

THE NEW NORMAL CONSUMER A STUDY ON ONILNE SHOPPING BEHAVIOUR OF CONSUMERS

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Abstract:

The virus has disrupted the world economy and the consumption patterns. A vital role is played by the Consumers in the economy, which nearly accounts for 70 percent of gross domestic product. The period of lockdown, isolation and economic uncertainty has changed the way consumers behave and think. This has largely affected their buying habits, these rapid shifts have significant implications on the consumer production items. Consumers are avoiding large gatherings, store visits and less contact to retail stores. This has paved a way for the e-commerce giants. Consumers value brands that focus on their needs during this pandemic times. Due to the economic fluctuations the overall shopping basket is reducing in size

This research indicates the new habits formed by the consumers when shopping for household items and how their preferences change in terms of spending in such difficult times.

Keywords:New normal, consumption, household products

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Introduction

Consumer behaviour is largely affected by the Covid 19 pandemic. The spending habits of consumers are affected due to economic instability. This has affected the buying behaviour of consumers at large. The four important Ps of marketing Place, Price, Product and Promotion has shifted to new paradigms. The society at large never thought that they would see such a major lockdown due to Covid 19. This pandemic has taught us new styles of living, purchasing and payments that is the new normal lifestyle. Indian consumer who always went to open markets, shops, malls and various other places to shop for their daily necessities and even for luxurious products. Very rarely they shopped online for daily vegetables and clothing but this pandemic has taught them to go online for such purchases. This has surged the way for e-commerce companies.

Major e-commerce players like Amazon and flipkart have added various consumption items to their product lists. They have designed various sales promotion strategies on various household products that consumers cannot deny purchasing daily necessities online. Apart of this there are various online apps like Grofers, Big Basket, StarQuick, More, Jio, DMart and may more which induces consumers with various offers on the day to day household products which are irresistible. Even consumers feel more safe and secured when ordered online because they get the necessities at their doorstep which is the need of the hour.

Until and unless Indian consumers don't touch and feel their products they were never satisfied for purchase but now a days things are reverse they feel safe when they order online through different applications and stores because they fear of the deadly virus. Before this Covid 19 situation when consumption items were bought physically from stores the consumers use to touch the products physically compare them with other brands, move around freely in the stores which now they don't because of this deadly virus. The buying pattern of consumers have changed. Consumers are highly concerned about the health and hygiene and their shopping bucket priorities for such products have

transformed a lot. The shopping basket is undergoing a change as the overall consumption is shrinking due to economic recession.

“What we buy has changed across categories – Like fewer cosmetics and more of flour”. This is how the new normal consumers think of, companies need to rethink on such patterns and realign their strategies of production and marketing.

Review of Literature and theoretical background

With the new normal consumer behavior, the traces of new marketing models started emerging, like online ready-to-eat food-delivery companies immediately switching overnight to delivering essentials such as fruits, vegetables and groceries. Amazon the big market player added amazon pantry in their chain. Flipkart also added the supply of essential commodities. Jílková, P. and Králová(2021)“Consumer behavior was influenced both by the COVID-19 pandemic itself and by government restrictions. Consumers of all generations during the COVID-19 crisis were more likely to buy goods and services digitally”. Armando and Barbu, C.M. Florea, D.L. Dabija(2021) stated that factors that drive online consumer behavior during the COVID-19 pandemic include strong and sustained growth in the number of Internet users and increased awareness of online shopping, increasingly active online product releases, low prices due to bulk purchases. By accessing the mobile application on the finger tips essential products are delivered at the doorstep this is the new normal. Khan M.M. and Shams-E-Mofiz (2020) Shopping patterns specific to the holiday season also underwent substantial changes. Hobbs and Cai, R.; Leung, X.Y. (2020) stated that as most consumers were forced to eat at home during the lockdown period, the food and beverage industry saw an increase in online sales. With many online shoppers reporting a decline in income , it is no surprise that affordable brands were more preferred at that point. Pop, R.; Palacean, Z.; Dabija (2021) explains that Companies must focus on the digital capabilities of their consumers and clearly identify where they need to gain their trust

Research Objectives

- 1) To study the buying preferences of consumers in the new normal times
- 2) To study how households buy daily necessities online using various applications

Hypothesis:

