CONSUMER BEHAVIOUR IN COVID ERA

***Dr. Anamitra Roy**

**Director, Concept Research Foundation, Salt Lake City, West Bengal, India.*

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ABSTRACT

COVID became an important health challenge for mankind since 2020. As a result, every aspect of human life changed during the COVID era. So, consumer behaviour also changed. Increased usage of technology, reduction in buying of luxury products, hike in buying of healthcare related products, online buying, prevalence of wrong buying decisions, rise in planned buying and domestic hoarding were some of the changes in consumer behaviour of this era. The reasons behind this can be listed as penetration of technology, solo decision making, increased fatigue and mental stress, fear of death and break down of distribution channels. As a result of these changes in consumer behaviour, perceptions changed about products and their importance. Thus, it was difficult to predict demands. That influenced production and advertising.

The COVID era created changes in consumer behaviour which were abrupt. These changes did not have any linkage with the past. So, man was not experienced enough to handle these changes. Thus, such changes have also provided with ample scope of research. These changes may be expected to bring turmoil in the world of business, even in the upcoming times.

The investigator has recommended helping consumers in their buying decisions by building physical evidence. Also collection of periodical feedbacks from consumers will help the entrepreneurs to understand their desire, demand and changes in these. This is the phase when many new rules and regulations will get framed and then implemented. Under the circumstances, entrepreneurs will have to be patient to combat the growing business competition.

Key Words: *Consumer behaviour, COVID, change, pandemic, demand, marketing, distribution, consumers and customers.*

ABOUT THE AUTHOR

Dr. Anamitra Roy is a Ph.D. in Management from Himalayan University, India. His global qualifications in Marketing include PGDBA (Marketing) from University of Wales (U.K.), Diploma in International Marketing, Certificate in Brand Management and Consumer Behaviour Management, from AEOU, Germany.

His researches have been published in international journals like The IDC International Journal, The Business Age, The Global Journal of Business & Management, The Genesis and The Research Reservoir of Paramedical Sciences.

With 13+ years of experience in education, Dr. Roy is a generalist who has worked across geographies of India and domains like teaching, operations, business development, franchisee management and corporate communication. At present, he is associated with Concept Research Foundation as a full-time director.

INTRODUCTION

The Corona virus was first detected in China in December, 2019. Within a few months, this virus spread across the world, thereby initiating a pandemic. At one point of time, the virus that caused this pandemic literally turned the world upside down. The former British Prime Minister, Liz Truss said that this virus may represent the biggest health crisis any of us would experience in our lifetimes. Hensher (2020) wrote that COVID-19 has disrupted humankind in a manner that was not seen before. Chriscarden (2020) opined that while the loss of life, occupation, and livelihood are well-articulated impacts of COVID-19, the loss of routine, social and economic life over a prolonged period is having long-lasting effects on people. Witteveen (2020) highlighted on the impact of self isolation and social lockdown. COVID-19 imposed 'self-isolation and social lockdown', had increased mental stress and inflicted psychological and behavioural changes.

Thus, everything changed in the world since the inception of COVID. Consumer behaviour was also not an exception. The way the commodities were advertised, the way they were distributed, the way they were perceived by customers and consumers, the way they were being used, changed with the passage of time. Lignqvist et al (2021) wrote that the changes that emerged during the lock down are persisting. COVID's impact on consumers around the world had dramatically changed both their behaviour and their demand. Many of these changes – for example the huge growth of online shopping over the past years and shifts in brand loyalty have been phenomenal.

This has led to an additional importance of the study of consumer behaviour in the COVID era.

ELEMENTS OF THE CHANGE OF CONSUMER BEHAVIOUR

Change is the mantra of life. So, it is natural to expect changes. Still, people find it difficult to adapt to changes. And, that is the reason that so many studies and researches are being pursued on change and change management.

There have been changes in every era. But, the changes that were observed during the COVID era have been revolutionary changes and that is why, so much has been said and written about these changes.

Consumer behaviour saw some of the most gigantic changes in these times. These changes can be defined by saying that they were 'too fast', 'unexpected for the mankind' and 'sometimes had no connection with the past'. These changes just arrived and shocked the entire world. There were times during this period when mankind had to struggle to adapt to these changes.

