

How COVID-19 has Permanently Changed Consumer Behaviour and the Consequent Developments in the Delivery of Goods and Services

Cassandra Ranee¹ and Rohit Kar²

¹Assistant Professor, Department of Management, St. Claret College, INDIA

²Assistant Professor, Department of Management, St. Claret College, INDIA

²Corresponding Author: rohit@claretcollege.edu.in

ABSTRACT

As we see the world slowly limping back on its feet and returning to normal, one cannot ignore the change in consumer behaviour in almost all areas specifically in our buying behaviour and consumption pattern of groceries, retail goods, health and healthcare products, travel and tourism, entertainment, dining and food delivery, work and education and learning. These changes in almost all areas of life will have important implications to providers and will help them prepare for the new normal. While there has been a strong shift towards online and digital modes of delivery of almost all products and services it has also been noticed that while it has been seen to be beneficial to certain areas in certain areas outcomes have not been very positive especially in learning, remote work etc. Of course, areas such as tourism, aviation, public transportation, suffered tremendously due to the nature of their business. While all these are slowly showing a comeback after the difficult period of two years, consumer behaviour has changed forever post Covid. This paper aims to study the changes in consumer behaviour and will try to determine if these changes will remain. As we know behavioural changes are not permanent and their stickiness will depend on satisfaction of the new experiences and also on the number of people who have access to these new delivery methods.

Keywords-- Consumer Behaviour, Consumption Pattern, Delivery Methods, Remote, Consumer Experiences, Covid

I. INTRODUCTION

COVID-19 transformed consumer lives so swiftly that consumers quickly adjusted to the digital methods of product and service delivery. A process which would have taken years to be accepted became popular in a very short time due to necessity. Let us look at each sector independently.

Education and Learning – The education sector took a hit initially with teachers trying to find ways to connect with the students and help them continue their learning albeit while sitting in their homes. It took some time but various platforms became available to connect teachers and students and online classes started. It was a problem in various areas due to unavailability of network, hardware and hence it was not a level playing field especially in the rural areas and due to economic reasons. The efficacy of the learning was also a slight

concern as it was difficult to assess the learning outcomes of the students. Assessments were difficult and not fool proof. However, over the course of time remote. Hybrid online learning has more or less become and norm now so much so that it is being propagated and encouraged for self-learning through various online portals like Coursera. Overseas degrees are more accessible from any part of the world.

Retail – With the need for less due to being at home purchase of retail products declined. Offline store being closed other than for essential provisions, they suffered huge losses and many who were not on online mode started quickly so that sales could be sustained. Malls were empty and stores closed. E Commerce grew at a tremendous pace and now even though life is more or less back to normal the online buying has stuck in most cases especially for provisions, white goods and to some extent even clothing and accessories. The main shift came in the purchase of fruits and vegetables where people used to generally prefer offline purchase where they could see, touch and feel the products. Various online stores started offering fresh produce and this has continued post pandemic as well.

Travel and Tourism – Tourism was one of the sectors that was most hit and suffered a huge setback during the pandemic. Places providing accommodation underwent huge losses. Associated services like food, transportation, entertainment also suffered tremendously and it is only in 2022 that they are slowly back in business

Food and Groceries – This area saw a surge in e-commerce. Apart from the existing big players, many smaller ones emerged to cater to this segment. With online purchase there was a preference for trusted brands in order to be sure of the quality of the products. This was not only for dry groceries but for vegetables, meat and fish. However, in general expenditure towards groceries reduced, orders were smaller, frequency of shopping was reduced and in some cases for the customers needing offline purchase during the break hours most of the purchases were done from stores close to their home and this helped to support the small traders. Large offline retailers quickly shifted towards home delivery or pick up from their stores after orders made through remote ordering methods either over the internet, WhatsApp messaging or through telephone orders.

Restaurant's Meals - With dine in not being permitted restaurants had to fight for survival and all started catering to online food delivery and tied up with Swiggy, Zomato, Uber eats, Dunzo etc. The business of food delivery indeed grew by leaps and bounds.

Home Kitchens/ Cloud Kitchens - Apart from this there was also a surge in home based cooks selling their food especially in apartments and in housing societies. This ranged from attractive breakfast, lunch and dinner items as well as various snacks, cakes and pastries. They were producing almost all the items normally ordered from restaurants. Home baking saw many people try their hand at cooking and baking. It initially started with them preparing various items for their families and slowly through various online methods reached out to various consumers waiting to get a change in their regular home cooked meals. It is gratifying to see that these home bakers and cooks are continuing their businesses even today as many believe that a home cooked meal was also healthier.

Entertainment - With the closure of cinema halls entertainment shifted in a big way to the OTT platforms and they made huge gains. Many new shows and movies were released through these platforms as people had more free time to indulge in home based entertainment.

With people being confined to their homes digital games and gaming sites also saw an increase in usage. Group games became popular where people could log in from anywhere in the world to play the games. Minecraft and online card games gained popularity and group chatting sites like Discord also grew since physical socialising was not permitted.

Public Transport - This sector also suffered a huge hit. Taxis, buses, metros, trains and airways were not operational for a long time. With the corporate sector working from home transport operators for employees also went through difficult times. It remains to be seen how they bounce back in the new normal as working from home could be a norm in the future especially in the IT sector. Most companies are offering the hybrid model of working at the workplace and working from home and it will not be uncommon to see this model operating in the future.

Health and Well-being - Focus on health and hygiene became more prominent during the pandemic. Purchase of organic food, health supplements saw an increase. Online consultations with doctors and purchase from e-pharmacies and home tests became popular. Nursing care in homes to care for ailing patients who could not visit hospitals became a new normal. Home nursing care and Since gyms were closed, personal trainers and yoga instructors started online sessions. These methods have remained even now and is part of the new normal as they have brought about a convenient method of service delivery.

Beauty Care- With beauty parlours being closed, many people took to self-care for hair colouring, pedicure, manicure etc. and there was an increase in the demand of hair care products, facial creams and other beauty care

products. Home service also started becoming popular and provided employment to many beauty care providers.

Consumers were compelled to try new methods and this shift which would have normally taken years to become popular got accepted in a very short span of time and changed the delivery method of products and services almost instantly. The internet became the source of almost everything and digital advertising moved at a fast pace as out of home advertising was more or less non-existent.

II. CONCLUSION

As the world begins its slow return to normal and the economies hobbling towards a slow recovery this lockdown period has impacted the lives of people across the world. The secluded life coupled with economic uncertainty will bring forth changes in consumer behaviour in the years to come. The new behaviour shall impact our work, shopping and entertainment habits and in turn affect the retailers, consumer goods industries. The consumer behaviour patterns are changing and it will take time for the new industries to find the new normal.

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