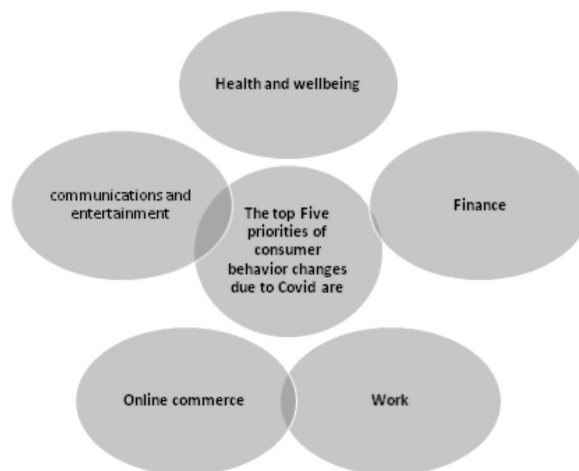
H1 - New normal consumer behavior in the face of the COVID-19 pandemic focuses on an individual's preference to purchase household commodities online.

H2. The behavior of new normal consumers is dependent on the various features that induce to purchase online.

Changes in preferences due to Covid 19

Keeping in view the new normal scene, consumers are mostly concerned about health and hygiene, then there are basic necessities like food grains, vegetables and fruits. Consumers have migrated from large brands to local brands as they are cheap and provide good quality online. Consumers remain inside and are turning to digital when it comes to purchases. They are going digital in terms of payments as well. No touch no hassle just gets the product hassle-free.

The top Five priorities of consumer behavior changes due to Covid are:



A new normal: Preparing for changes in consumer behavior post-COVID-19

By the emergence of Covid 19 consumption habits of the consumers have been deeply disturbed, leaving shoppers and retailers with much uncertainty about the future. “Research from KPMG suggests almost half of consumers have had their income negatively impacted by the global crisis.” Nearly half of shoppers are planning their shopping baskets very carefully according to the resources available with them. “Proceed with Caution”—a wary group that has not been impacted by job loss or reduced spending as of yet. “Another 27% are categorized in the “Hunker Down and Save” group—they are a relatively affluent bunch, but concerned about the economy, so they spend less on discretionary items and save more.”

Those who were in a dire financial position before the pandemic and have been heavily impacted by job loss and income reduction represent 23% of shoppers. Another 5% of high-spending shoppers are “Ready To Roll”—a young group in denial about the deleterious effects of the virus on the economy.

Though it may be tempting to view shifts in consumer shopping patterns as temporary and transitional, we can expect many changes in consumer behavior post-COVID-19 to persist.

What can the Companies do-

Consumers are going from traditional to modern methods of buying. They are comfortable in their houses buying things on their finger tips. Consumers gather information about various products through online digital platforms. Social media plays a powerful role here. Living rooms in houses have become workplace, shopping destinations, gaming zones, coffee tables and much more. The E-commerce giants can help consumers in the following ways-



Research Methodology

This research study includes both secondary and primary research. Secondary data is collected from online journals and reference books. Primary data is collected from 100 households framing questionnaire measuring the new normal parameters. The questionnaire is based on demographic information and buying preferences of consumers in the new normal and how Households buy daily necessities online using various applications.

A questionnaire is framed which is categorized in two parts that is Demographic information of the respondents and other part quantifies the buying preferences of the consumers in the new normal.

Terms used for the study

Household products are categorized in four sections they are Groceries, Health and Hygiene, medicines and homecare products.

Data Analysis and Interpretation

The questionnaire was filled from 100 households respondents. The questionnaire consists of two parts first part contains the demographic details of respondent and the other part includes the shopping behaviour of respondents

The data is analysed and results are interpreted as under

Table-1
Demographic details of the respondents

Sr. No.	Demographic variables	Total
1	Age –	
	25 to 30 years	15
	30 to 35 years	25
	35 to 40 years	26
	40 and above	34
2	Gender –	
	Male	29%
	Female	71%
	Others	-
3	Work status –	
	Salaried	35%
	Business	26%
	Housewife	65%
4	Income (monthly)	
	25000 to 35000	29%
	35000 to 45000	35%
	45000 to 55000	46%
	55000 and above	9%

Source: Primary data

- From the demographic analysis it states that maximum respondents fall in the age group of above 40 years that is 49%.
- Majority of the respondents are females as they are majorly involved in the household shopping buckets. 65% of the respondents are housewives who previously use to go to shopping malls, super stores and local kirana shops but now due to difficult times prefer to purchase online.
- 46% of the respondents are in the income group from 45000 to 55000.

