

Impact of Pandemic on Consumer Behavior towards Online Shopping of Food and Beverages in Pune City

Prajakta Kedar Parasnis¹, Ashima Mandar Deshpande²

Abstract. COVID-19 has an immense impact on the whole world. Almost all the sectors were affected due to the restrictions. There was uncertainty and concern in many aspects. The study attempts to understand consumers' buying behavior about consumable goods, e.g., Packed food items, canned food, and various beverages. A structured questionnaire was designed to collect the responses. The analysis was done with the help of charts and graphs. The responses show that there is a change in the thought process of the consumers. They are anxious and hesitant due to an unclear picture of the future. They wanted to be more focused on purchasing essential goods only. People generally buy essentials in supermarkets or nearby grocers to buy the food and beverage items in everyday situations. But this habit changed due to limited timings of market accessibility, and people wanted to avoid waiting in line and contact people outside their household. The most convenient option was online shopping. It was observed that many consumers were using an online platform to purchase various goods. But there was an increase in users of different mobile applications to buy consumables—the significant aspects involved in the shift towards online shopping, elaborated further. There is an ease of shopping irrespective of restricted timings. It becomes a safe mode as one does not have to move out of the house to purchase goods. And the use of various applications was relatively easy even for new users. As the situation is highly unpredictable, consumers may permanently shift to online shopping mode even in the future.

Keywords: Pandemic, Buying Behavior, Essential Goods, Food & Beverage items

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1 Introduction

The Pandemic has fundamentally changed the world as we know it. It has affected and altered almost every sector and industry worldwide. Many lifestyle changes were experienced due to lockdown and norms of social distancing, as directed by WHO and many countries across the globe. People lived differently and had to adjust themselves to the New Normal during the Pandemic. No wonder the retail market was also affected due to the situation. Like other aspects, buying behavior was one of the essential aspects of the COVID-19 Pandemic. As mentioned above, the lockdown and social distancing have disrupted the consumer habits of purchase and physical shopping from markets and stores. During the Pandemic, panic shopping peaked, and people started shopping for things in panic, more significant numbers, frequency, and Volume.

Due to the local timing for shopping, people also indulged in impulsive purchasing. The COVID-19 outbreaks have also increased awareness of consumers towards hygiene and health but also the way they interact in society. Pandemic has isolated people because they had to look for an alternative. Digital technology was a savior in these critical times. Many users found it convenient to use technology more than ever. So, what changes can we expect in consumer shopping behavior? The closure of physical shops has led consumers to rethink their shopping habits. People who were earlier reluctant to shop online are now left with little choice and are getting used to online shopping rather than physical shops and retailers. Shoppers will choose shops that provide contactless payments and deliver instantly via phone. The e-commerce sector or digital tools of buying the essentials has responded rapidly to the challenge of creating positive experiences in response to the Pandemic. The impact of Pandemic has increased digital adoption as people are shifting to digital platforms for day-to-day needs. Consumers have started preferring value-based purchasing and online shopping. The consumers started getting various products online and with excellent offers and minimum contact.

As Pandemic has been around, the following change has been observed in people:

- Due to restrictions on eating and dining outside in restaurants, people grew accustomed to eating at home.
- People wanted to buy more grocery items as many started cooking at home.
- As a result of restriction on timing and compulsion of following the norms of social distancing, many consumers shifted to online shopping platforms for daily essentials.
- With an emphasis on health, cleaning supplies, sanitizer, and other hygiene products increased demand.
- Many such digital applications have a lot of advantages to offer, like online payment and contactless delivery.
- The ease and convenience of such applications attracted many new users, and most of the current users would continue to shop online irrespective of Pandemic or normal situation.

