

# A STUDY ON ONLINE IMPULSE CONSUMER BEHAVIOR DURING PANDEMIC OFCOVID-19

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#### **Abstract**

Impulse buying is an important element in e-commerce. Now-a-days impulse buying has become so common that it constitutes approximately 50 percent of total spending by customers. Technology provides endless opportunities to customers for impulse buying by providing faster, smarter and convenient buying options. People are forced to stay indoors due to pandemic and as a consequence they spend more time on internet. This research paper investigates the phenomenon of impulse buying behaviour during pandemic as well as the factors behind the impulse buying behaviour. It brings insight regarding online impulse buying, impact of advertisements on impulse buying and price concerns during impulse buying. After a thorough literature review to explore key factors related to impulse buying, a survey has been conducted to record the data of various customers involved in impulse buying. After analysing the data, conclusions have been drawn with respect to various aspects of impulse buying.

**Keywords:** COVID-19, Outbreak, Consumers, Buying Behaviour, Consumers Attitude, Online Shopping, Online Payment

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#### 1. Introduction

As compared to previous decades, today's generation before buying a specific product wants to see various options available throughout various online platforms and check for a good deal. Therefore, marketers are trying to show great interest in understanding consumer's thought process and feelings before selecting the product in the presence of many alternatives. With the change in shopping from a traditional store to online purchase, the way people finalize their decision to buy a product online has changed. As people are becoming aware of the technology, they now ask for the opinion of friends, family and relatives before deciding to buy the product and also check reviews online in order to decide to buy particular product or service. According to a research and analysis "emotions and thoughts play a decisive role in purchase, by seeing the product or response to organized marketing campaigns." (Dr. Satinder Kumar & Ms. Arshveer Kaur, 2018) Kumari & Godla (2020) the international confronted a completely unique task because of the COVID-19 pandemic. China was the primary country. To stand the mass unfold of novel Coronavirus (Meghna, 2021) The COVID-19 pandemic, the social measurement and staying at domestic, brought about adjustments in numerous regions, however, it become truly affected client conduct (Bakkar, 2020) The pandemic has made a great psychosocial effect on the behavior of the human beings toward their shopping for desires. The modifications inside the priorities were noticed in human beings's buying alternatives due to the worry of the uncertainties caused by the disease. (Sharma & Mehta, 2021) The recent outbreak of the COVID-19 pandemic has altered the lives of human beings, businesses, and additionally consumers. There has been a shift in customer buying behavior as nicely. This exchange in conduct is due to many underlying factors including a exchange in earnings, lockdown, disruption within the deliver chain, unavailability of a product, accessibility of the product.

#### Theoretical **Background** and **Hypotheses Development**

# **Impulse Buying Behavior**

Scholars have been focusing on consumer impulse buying for several decades, providing a long history of definition formations. According to Rajan (2020), Liu et al. (2019), and Güler (2014), the term is associated with naive, immature, ignorant, and intellectual deficiencies. Parsad (2020) characterized an impulse purchase pattern, as impulse buying occurs when consumers experience an expected, intense, and continual impulse to buy something immediately. Nevertheless, it cannot be labeled as involving the substantial aspect of pioneering hedonism, which is a precursor to enacting purchases as impulses. Similarly, Suryaningsih (2020) and Zafar et 1. (2019) found that impulse purchases involve an investment made through due to a given motivation in which the decision to purchase something does not depend on profound thought processes. Impulse buying can be induced by external stimuli. Still, according to Addo et al. (2020), not only external stimuli are involved, but also internal stimuli related to personal emotions. Matteo etal. (2020) added that impulse buying could help people deal with low confidence, negative emotional states and negative mental thinking. Thus, in the context of the fear-inducing COVID-19 phenomenon, impulse buying behavior has significantly increased across the United States and other parts of the world (Wiranata & Hananto, 2020; Kim, 2020; Addo et al., 2020; Matteo et al., 2020).

