

A Study on Influence of COVID-19 pandemic on customer's online buying behavior

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Abstract

2020 will be reminded in history, because of Corona Virus Disease 2019 (COVID-19) that has influenced our lives in every field. Economy will never be the same as before COVID - 19. Our country went into complete lockdown from 23rd march. On 23 March, the first day of the lockdown, almost services and factories were suspended. Now, offline shopping becomes difficult as well as risky. It will attract the shoppers to take the advantages of internet technology by shopping online. Therefore, there is a need to understand the influence on online buying behavior of customers due to this pandemic. The objectives of this study will be to explore drivers of E-shopping in the situation of COVID-19 pandemic and to know about preferred products that customers want to purchase more through online after COVID 19 pandemic. The methodology in this study is **descriptive**, use of published reports, use of published research papers in journals and existing literature about this topic. Findings of the study will help in knowing the e-shoppers behavior under situation of COVID-19 and this study will help the online shopping service providers to make better strategies for providing more satisfaction to customers and to win the competition. This Study suggested that E-commerce companies should take proper steps to make effective marketing strategies to exist in the e-commerce sector.

Keywords: COVID-19, Pandemic, Online Shopping, Customers, Buying Behavior, Influence

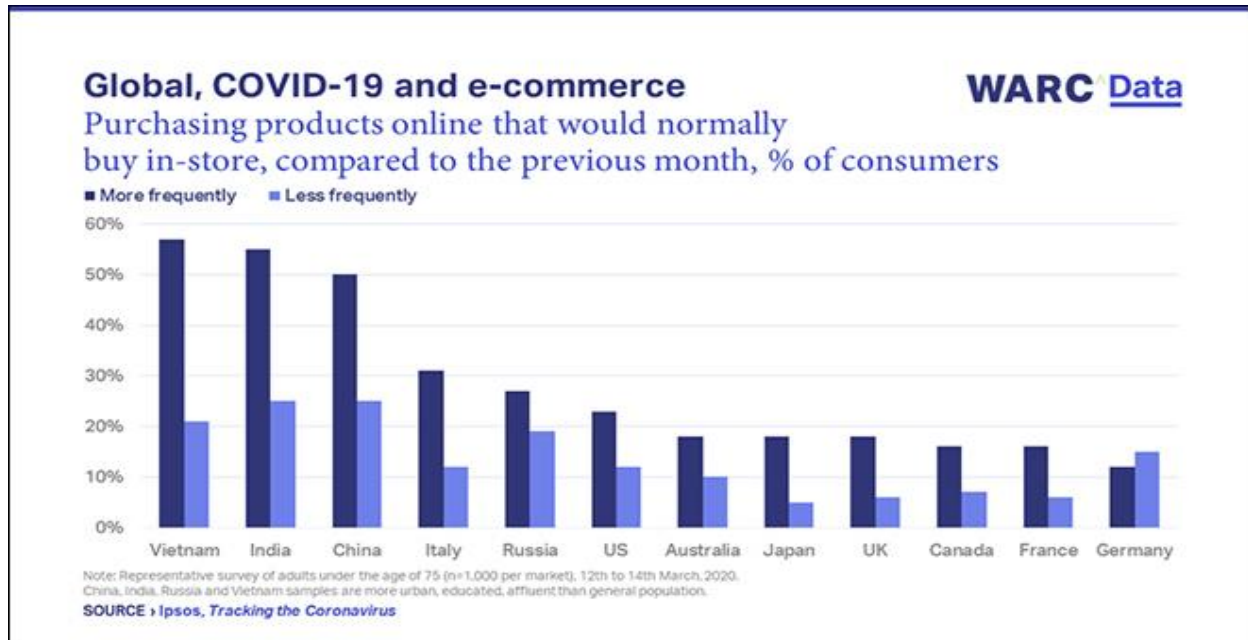
Introduction

2020 will be reminded in history, because of Corona Virus Disease 2019 (COVID-19) that has influenced our lives in every field. COVID-19 is a novel virus that came in the month of December 2019, in Wuhan. The very first case of Corona Virus Disease in India noticed in January. Our country went into complete lockdown from 23rd march. On 23 March, the first day of the lockdown, almost services and factories were suspended. Shetty et al. (2020) discussed that due to COVID-19, in contrast to the previous years, the recession is projected to trigger the fall of oil prices, the collapse of the tourism industry, the hospitality industry, the energy industry and decrease in consumerism. We have known that how people take this critical time of loneliness results in enormous improvements to their shopping habits overnight.