2 Objective

- To understand the preference given to shopping method by the consumers before Pandemic
- To understand the change in preference while purchasing food & beverage and other daily consumables during Pandemic
- To understand the factors influencing the change in the purchasing method

3 Literature Review

The literature reviewed highlights various aspects of consumers' buying behavior and their changing preferences during and after the Pandemic. Bayad Ali (2020), in the research article 'Impact of COVID-19 on consumer buying behavior toward online shopping in Iraq, has studied the online buying behavior of consumers of electronic goods during COVID – 19. The study is focused on the market of Iraq. The study reveals that the total market share of durable goods is 46% in the Iraqi market, almost half of the total market. In the initial phase, i.e., from February 2020, the market experienced a drop in activities and purchasing due to changing norms and rules. Also, the market experienced a shift towards essential products like groceries and other necessary items while shopping. The author opines that the restrictions imposed during the Pandemic have led the consumers to adopt the new ways of shopping. With the easy online shopping options, the consumers of Iraq have found it very easy to continue shopping even during situations like restricted movement specific timings for shopping. The author states that despite so many odds, the market has survived with the help of online shopping options. Aziz -Ur-Rehman, Muhammad Muhammad Kashif, Muhammad Kashan Javed (2020), in the research article 'Covid-19 impact on online shopping, have studied the impact of COVID - 19 pandemic on the preference of shopping of various themes.

The study aimed to understand if the Pandemic was the only reason for increased shopping through online mode. Or it is a continuous phenomenon which people prefer in general. Further, the authors wanted to study. A questionnaire was administered to collect responses. Two hundred five responses were collected from the survey. The analysis of the reactions was done with the help of bar graphs and charts. The results show that the majority of people go online shopping. But it's also mentioned that most people do not prefer shopping by going to the market. Burhan Uddin Meher Neger (2020), in the research article 'Factors Affecting Consumers' Internet Shopping Behavior During the COVID- 19 Pandemic: Evidence From Bangladesh', investigated various factors influencing the buying behavior of the consumers during the Pandemic. The study considered different factors like products purchased online, the psychology behind buying the products online, price, convenience, ease of shopping, the comfort of online payment, and security of transactions.

A structured questionnaire was used as a data collection tool. A 5 point Likert scale was used to rate the statements and questions. An online survey method was used for data collection. Data was collected from 230 citizens of Bangladesh. The sampling

method used was Non-Probability Sampling Method. Data analysis was carried out with reliability analysis, statistical analysis, and multiple-regression analysis. The results show a significant increase in online shopping during the COVID – 19 pandemic. The factors that have tremendous influence over increased online purchasing are time-saving. It offers a variety of products in a similar category. Online shopping provides ease of payment with various online payment gateways. And most importantly, the psychological factor gives the feeling of being safe from the current situation of the Pandemic.

The price and security aspects are momentary factors that push people towards online shopping. In April 2020, a survey conducted by NAMOGOO in the USA collected responses from 1091 adults about their views on online shopping. The report reveals that 14% of users were the ones who started with online shopping due to pandemic restrictions, and 56% of users increased the frequency of using online shopping platforms during this period. Almost half of the respondents have used online shopping platforms for buying food items & household items (other than electronic appliances). On the other hand, the purchasing of luxury items & other sundry items is limited to less than 20%. It shows that the consumers tend to focus on online shopping during the Pandemic.

Capgemini Research Institute (April 2020) The Consumer and COVID – 19: Global Consumer Sentiment Research in the Consumer Products and Retail Industry report states that the Pandemic has made it mandatory for the retail markets to assess the current working model. It is required as the consumers are going through an era of uncertainty and their behavior and purchase preferences are unpredictable. The thinking pattern consumption pattern also has a lot of impact on the restrictions due to Pandemic. Many of these behavioral changes may become permanent habits of the consumers. The survey included more than 11000 consumers across the globe. The survey was conducted in the USA, UK, France, Germany, Netherlands, Norway, Sweden, Spain, Italy, and India. The results show that many consumers have shifted to online shopping from conventional shopping. The primary reason is the convenience, flexibility of time, and ease of ordering the commodities. Another important aspect was the health & safety concern as most people were reluctant to go out of the house, especially in crowded places like the market. COVID – 19 and E-Commerce (October 2020) 'Findings From A Survey of Online Consumers in 9 Countries', a survey conducted by Netcomm Suisse Observatory & UNCTAD based on consumers' preferences on purchasing. This survey had undertaken to understand the effect of COVID-19 on online purchase behavior. The study covered Germany, Switzerland, Italy, Brazil, the Republic of Korea, the Russian Federation, South Africa, and Turkey. Pandemic has affected the daily life of people. To overcome various day-to-day life problems, digital platforms served as a savior for many businesses and social exchanges. Around 1600 respondents were surveyed during the study. The countries chosen were developed and developing countries. The results show that the respondents from the developing countries will continue online shopping even after COVID – 19 restrictions are waved off. Respondents from countries like Turkey say that they prefer online shopping to traditional shopping, even post-

pandemic. At the same time, respondents from Italy, Germany, Russia, and Switzerland would opt for both physical purchasing and online purchasing.