H1: Perceived Risks has a positive influence on creating Trust among Shoppers. [20] in his research which integrated the TAM theory, trustworthiness, perceived risk and consumer traits found that aperceived risk had an impact into nonadopter buyers with high ICT experience. In the online shopping context, [21] explained that perceived risk had influence into trust in the online shopping industries. In the context of online payment, [22] explored the effect of the perceived risks into trust and stated that the higher risks perceived by the customers would reduce their trusts inusing the digital platform. Therefore, lower riskplatform would create the customer trust easier [23].

# H2: Peers buying has a positive and significant impact on impulse buying behavior.

Buying patterns greatly influence each other across populations. Human purchase behavior is the outcome of acquiring information, attitudes and behaviors from other individuals in peerto- peer social interaction in the form of trends and fashions (De Veirman et al., 2017). Since companies attempt to rise to these challenges, they ascertain these changes consumer attitudes and behavior (Kim, 2020). These challenges are conditioned by 1) the companies response to the problem, and 2) changing customer habits and attitudes that will drive others (Bergel & Brock, 2019). Similarly, the novel coronavirus has produced the same peerbuying pattern in Europe, Canada, and the United States (Suryaningsih, 2020). People were inclined towards impulse buying behavior due to the negative and positive word of mouth of peers, watching the buying of neighbors and peers (Addo et al., 2020; Matteo et al., 2020). In a condition where the incitement info desires to be mirrored upon, consumers' emotional state is also combined into the administering of the appeal that is hugely driven by the apparent inspiration of the individuals around them (Crabble, 2020; Zhang et al., 2019). According to Kim & Su (2020), consumers adapt to anticipations of peers about buying decisions and acquire product suitability by perceiving the buying behavior of other people. Similarly, in a situation like COVID-19, people follow the purchase pattern of peers in online and offline purchases. Hence, the following hypothesis is framed based on literature.

### 2. Research Methodology

This research was a hypotheses testing study to describe the influence of perceived usefulness, perceived ease of use, and perceived risks into online market adoption using trust as mediating variable [28]. This study distributed questionnaires into 195 respondents who were ever shopped for grocery products on online channels or e-commerce platform. The minimum age of the respondent is 17 years old since they already having thenational identity card as a requirement in doing the financial transaction. As a quantitative research, the respondents were asked to answer close-ended questions with 1-5 Likert scale [29].

#### 3. Result & Discussion

Demographic data explained the profile of the respondents; 73.5% respondents were female with the majority age being 30-40 years old (29%) followed by respondents who are 17-21 years old (24%) and between 26-29 years old (14%). Only 9% respondents are more than 50 years old and only 8% respondents between 22-25 years old. 42%

respondents had monthly income at more than 7.5 and just only 29% respondents had monthly income less than 2.5 million Rupiah. 48% respondents were working as employees; 26% respondents were college students; 11% were entrepreneur and the rest were housewives. Majority of the respondents (63%) bought beauty and healthcare products more frequently and 82% of them bought the groceries products using marketplace platform. All indicators had strong correlation with the critical value of t > 0.671 using Pearson correlation method. Reliability test using Cronbach's Alpha coefficient showed the number of 0.918 which meant that this research is valid [32]. The Confirmatory Factor Analysis (CFA) was used to measure the fitness of the research model. Analysis toward the structured model were used to see the correlation toward the latent variable. The table 1 showed that only AGFI indicator had value less than < 0.90 and there were perfect theories in this research. The table 2 showed the value of R Square and Adjusted R Square for each variable: Another trend shows consumers are more awareof theimportance of their overall health. This happens whendigital services make it cheaper to maintain health. Moreconsumers have recognized the services availableintelemedicine and digital health, for example. Also, manyare aware that anyone with an internet connectioncanmake use of exercise videos - no need for expensivegymsor health club membership. The emergence of newinterests in welfare is reflected in the consumptionbehavior of making panic purchases that tendtobeimpulsive

Table: 1

(Yendamuri & Vohra, 2020).