People are changing what they purchase, where, and how, from conventional buying to online shopping. It increased the shopping through websites and mobile apps. Due to increasing risk of corona virus, customers are avoiding public places which increasing customers' attraction towards online shopping. Now, E-Commerce Companies have to make better policies to meet changing needs of shoppers. According to market research done prior to the Corona Virus, Growth of India's market in electronic commerce is increasing at a faster rate (approximately 200 U.S. dollars by the year 2026). Recent developments since the epidemic indicate that target can accomplished much faster than initially expected, spurred by an increase in shoppers attracting online deliveries despite concerns of potential infections, if they go out from their homes.

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Source: [https://www.warc.com/content/paywall/article/WARC-DATAPOINTS/Ecommerce shopping more frequent because of COVID19/132077](https://www.warc.com/content/paywall/article/WARC-DATAPOINTS/Ecommerce%20shopping%20more%20frequent%20because%20of%20COVID19/132077)

New Corona Virus that causes the Corona virus disease (COVID-19), a highly dangerous disease, has infected many people in whole world. Main reason of spreading is to get in touch with a corona positive person, when an individual contacts an area that has the virus on it, so staying at home is the safest way to save from it. Therefore, E-buying for the consumers has increased.

Objectives

The objectives for this study are:

- To explore drivers of E-buying after COVID-19 pandemic situation
- To know about preferred products that customers are purchasing more through online after COVID 19 pandemic

Research Methodology

The research methodology used for this study is **descriptive** that based on secondary data, which includes published reports (Economics Times report, Nielsen Report, WARC report etc.), published research

papers in international journals, national journals and existing literature about this topic.

Literature Review

E-Commerce and Covid-19

Bhatti et al. (2020) discussed in the study that there is a influence of Corona virus on the whole online business of the world. The nature of business has changed due to this pandemic. According to the research more than 50%, shoppers are avoiding to go for offline shopping and crowded places.

Online Shopping or E-Shopping

Charumathi and RANI (2017) mentioned that online buying or E-buying is a kind of electronic business that provide services to shoppers to purchase goods or services from an e-retailer by using Internet technology with the help of web browser directly.

Charumathi and RANI (2017) found that internet plays an important role in electronic business that gives various facilities. The

services are in the form of conversation, dealings and distribution of products and services activities. Mobile apps, websites play an important role in creating effective marketing strategies or policies as a mean to spread awareness regarding various products and services. Buying products, services through use of Internet technology called as online shopping.

Saravanan and Devi (2015) specified that due to increasing use of Internet, the purchasing behavior of customers is changing and their attraction towards E-buying is increasing day by day. Due to changing pattern in buying and selling of goods and services leads to tremendous hike in the count of online buyers.

Now a day's electronic shopping has become increasingly popular, due to this dangerous corona virus. This panic has turned the life of people in various ways like work, shop, communication, purchasing habits, behavior, preference of products etc.

Online buying behavior in India

Saravanan and Devi (2015) found that with the improvement in the Internet, a technology of internet buying has also developed. It is a helpful way of buying products and services that provides shoppers the options for different varieties of products. Internet purchasing behavior is a kind of behavior of customers at the time of browsing websites or apps in order to search, select and buy goods and services for fulfill their needs and wants.

Drivers of online shopping after Covid 19 pandemic

Rastogi (2010) found in the study that due to increasing utilization of internet, purchasers can purchase anything, from anywhere they want to shop with timely and protected price payment options. Purchasers can compare

different products as well as websites or mobile apps to make better shopping. There are various reasons or drivers of online shopping like different types of products, convenient buying, reasonable prices and different options for payments.