Priyadarshani Tyagi¹, Dr. Vanishree Pabalkar (2021), in the research paper, 'Impact of Covid-19 Over Purchasing Behaviour of the Consumers', study the impact on the purchasing pattern of the consumers during Pandemic. The time restrictions of the lockdown have shown the effects over purchase systems of people. It has changed from the traditional way of shopping to online shopping. Other factors contributing to this change are maintaining social distance, avoiding the crowd and long queues, etc. The COVID-19 infection can spread quickly from one individual to another if proper precautions are not taken. Technology has played an essential role in this whole scenario. Digital platforms mobile applications have proved to be a better option for physical purchasing. This change was experienced throughout the world. It was also observed that many first-time users of online shopping applications and portals were. It can be said that the Pandemic has created remarkable changes in the purchasing pattern of the consumers.

Alina But, Ioan Sebastian Bruma, Lucian Tanasa, Steliana Rodino, Codrin Dinu Vasiliu, Sebastian Dobos, and Marian Butu (July 2020) in the research article, 'The Impact of COVID-19 Crisis upon the Consumer Buying Behavior of Fresh Vegetables Directly from Local Producers. Case Study: The Quarantined Area of Suceava County, Romania' has studied the change in consumers' buying behavior in Romania as an impact of the crisis of COVID-19. It has changed the world economy and affected almost all sectors across the globe. The authors have studied the pattern of purchasing fresh vegetables in Romania after the restrictions were imposed. The responses were collected from 257 respondents with the help of a structured questionnaire and were circulated online. The results show a noticeable increase in online orders from local vegetable vendors. The difference was seen from 12% to 60% of consumers changing their purchase patterns. The study suggests that the distribution channels should adopt the new system and get ready for the digitalization of business.

Monitor Deloitte (June 2020) 'Impact of COVID-19 Crisis on Short and Mid-Term Consumer Behavior' is a survey undertaken to understand consumer behavior. The study also talks about the impact of the Pandemic on the changes in purchasing patterns. The study was focused on consumers from Germany. During the Pandemic, there were many constraints of time and movement of people. Many places were under strict lockdown. These are the primary reasons which led people to change their habits, which affected even the purchasing pattern. The focus of the study also considered the aspects as to if the changes are temporary or will have long-lasting effects on the buying behavior and trends. Accordingly, the manufacturers and distribution channels need to change their strategies. The results show a significant difference in consumer behavior and purchasing patterns during the Pandemic. A significant change was in the mode of purchasing. Many consumers shifted to online purchasing during the Pandemic. Also, the trend was to prefer locally available products and purchase goods from local retail shops. Due to restrictions imposed during the Pandemic, people like to stay at home and manage their daily routine. This has encouraged the online shopping of essential goods.

C Jamunadevi, S Deepa, Dr. K T Kalaiselvi, R Suguna, and A Dharshini (2021), in the research article 'An empirical research on consumer online buying behavior during the COVID-19 pandemic' have studied the changes in the behavior of consumers during the COVID-19 Pandemic. According to WHO's guidelines, almost the whole world went under lockdown. Consequently, there were restrictions imposed by various governments as far as the timings and accessibility of shopping were concerned. Of course, essential goods were available throughout lockdown, but under certain conditions. This scenario made it quite difficult for many people to buy the daily essentials from the market. The readily available option was online shopping. Many consumers changed their method of purchasing consumables and shifted to the online shopping method. The study was carried out during July and August 2020. The responses were collected with the help of a structured questionnaire. The same was circulated through Google forms. The data was analysed using the Simple Percentage method, Ranking method, Chi-square, and ANOVA test. The results reveal that the vendors have taken the help of digitalization due to sudden restrictions. Also, consumers found it easy to go for online purchasing. It was shown from the responses that consumers from the age group of 21 – 30 years are more frequent users of online shopping platforms. Also, the consumers are pretty satisfied with various facts like the delivery would have no shipping charges, the consumers can keep adding items to their 'cart' till they want to complete the order.