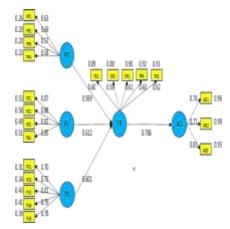
GOF Indicator	Estimated Value	<b>Testing Result</b>	Conclusion		
Absolute Fit Value					
GFI	GFI ≥ 0.90	0.90	Good Fit		
RMSEA	RMSEA < 0.08	0.048	Good Fit		
Incremental Fit Value					
NNFI	NNFI > 0.90	0.98	Good Fit		
NFI	NFI > 0.90	0.97	Good Fit		
AGFI	AGFI > 0.90	0.89	Marginal Fit		
RFI	RFI > 0.90	0.96	Good Fit		
IFI	IFI > 0.90	0.98	Good Fit		

Table 2: R-Square and Adjusted R-Square

Variables	R- Square	Adjusted R-Square
Perceived Risks	0.025	0.013
Perceived Ease of Use	0.461	0.434

	0.032	0.021
Perceived UsefulnessTrust	0.987	0.863
	0.987	0.803

Source: Data Analysis using LISREL 8.80



Meanwhile, the result of hypothesis testing using pathdiagram, could be explained as follow:

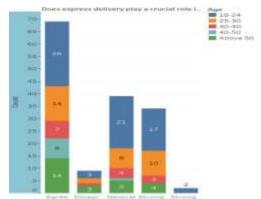


Fig. 2. Gender \* Instance of online Purchase before Coronavirus pandemic

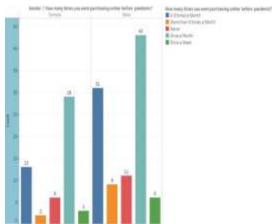


Fig. 4. Age \* Result of Clicking through an advertisement in buying aproduct during the Coronavirus Pandemic

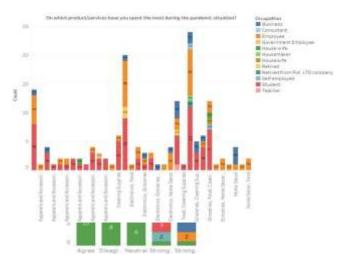


Fig. 7. Occupation \* Time spent on particular product/service during Coronavirus pandemic

#### **Observation and Finding**

- Before the pandemic, Males purchased more over online channels as compared to Females.
- During the pandemic, Males dominated the online shopping and also there has been a rise in that number as compared to pre pandemic period.
- The time being spent online has drastically increased during the pandemic and the majority of these people are between age ranges of 18-24.
- Younger people are more susceptible to impulse buying and tend to buy more products online if they get premium products at lower price and also would instantly buy if a product has limited stock.
- During the current situation, the most bought products online are groceries and cleaning supplies and a huge growth can be seen in its sales all over.
- People with higher incomes would genuinely take discount and offers into considerations along with lower income people during Covid-19 pandemic.
- People within the age range of 18-24 do impulse buying. The number of males in that age group indulging into impulse buying is more compared to females.
- More youngsters now have increased capacity of spending online during the pandemic as a result of increased time spending online.
- People with lower income, especially males, accept that pricing change in online products affect their buying decisions.
- Frequency of buying 2-3 times a month has increased considerably in the pandemic situation as compared to pre-covid times.

 Consumer spending online has increased as their frequency of online shopping has also increased.

#### Recommendation

- People these days are quickly adapting and moving towards E-Commerce stores due to Covid19. People came to know about the different E-Commerce sites where they can buy any type of product they want. Every Organisation should take this opportunity and should increase its presence online.
- Organisations should target the customers having age below 30, and can attract them by giving discounts and providing quality products.
- In the coming future most of the Businesses/ Organisations will be moving towards E-Commerce. They must withhold the existing customers and attract new customers at the same time by providing offers/ discounts according to their business.
- As we see the statistics, every customer is showing online presence one way or another.
  Organisations should attract the customers by advertising through allonline channels.
- Organisations should use analytical tools to keep track of their customers like spending time, visiting pages, buying products etc. Organisations should take steps to increase the number of customers and get engaged with them.

## 4. Conclusion

Impulse buying behavior of customers has increased during pandemic compared to the times before. This is because of the fact that consumers

spent more time over internet during the lockdown period. Consumers came across various online advertisements, offers and discounts. The companies should keep these factors in mind and improve the ease of customer shopping. They may trigger the impulse buying by making their remarkable presence online. Understanding the customer groups and their preferences will also help ecommerce companies to take advantage of impulse buying behavior of consumers.

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