, with a specific focus on the city of Coimbatore. The main data were gathered via a structured questionnaire from 315 participants using Google form. The researcher has edited and analyzed the data collected for the study using SPSS. The analysis employed appropriate mathematical and statistical techniques, including percentages, mean, chi-square test, and T test. A chi-square test was employed to examine the degree of correlation between variables at a significance level of $p < 0.05$. The study's findings revealed a fundamental shift in consumer buying behavior, with consumers now allocating more funds towards the purchase of fruits and vegetables. The pandemic has also had an impact on brand preferences, further altering consumer buying behavior due to the influence of COVID-19.

KEY WORDS:

COVID-19, Consumer behavior, hygiene habits, Online Shopping, Essential goods, online payment, Brand Preference, Consumer Index.

I. INTRODUCTION

The COVID-19 pandemic has fundamentally altered the global landscape. Individuals are adopting distinct lifestyles, making purchases in unique ways, and exhibiting altered thought patterns in numerous aspects. The website addresses is www.accenture.com. The ongoing crisis is impacting brand and category preferences, shopping behavior, and expenditures. The website address is www.inmobi.com/blog. Amidst the ongoing pandemic, a significant number of consumers have embraced a digital lifestyle, leading to a rise in digital adoption across the country (source: <https://community.nasscom.in>). The COVID-19 pandemic, along with the implementation of lockdown and social distancing measures, has significantly disrupted consumer purchasing and shopping behaviors. Consumers are acquiring the ability to adapt and develop new behaviors (Sheth, J. 2020).

II. REVIEW OF LITERATURE

Debnath, S. (2020) Upon evaluation, the data indicates that male respondents with a monthly income ranging from 0 to 30,000 and an age group between 25 and 35 have a significant impact on consumer purchase behavior. Thus, there is a strong correlation between the higher income of male respondents and the significant increase in product prices in relation to consumer purchasing behavior. The comprehensive results have significant implications for marketers, retailers, and advertisers in devising future strategies that align with the prevailing pandemic circumstances and consumer purchasing patterns in the retail industry. Ali, B. J (2020) This study analyzes existing literature and secondary sales data from Samsung, the leading consumer electronics company in Iraq, to demonstrate how the pandemic may have prompted Iraqi consumers to adopt technology, as evidenced by the increase in online purchases. Certain markets have encountered challenges in adjusting to the practice of online shopping, even though the pandemic has had a detrimental impact on in-person sales globally. Pathak, G., and Warpade, S. (2020) The study was conducted in July 2020, following the announcement of the initial phase of relaxation measures in Maharashtra. Collected data originated from the western region of Maharashtra, with the majority of samples obtained from Pune and Satara District. The researcher employed the use of Google Form for the purpose of data collection. Upon analysis, it has been discovered that certain consumers have altered their preferences when choosing retailers for the purchase of essential goods.

Pham, V. K et al (2020) The Covid-19 pandemic has significantly bolstered the online shopping endeavors of Vietnamese consumers, which previously posed considerable challenges for online businesses, but yielded limited results. Nevertheless, will this altered behavior endure beyond the Covid-19 pandemic? Hence, the objective of the article is to examine the alterations in customer behavior during the Covid-19 pandemic,

specifically focusing on the perceived risks and benefits associated with online shopping. Both sets of factors will be evaluated, taking into account the moderating influence of the Covid-19 impact. Wijaya, T. (2020) The findings indicated that panic buying behavior was influenced by several factors, including information and knowledge, family considerations, conditional or influence effects from others, and risk avoidance. This study presents the results of identifying the factors that contribute to panic buying and proposes recommendations for the government to educate the public through different media channels and prevent the spread of misinformation that can lead to panic buying.

IMPACT OF COVID-19

The ongoing pandemic has had a significant negative effect on the business sector in India (Das, D. K., and Patnaik, S., 2020). The Covid-19 pandemic has varying impacts on different sectors. Companies operating in the sectors of production, transportation, and distribution are experiencing the most severe consequences of this crisis, which will have an unprecedented impact on the economy, resulting in significant psycho-social effects as well. The economic repercussions of the coronavirus pandemic have been catastrophic. Due to the COVID-19 pandemic, a large number of people are required to stay at home and most retail shops, except for those offering essential services, are closed. Analysts predict that this situation will have lasting effects on consumer behavior. Based on a survey conducted in March 2020, it was found that most Indians did not make any significant non-essential purchases during the lockdown period caused by the coronavirus (COVID-19) outbreak. Approximately 56 percent of individuals required household supplies, with the majority of them relying on online ordering to fulfill their needs. Conversely, approximately eight percent of both online and local purchases were for electronic devices necessary for participating in online classes or working remotely (Keelery, P. B, 2020).