Anupam Sharma, DeepikaJhamb (2020), in the research article 'Changing Consumer Behaviours towards Online Shopping - An Impact of Covid 19', study the change in shopping pattern, which is majorly due to the constraints imposed due to the spread of COVID-19. The Pandemic had hit every sector worldwide, and the economy almost came to a standstill. The disturbance in the production and distribution of goods, especially the daily needs and consumables, made many consumers change their way of shopping. The time restrictions, lockdown at many places, and most importantly, to follow social distancing were the prime factors that people did not want to move out of the house. The best option was the digital platform for shopping. This change in purchasing pattern was quite prominent. Apart from changes in purchasing prints, consumers have also changed their preferences in shopping for goods. The shift can be seen from luxury goods to daily essentials and healthcare products. Though the change in the buying behavior is due to Pandemic, it will remain permanently in the future. Accenture (2020) COVID-19: How consumer behavior will be changed, a report published by Accenture has put forth the facts about consumers' changes in behavior during the COVID-19 Pandemic. Consumers are unsure about the future and the upcoming scenario, especially their economic condition. That is why most consumers are keen on spending only on basic needs and daily essentials. Also, looking at the Pandemic and spread of the virus, people wanted to buy more healthcare and hygiene products. As per WHO's guidelines, social distancing was a pivotal aspect to avoid the spread of COVID-19. That is also an essential factor which kept people away from market places. In such a situation, using the digital platform was quite inevitable. The report also states that this changed habit will more or less remain permanent with most consumers as it is time-saving, convenient, and, most importantly, a safer way of purchasing.

4 Research Methodology

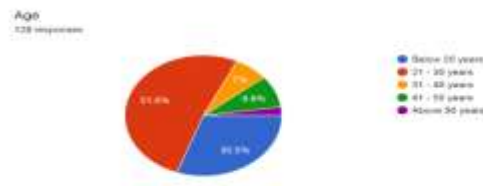
The study was carried out in the geographical region of Pune city. It was convenient for the authors to collect responses from the limited geographical area from a practical point of view.

The responses were collected from consumers familiar with various platforms and applications of online purchasing of food and beverages. A structured questionnaire was designed to collect responses. The questionnaire was circulated using the survey method and distributed through Google. A total of 128 responses were collected. The first section had all the demographic information of the respondent. The following section includes questions related to purchasing methods used by consumers to buy essential commodities before and during the Pandemic. Data collected was analyzed with the help of statistical charts.

5 Data Analysis:

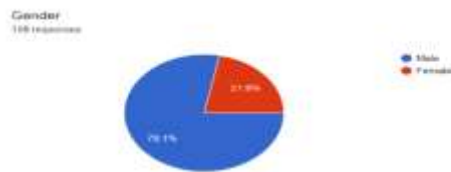
The data interpretation is presented below with the help of charts.

Fig. 1. Age of the respondents



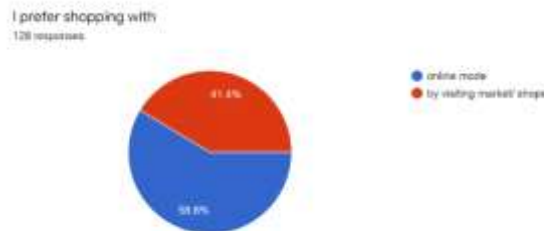
The results show that 52% of respondents are from 21-30 years, whereas 30% are below 20 years of age, and only 9% are from 41-50 years.

Fig. 2. Gender of respondents



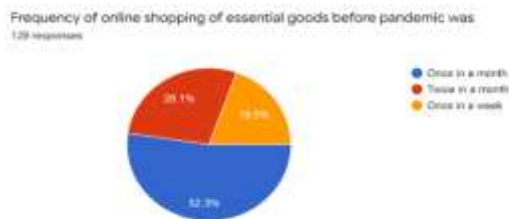
The majority of the respondents, i.e., 79%, are male, and 21% are female.