Online shopping behavior of consumers for buying household products

Table-2
Online for various household products

Yes	No
79	21

Source: Primary data



Figure 1 – Online Shopping

79% that is majority of the respondents purchase their household products online. They have started using various applications for purchase of products due to this pandemic situations and lockdown.

As per this data it is clearly stated that the first hypothesis is stated true as majority of the consumers prefer to purchase household products online.

Table-3
Which category of products you prefer to purchase online

Attributes	Percent
Grocery	31
Health and hygiene	30
Medicines	20
Homecare	19

Source: Primary data

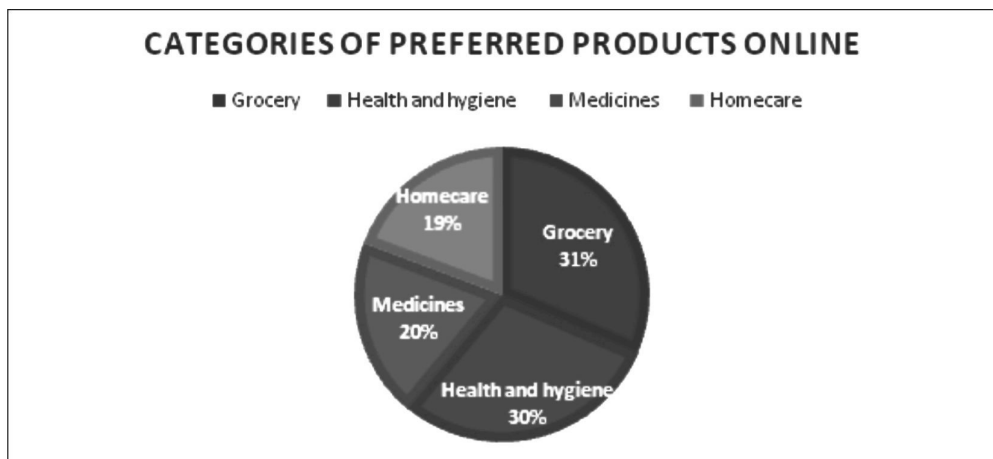


Figure 2 – Categories preferred to purchase online

Analysis

- Due to this pandemic situation 31% of the respondents preferred to purchase groceries from various online apps
- 30% of the respondents were more concerned to purchase health and hygiene products online as they are safely delivered
- Remaining 20% preferred to purchase medicines online and only 19% respondents preferred to purchase home care products online

Table-4
Which mobile app you prefer to purchase household items

Online App	Percent
Big Basket	20
Grofers	25
Jio	29
Flipkart	9
Amazon	17

Source: Primary data

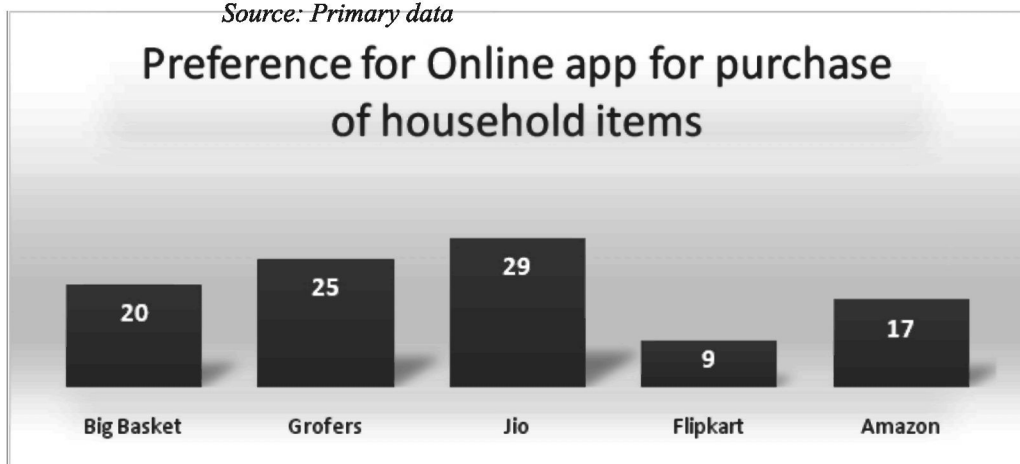


Figure 3 –Preference of online app.