One of the biggest changes during this period was the advancement of technology in our lives. The entire human race was left with no choice. Previously also, technology was the biggest friend of man in the developed nations. But, COVID introduced the rise of technology usage even in developing nations. It can be said that there was no choice but to use technology. So, the usage of technology increased abruptly during this phase. But, interestingly there was no possibility for training the technologically illiterate sections of the human society. So, when humans were embracing technology, they did not have anyone to help themselves. They had to do it all by themselves. That is why, the bond of man and technology became cherished, strong and trustworthy in this period.

This bond between man and technology opened new horizons for online buying and marketing.

These were periods when the social life of man was disturbed. Man was alone. Man was cut off from the rest of the world. Thus, there was nobody beside him. This 'phase of tranquillity' initially was puzzling. This was the case more in case of people living in urban areas. Thus, there was confusion everywhere. To understand anything, man did not have a teacher/ guide/ coach/ mentor/ instructor. Here, every individual was the teacher and the student. This was one of the most difficult phases in the history of the human civilization. Not every man can be expected to be a good teacher for herself/ himself. So, many doubts were not cleared. Answers of questions were not found. Misinterpretations and wrong understandings became common. So, every decision taken by man in this phase was a solo decision. Man did not have anyone beside her/ him. So, in many cases the decisions taken by individuals were wrong, confusing, unwanted and untimely. This was the case in case of buying decisions also. Initially, when it was not clear that for how long this period will go on, some humans in urban and developed areas indulged in unnecessary luxuries. This was a wrong decision because as the COVID period kept on extending, man was forced to reduce luxuries. It was during this phase, that man was forced to buy more of healthcare related products. Thus, man's buying decisions revolved around basic requirements, which has been referred as basic needs in Maslow's Theory of Hierarchy of Needs. It was a phase when the hierarchy of needs propounded by Maslow was altered. Even people from the upper sections and elite classes concentrated mostly on the basic needs, instead of the higher level needs. It is because of this sort of buying decision that luxury products started to lose their importance in the market economies. In this period, due to lack of funds, disturbed supply lines and difficulties in distribution of products, man was forced to indulge in panic buying. So, hoarding in the household became common. The entire buying decision was only planned. There was no scope for any sort of impulsive or unplanned buying. In these periods, man was not sure about the future. There was a serious uncertainty about the future. So, products having short term benefits were being purchased more. These included mostly food products. Products, which mostly give long term benefits like educational courses, insurance policies, investments etc., were fetching smaller demands than previously.

Products offered at discounted prices were drawing more attention, even from the upper classes of the society. The focus was on acquisition mainly.

REASONS FOR THE CHANGE OF CONSUMER BEHAVIOUR

One of the most important reasons for the change in consumer behaviour during this period was the use of technology. Prior to this, a consumer or customer would go to the market, see the products by their eyes, put the product into a test (based on physical touching or observation) and then choose to buy it or discard it. In developed nations, people indulged in online buying before also. But, when the pandemic commenced, in most cases (be it a developed or a developing nation), there was no possibility of going to the markets. Man was forced to get going with online buying. Thus, there was no possibility of physically testing a product and choosing to buy it or discard it. Man's decision to buy or not to buy a product was based on the online reviews of the product, the necessity and availability of it. This was a tectonic shift in consumer behaviour around the world.

The decision to buy the product during the COVID era was a solo decision in most cases. In Asian countries, where people have long and extended families, the decision to buy something was being taken by consulting the family members only. There were no sales personnel trying to influence buying decisions. After a long time in History, this was happening for the first time. Urban life had created an environment where man was never alone. He was always surrounded by many people around him. So, his decisions were not solo decisions. Social Isolation, quarantine, lock down and social distancing had spread their tentacles and reached human psychology, thereby making man aloof from others. So, an environment was created where man was forced to take solo decisions.

In the COVID era, man was shocked with the developments. The arrival of COVID was so sudden that man did not get any time to adapt to the changed times. So, lack of adaptability made life difficult for man in this era. Thus, despite remaining at the home environment, unknowingly man was experiencing increased fatigue and mental stress. There was so much uncertainty about life. That contributed towards changes in consumer behaviour. The fatigue and stress were influencing man's buying decisions. This made decisions wrong and shaky. Initially, when the pandemic commenced, man was not sure about what to buy and what not to buy. Moreover, due to disturbance in supply lines and distribution channels, products were being sold at different prices at the same point of time. This added to confusion and that lead to changes in consumer behaviour. In many cases, when man needed a product, then also he stopped from buying because there was confusion about the prices. This was particularly the case in developing nations of Asia, Africa and Latin America where markets are unorganized.