The EY Future Consumer Index suggests that as the pandemic subsides, consumers may fall into five distinct segments: "back with a bang" (comprising 38% of respondents), "stay frugal" (29%), "keep cutting" (19%), "cautiously extravagant" (11%), and "get to normal" (2%) (source: <https://www.bloomberqint.com>). The governments of numerous countries, including India, have already implemented various measures such as lockdowns, social distancing, closure of educational institutions, and religious gatherings in order to mitigate the spread of the virus. India is classified as a developing nation, with a majority of its population earning incomes that fall below the established standard. The lockdown in India has had a detrimental impact on individuals belonging to the lower socioeconomic strata and the middle-income bracket (Kundu, B, 2020).

OBJECTIVES OF THE STUDY

- To study the awareness and knowledge of consumers towards COVID -19
- To study the price, availability and other problems on the COVID- 19 impact on the buying behavior
- To analyze the consumers attitude towards COVID -19 impact on the buying behavior

III. RESEARCH METHODOLOGY

This study is an empirical research that utilizes the survey method. The initial data has been gathered. An organized interview schedule was utilized to gather data. A preliminary assessment was carried out prior to finalizing the Interview Schedule. The secondary data were gathered from various sources such as websites, books, magazines, journals, and research reports. The researcher has employed the Convenient Sampling Method. A total of 315 consumers from the city of Patna have been selected as respondents. The researcher utilized an online Google form for the purpose of data collection. The researcher has edited and analyzed the data collected for the study using SPSS. The analysis employed appropriate mathematical and statistical techniques, including percentages, mean, chi-square test, and T test.

Reliability Statistics Table no 1

Cronbach's Alpha	No of items
.727	9

Source: Computed from Primary Data

Table 1 reflects that reliability test was performed to analyze consistency of the data. Cronbach's alpha value was 0.727 which is significantly higher than the recommended value.

LIMITATION OF THE STUDY

The study is focused on consumers towards COVID 19 impact on buying behavior. The study is confined to the extent of interpreting data which is collected only from 315 Respondents of selected consumer from the city of Patna.

ANALYSIS AND DISCUSSION

Table 2: Socioeconomic and demographic variables among respondents

S.No	Variables	Category	No. of Respondents	Percentage
1	Gender	Female	147	46.7
		Male	163	51.7
		Prefer not to say	5	1.6
		Total	315	100.0
2	Age	21-30	97	30.8
		31-40	103	32.7
		Above 40	73	23.2
		Up to 20	42	13.3
		Total	315	100.0
3	Education	Diploma/ITI	1	.3
		PG and above	263	83.5
		UG	48	15.2
		up to H.Sc	3	1.0
		Total	315	100.0
4	Occupation	Agriculture	11	3.5
		Private Service	185	58.7
		Public Service	82	26.0
		Self Employed (Business)	37	11.7
		Total	315	100.0
5	Monthly income (Rs.)	Above Rs.60000	64	20.3
		Rs.20001 to 40000	60	19.0
		Rs.40001 to 60000	29	9.2
		up to Rs.20000	162	51.4
		Total	315	100.0
6	Marital status	Married	170	54.0
		Single	145	46.0
		Total	315	100.0

Source: Collected and Computed Through Questionnaire

INTERPRETATION

Table 2 displays data from 315 respondents, with 51.7% being female and 46.7% being male. 13.3% of the participants were between the ages of 20 and 31-40, while 32.7% were between the ages of 21 and 30. Additionally, 30.8% of the participants were above the age of 40. Out of the respondents, 23.2% have a

postgraduate degree or higher, 83.5% have at least a postgraduate degree, 15.2% have a bachelor's degree, 1.3% have completed up to high school, and 0.3% have a diploma or ITI qualification. Private Service accounts for 58.7% of the respondents, while Public Service accounts for 26.0% of the respondents. 11.7% of the participants are engaged in business activities, while 3.5% are involved in agriculture. 51.4% of the respondents in the majority have income. Among the majority of respondents, who make up 54.0% of the total, those who are married earn up to Rs.20000.

Table3: One-Sample Statistics Consumers Perception towards COVID 19 impact onbuying behavior

COVID 19 impact on Consumers buying behavior	N	Mean	Std. Deviation	Std. Error Mean	t Value	P Value	Rank
Spend money on only essential goods	315	4.117	1.1819	.0666	61.828	.000	1
purchase more fruits and vegetables during COVID -19	315	3.784	1.2860	.0725	52.224	.000	5
COVID-19 changed your food behavior	315	3.873	1.2350	.0696	55.659	.000	2
Do you prefer to use online payment for purchasing	315	3.603	1.4557	.0820	43.930	.000	6
Lockdown has reduced your expenditure	315	3.825	1.2459	.0702	54.495	.000	4
Lockdown has saved your income	315	3.267	1.4927	.0841	38.842	.000	7
COVID-19 changed your entire life	315	3.870	1.2046	.0679	57.015	.000	3