Analysis

- Respondents were asked which shopping mobile app do they prefer for purchase of household items –
- 29% of the respondents were in favour of Jio shopping app. They felt it is providing good quality and better discounts
- 25% of the respondents preferred shopping through Grofers app
- Nearly 20% favoured Big Basket and 17% were in favour of Amazon for purchase of grocery items.
- Only 9% respondents were in favour of Flipkart as they have recently introduced these sections

Table-5
Why do you purchase household items online

Attributes	Percentage
Variety of brands at a click	91
Discounts and offers	95
Avoid long queues	98
Easy to order	96
Saves Time	98
Safely delivered at home	99

Source: Primary data

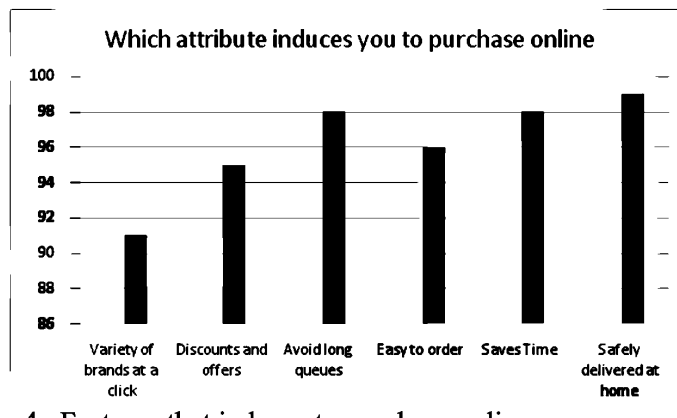


Figure 4 –Features that induces to purchase online

Analysis

- Respondents were asked why do you prefer to purchase household items online, they were provided with various options from that –
- 99% of the respondents were very much satisfied that the products ordered by them are safely delivered at their door step. Due to Covid 19 situation and lockdown people at large were not allowed to gather at shops and on top there were time limitations for the shops to remain open so respondents are very much satisfied with this option
- It helps to avoid crowd on stores and even saves time
- Online shopping is done 24*7 so this is a very convenient option for the buyers to place order at any time
- A variety of brands are available wherein comparison becomes easy
- E-commerce companies provides discounts and various sales promotion offers which induces the consumers

The second hypothesis is accepted because it is proven that the behavior of new normal consumers is dependent on the various features that induce to purchase online. From the above analysis it is clearly stated that majority of the respondents are satisfied with online purchases.

Table-6
Most Attract shopping online for household items

Offers	Percent
Buy one get one	21
50% store	23
Sabesaste din	31
Special discounts	16
Festive discounts	9

Source: Primary data



Figure 5–Offers that induces online shopping Analysis

- E-commerce companies provides discounts and various sales promotion offers which induces the consumers at large. These offers are so much fascinating that the consumers cant resist
- Respondents were asked which sales promotion offer attracts them the most when shopping online. Brands like Jioetc provide offers like sabse saste din – they have a strategy wherein from first to seventh of the month they provide products at a good discounted rate. Apart of this they also provide Budhwar discount
- Majority that is 23% of the respondents were attracted by the 50% feature
- 21% of the respondents shop happily because they get buy one get one free product
 These discounts were provided by the E-commerce companies to attract consumers and boost their sales

Conclusion

This is the era wherein people are exploring new ways of shopping, living, working, studying etc. Living rooms have turned to online classes, work from home desks, shopping places, entertainment zones etc. Covid 19 has completely changed the scenario. From this study it is very clearly stated that respondents prefer to purchase household items online only as they are safely delivered at time and can be returned in

case of any discrepancy. 79% of the respondents are very much satisfied to shop online as they get the product safely delivered at their door step. This helps them to avoid travelling to purchase household products and stand in queues.

E-Commerce companies provide various sales promotion offers which lure customers to make a purchase. Cash and delivery option along with online payments also attracts them. This situation demands to stay home and stay safe, this is only possible through purchase online and get the products safely delivered.

Customers are also happy because when they shop online they save time, effort, variety at their finger tips, its easy to order and compare with various apps simultaneously. There are various E-commerce giants (mobile applications) which attracts the customers by providing various offers when ordered online.

COVID-19 is transforming consumer lives. The current situation demands – Stay Home Stay Safe this is the new normal consumer.

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