The COVID era saw a fear of death at a national and global level. This was a phase when this fear ruled man's behavioural patterns. Thus, it catered into consumer behaviour also.

Since a long time, man had been making an effort to organize everything. This effort reached the market economy also. There was effort put into developing and organizing the distribution channels. Thus, mere production of the product was not a business challenge. A bigger challenge was to make the products reach the consumers and customers. Unfortunately, the COVID era saw a devastation of the distribution channels that were slowly and gradually being constructed for the last five or six centuries. Thus, products were not reaching the consumers and customers. So, lack of availability of products was a reason for the changes in consumer behaviour. This was a phase, when man was struggling to meet his basic needs despite having the funds in hand in many cases.

The COVID era saw an entirely different cost management in businesses. Usually, large businesses have large fixed costs and small businesses have small fixed costs. Due, to disturbances in production and selling, sales was getting affected. It was difficult to meet the large fixed costs and so big business organizations were finding the situation challenging. On the contrary, small businesses were finding it relatively easier to manage their small fixed costs. So, this was an era when small businesses were flourishing. Moreover, small businesses were finding it relatively easier to reach the buyers, than their big counterparts with a brand name.. These were businesses with small numbers of staffs and so decision making was fast. So, consumer behaviour was forced to change. Demand was created for products sold by small businesses, rather than big businesses. Well known brands suffered as a consequence.

IMPACT OF THE CHANGES IN CONSUMER BEHAVIOUR

The sudden change in consumer behaviour due to COVID has some serious impact on business.

It can be seen that perceptions have changed about products and their importance. For example, there were times when sanitizers were in limited use. But, since the pandemic initiated, sanitizers became a FMCG. Sanitizers were no more sold in drug stores only, Sanitizers were being sold in grocery shops, book stores etc. As a result of such perception-oriented changes, production and resource allocation for production also went through changes.

This pandemic has been steadily going on for the last three years or so. Business had to hamper around the world for it. When business hampered, it was natural to see that earning at an individual as well as at a national level were hampered. Thus, demands started squeezing for different types of products. However, at times when the virus was

getting 'silent', man was making efforts to return to the old normal. Thus, demands were on a high again. As a result of it, it became difficult to predict demands.
Due to fluctuations in demand, advertising became a difficult game. Particularly, timings of seasonal products were difficult to estimate and so such products were difficult to advertise.

CONCLUSION

Consumer behaviour is going through a change. It had always been going through a change. It was never constant. But, every time that a change was observed in consumer behaviour, it was seen that the change originated from some point. The change was not abrupt. In the COVID era, consumer behaviour changed. There was no surprise element in that. What was interesting to note is the changes were not having any linkage with the point when they started to occur. Thus, it was difficult to tackle the changes. These were fast and not anticipated. Thus, these changes shocked mankind. It took the market economies by a surprise.
Since, the changes in consumer behaviour in the COVID era was unanticipated, there are scope for new researches in this area. These new researches can be expected to frame new protocols for these new set of consumer behaviour.
As a result of the changes in consumer behaviour, turmoil can be expected. Businesses will require time to get used to these changes. Hence, new organizations who do not have a past memory, will find it easier to handle the situation. Moreover, small businesses who have a fast decision making process may thrive more than big businesses in the coming times.

RECOMMENDATIONS

On analysis of the data, it has been concluded that the world is going through a strange phase. So, it is a tough time for the entrepreneurs and practicing professionals of this field. Consumers are worried about the returns of their buying decisions. This is a time when consumers are never sure that they are taking the right decisions. So, entrepreneurs and practicing professionals need to help them with their decision making. Building physical evidence is a way that can be practiced. Moreover, communication of the sales personnel will play an important role in this. Sales people have to be friendlier and aim at winning the trust of the consumers.
It will be important to collect the feedback from the consumers. On the basis of these feedbacks, researchers will have to track every small change in consumer behaviour, every minute change in their moods and requirements.
The entire human civilization is just starting to gain some strength and build further. This opportunity has been created because of the retarded growth of the pandemic in the last 2/ 3 months. Under such circumstances, trade and commerce will be competitive. To be patient, in these trying times is the most important task of the concerned people.

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