Neger and Uddin (2020) mentioned in their study that less time consuming, convenient mode of payment and other organizational factors influence the online purchasing behavior.

But after covid-19, there are various other factors or drivers which motivate the customers for online shopping. Limited movement among people, COVID-19 fear, rapid growth of mobile devices, and scarcity of products in physical stores, Convenience and Time saving and Digital transformation of local kirana shops are the main drivers of online buying post COVID-19.

Covid-19 fear or risk

The fear or risk due to covid-19 increases the use of online shopping. People will be worry even after the quarantine ends, and many shoppers will also favor online shopping for security purposes.

Rapid growth of mobile devices

There is a continuous development in the production of mobile phones and increasing awareness about the use of mobiles and internet technology leads to shoppers to search for and shop online their preferred products and services. Shoppers can make orders at all times from their favorite websites or mobile apps.

Scarcity of products in physical stores

There were shortage of some products in physical stores or shops due to the lockout situation, but there were different choices for online shopping. Therefore, it is the motivator to customers to shop online.

Convenience and Time saving

Another driver of electronic shopping is that shoppers do not want to go out to purchase the things and waste their time. E-retailers provide the services of delivery of products or services at our home. Purchasers would prefer buying online in the coming years rather than from shops or other offline medium. Quarantine, on the other hand, is another explanation to online buying of goods. Throughout this time, so many people have faced different problems. People do not want to go from their home to shop because of the panic of get in touch with the corona positive person.

Digital revolution of local shops for kirana

Kirana's stores are the lifeblood of consumers. Today, people are searching for various choices because of the Corona virus, but they do not want to be in touch with any other individuals. With the rapidly increase in digitization of the kirana shops and online delivery services, consumers find it easier to buy their preferred products and services with in minimum time. They also have contactless deliveries, along with product sanitization. Both consumers and retailers have benefited from the digital transformation of local Kirana shops.

Preferred products/services

Hashem (2020) found that for most consumers in the world, doing e buying through various online sites or mobile apps is becoming a cornerstone day by day. In the month of April, the most interest of buyers in online grocery shopping and other essential things.

Chang, and Meyerhoefer (2020) mentioned in their study that need for **cereal, fruits, fresh vegetables and precooked foods have risen**, benefiting small-scale farmers in agronomy.

As per latest Nielsen report, there is a rapidly increase in online demand of India's FMCG goods that increased nearly 50% year-on-year in the March quarter due to shoppers increasingly purchased from e-grocers.

Hand sanitizer sales reported a speedy growth of 1425 percent via online and 144 percent via a neighborhood store. The purchase of facemasks, hand sanitizer, face shield mask are more preferred products during this critical situation.

There is a rapid rise in the Indulgence Food segment with the increase in the sales of cooking oil, soft drinks, pulses, snacks etc.

Demands for laptops in India also increased due to work from home, online classes, teaching etc. The market for online courses is also on the rise. In its live courses, Topper is seeing a 100 percent rise in attendance.