Sources: Computed from Primary Data

INTERPRETATION

Based on the provided table, the mean values range from 3.267 to 4.117, the t values range from 38.842 to 61.828, the standard deviations range from 1.1819 to 1.4927, and the standard error of the mean ranges from 0.0666 to 0.0841. This results in a suitable ranking analysis based on the mean value. Examining consumers' perception of the impact of COVID-19 on their purchasing behavior through a comprehensive list of factors. The first priority is to allocate funds exclusively for necessary goods. The second priority is the impact of COVID-19 on your dietary habits. The third priority is yet to be specified. The COVID-19 pandemic has had a profound impact on every aspect of your life. Lockdown at the fourth level has decreased your expenses. Individuals in the fifth rank have increased their consumption of fruits and vegetables amidst the COVID-19 pandemic. Meanwhile, those in the sixth rank opt for online payment methods when making purchases. The implementation of a strict lockdown at the seventh level has resulted in significant preservation of income.

Table 4:Hypothesis Testing

S.No	H0 : Null-Hypotheses	Test Statistics	X ²	P-Value	H ₀ Accepted/ Rejected
1.	There is no significant relationship between Gender and COVID-19 impact on your buying behavior	Chi-Square Test	13.471	.097	Accepted
2.	There is no significant relationship between Gender and spend money on only essential goods	Chi-Square Test	12.450	.132	Accepted
3.	There is no significant relationship between Gender and COVID-19 changed your Brand Preference	Chi-Square Test	8.963	.345	Accepted
4.	There is no significant relationship between Gender and purchase more fruits and vegetables during COVID -19	Chi-Square Test	7.777	.456	Accepted
5.	There is no significant relationship between Gender and COVID-19 changed your food behavior	Chi-Square Test	10.071	.260	Accepted
6.	There is no significant relationship between Gender and prefer to use online payment for purchasing during COVID -19	Chi-Square Test	18.920	.015	Rejected
7.	There is no significant relationship between Gender and Lockdown has saved your income	Chi-Square Test	7.653	.468	Accepted
8.	There is no significant relationship between Gender and Lockdown has reduced your expenditure	Chi-Square Test	4.122	.846	Accepted
9.	There is no significant relationship between Gender and COVID-19 changed your entire life	Chi-Square Test	9.245	.322	Accepted

Sources: Computed from Primary Data

Significant at 5% (P<0.05) –Rejected, Non-Significant at 0.05–(P>0.05) -Accepted

RESULT OF HYPOTHESIS

The chi-square statistic indicates that there is no significant association between gender and buying behavior, spending money on essential goods, brand preference, purchasing more fruits and vegetables, changing food behavior, reducing expenditure, saving income, and overall life changes due to the virus, at a 5% significance level. Therefore, the null hypothesis is deemed to be valid. The chi-square statistic value for gender's association with preference for online payment is less than the corresponding table value, indicating a significant result at a 5% significance level. Therefore, the null hypothesis is disproven.

IV. FINDINGS AND CONCLUSIONS

A staggering 85% of consumers in India have expressed their commitment to shopping with a heightened awareness of health and a greater emphasis on reducing food waste. According to a report from Warc, there has been a significant shift in personal hygiene habits, with 48% of consumers increasing their purchases of personal hygiene products while reducing their spending on non-essential items. Indian consumer products companies encounter numerous challenges in the present, future, and long-term phases, exacerbated by the significant shifts in consumer behavior in India (Mishra, P, 2020). Companies must promptly develop strategies to tackle challenges in all three phases, encompassing the implementation of permanent safety measures in offices and on shop floors, reassessing their brand portfolio, enhancing partnerships with third-party e-commerce platforms, exploring shared warehousing, and, most importantly, anticipating and preparing for the emerging consumer habits that will arise as a result of the pandemic. (Bureau, 2020)

According to the results of this study, a large majority of the respondents (52.4%) strongly believe that COVID-19 has had a significant impact on their purchasing behavior. Additionally, the majority of the respondents (52.4%) reported that they are only spending money on essential goods during the COVID-19 pandemic and have switched to different brands. Choice The respondents indicate that a significant proportion (44.4%) have potentially increased their consumption of fruits and vegetables during the COVID-19 pandemic. Additionally, a majority (41.6%) report that their food behavior has been altered due to COVID-19. Furthermore, a substantial number of respondents (39.4%) express a preference for using online payment methods when making purchases. The COVID-19 pandemic resulted in a 40.0% decrease in expenditure and a 28.9% increase in saved income. Ultimately, a majority of the participants (41.0%) strongly concur, while an additional portion (25.1%) simply agree, that COVID-19 has significantly altered their entire existence.

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