Fig. 3. Mode of shopping used by respondents before the pandemic



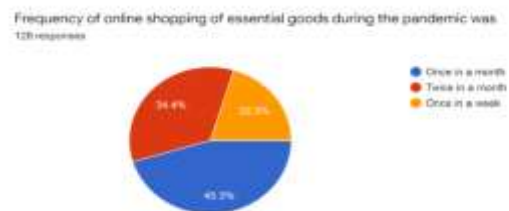
General preference of respondents of purchasing daily essentials shows that maximum consumers prefer shopping with online mode and 41% respondents prefer physical shopping, by visiting the market.

Fig. 4. Frequency of online shopping of essentials before the pandemic



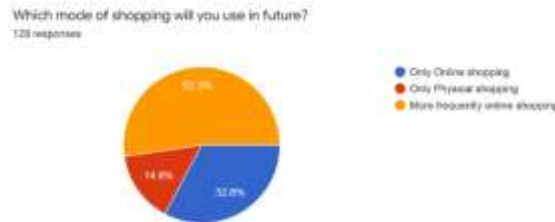
Before Pandemic, the frequency of online shopping was higher, i.e., 52% of respondents were shopping once a month for essential commodities online. Whereas 28% of respondents were shopping online twice a month, and 20% of respondents were shopping online once a week.

Fig. 5. Frequency of online shopping of essentials during the pandemic



There is a slight change observed in purchasing essential goods online. The frequency of online shopping of basic goods during the Pandemic is 45.7% shopped once a month, 34.6% respondents shopped twice a month, and 19.7% shopped once a week.

Fig. 6. Mode of shopping preferred by respondents in future



The responses received for which mode of shopping will the respondents use in the future, 52.8% will be shopping online more frequently, 33% said Only online shopping, and 14.2% responded only for physical shopping.

Fig. 7. Reasons for choosing online shopping mode



The last parameter for choosing online shopping mode, 34.6% respondents said it is time-saving, 24.4% preferred due to a wide range of products, 22% preferred it because of special offers from vendors, and 18.9% preferred it because of social distancing.

6 Findings & Conclusion

The results show that the consumers were aware of the various online shopping platform and methods. They used the same for shopping for multiple goods other than essential commodities, including food and beverages.

During the Pandemic, everyone needed to remain at home. Also, there were many restrictions imposed by the governments of many states and countries, which restricted the movement of people even if they had to move out to purchase daily essentials.

Considering many factors like convenience of buying, time-saving, keeping away from crowds, remaining at home in a safe environment, a wide range of products to choose from, easy & quick delivery, and ease of payment have led many consumers to shift to online purchasing during Pandemic. From the results, the frequency of online purchasing of daily essentials increased from once a month to twice a month.

Also, most of the respondents say that they would continue using the online shopping method even after the Pandemic. Almost 1/3rd of respondents say that they prefer only online shopping.

This indicates that the online shopping model has a lot of benefits to offer, which are safer and more convenient for the consumers. And they will keep using the same even in the future.

7 Suggestions

The study was undertaken to understand the impact of pandemic situations and restrictions imposed due to Pandemic worldwide. The study was based in the geographical region of Pune city as it was convenient for the authors to understand the perspective of consumers in a limited area.

By this time, many consumers are well aware of online shopping platforms. It is convenient and time-saving as far as shopping is concerned.

The major players like Amazon, Big Basket, JioMart, Nature's Basket, and D'Mart are already offering services and food products and beverages with a wide range of daily essentials.

To cope with the changing scenario, the local retailers who deal in grocery, green-grocery, and other daily consumables should make an effort to reach out to customers in their local areas.

The small shopkeepers can offer food commodities and similar products online with the help of mobile applications, websites, and on-call services.

The shopkeepers and small vendors can initiate the same by grouping themselves on one web page so that consumers can get a variety of beverages and packed food products from a different range. This will distribute the cost amongst the vendors, and the consumers will have a One-Stop-Shop experience.

The vendors can tie up with local delivery partners for the smooth and fast delivery of the orders.

The same can be advertised in the local area with less expensive advertisement options. This will accelerate online shopping from local vendors.

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