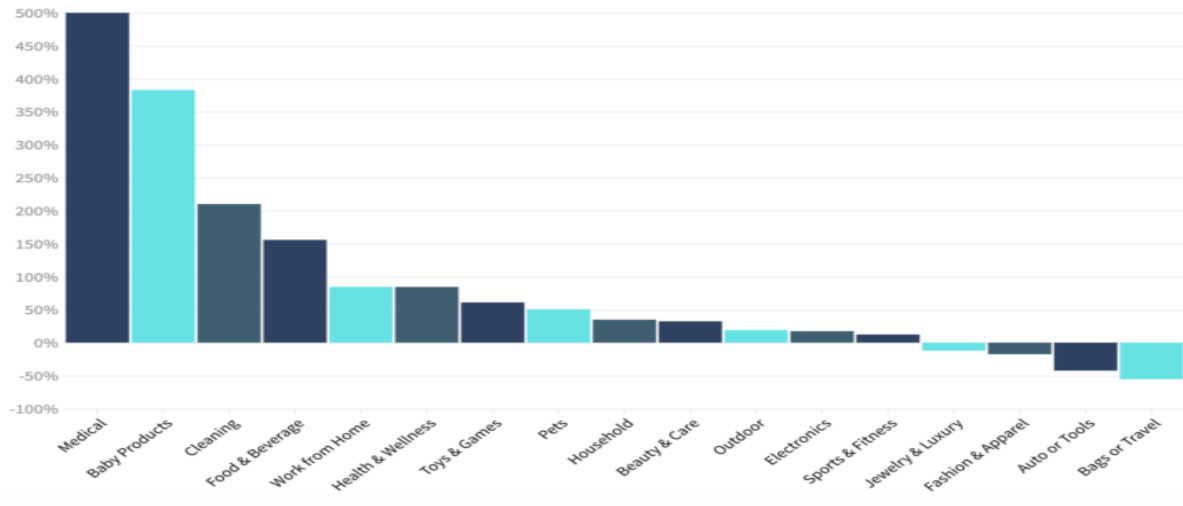
UpGrad enquiries have increased by 50 percent .There is also increase in BYJU user base.

Inquiries into health plans are also growing, which would be good for the health insurance industry.

In addition to grocery, these are the following products that are also preferred by shoppers:

Ecommerce Consumer Sales (COVID-19) +28.48%

Aggregated via ShipBob, ShipHero, Attentive, Stackline, CTC, Klaviyo & Adobe



Source: <https://www.bigcommerce.com/blog/covid-19-ecommerce/#changes-in-revenue-across-ecommerce>

Expectations of consumers

During the COVID-19 pandemic, almost retailers have modified their distribution of products or services, return schemes to provide maximum protection to their shoppers and employees. These improvements will alter consumer perceptions of online delivery and returns, as discussed by Global Data, a leading data and analytics firm. As per the Global Data report which provides businesses in the world's largest industries with unique data, expert insight and creative solutions.

Longer returns period, change in methods of return of products, reasonable price of products, Contactless delivery are the main expectations of consumers from online shopping service providers for getting more satisfaction.

Strategies / suggestions for e-retailers

Due to Covid-19 Pandemic the shopping habits of consumers is changing fastly. To exist in the market, businesses should start to sell important things as per latest

situation. For example, to meet the increasing demands of shoppers, some e-retailers are going to introduce different types of sanitizers, facemasks, face shield mask and other goods for safety purpose. E-retailers should turn to the sale of essential products or services rather than non-essential products. E-retailers should increase the time for returning goods and focus on contact less delivery.

Findings and discussion

Study findings showed that the COVID19 pandemic changed consumer behavior towards relying more on online shopping. Current research has found that restricted movement among individuals, Convenience and Time saving and Digital transformation of local kirana shops are the main drivers of online buying after COVID-19 pandemic.

Demand for cereals, fresh fruit, vegetables, frozen food, groceries, soaps, sanitizers, masks and other fast moving consumer goods increased the most under COVID-19 situation.

Longer returns period, change in methods of return of products, reasonable price of products, Contactless delivery are the main expectations of consumers from online shopping service providers for getting more satisfaction.

Findings of the study will help in knowing the online purchase behavior in the pandemic of COVID-19. This study will help the online shopping service providers to make better strategies for providing more satisfaction to customers, and to win the competition. The study recommended that businesses in the e-commerce sector should concentrate on making effective marketing strategies.

Conclusion

In India, Electronic buying will be bright in the coming time. After COVID-19 in India, attitude towards online shopping is getting better. It will be very helpful in stopping panic of spreading the Corona from person to person. The Covid-19 pandemic has encouraged online shopping activities of consumers more active. Now a day, E-shopping is become a better source in this situation of Corona virus, and E-retailers supply products that are normally purchased in the supermarket by consumers

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