

THE PATTERNS AND PREFERENCES OF ONLINE SHOPPING AND THE INFLUENCE OF COVID-19

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Abstract

Covid-19 has had a major impact on businesses and consumers in various ways including that of online shopping. This paper is an exploratory study of the global patterns, preferences, and various other aspects of online shopping during the period impacted by Covid-19 by a primary survey of people of different countries. It was observed that Covid-19 has been a motivation for the use of online shopping by several respondents and also influenced the nature of purchases for some. It was perceived by most that their usage of the mode of shopping online is likely to remain the same or increase in the future. In addition, various perceived advantages, disadvantages of online shopping, and hindrances in its adoption were identified.

Keywords:

Covid-19, Online Shopping, Ecommerce, Digital Economy

1. INTRODUCTION

Covid-19 and its associated restrictions to safeguard human health have had a profound impact on a number of businesses globally especially by the need for social distancing, minimizing crowding, etc. providing an impetus towards the use of digital technologies such as online communication, online productivity tools, etc.

The preference for the use of digital technologies due to the concerns caused by Covid-19 has led both consumers and businesses to adapt and change their existing practices in multiple ways across the world including the mode of shopping.

An example of Covid-concerns influencing customers can be seen through customers in the United States. The consumers increasingly shopped online and altered their patterns of purchase such as by shopping online for items such as groceries which prior Covid-19 were usually not purchased online, while at the same time engaging lesser in purchases of certain items such as clothing that were required for work-purposes due to increased adoption of a work-from-home format of work [1].

Similarly, an example of Covid-concerns influencing businesses can be seen through the businesses in India. In India, the local neighbourhood stores adapted to the trend of Indian consumers increasingly preferring to shop online, by using various internet-based technologies to provide their services, such as by using messaging apps to take orders from their consumers [2]. Covid-19 even influenced the business model of ecommerce businesses too for example. The ecommerce businesses faced numerous challenges due to Covid-19 and its restrictions, such as issues relating to their distribution network, and to manage these some major ecommerce businesses decided to collaborate with the local neighbourhood stores in India [3]. This collaboration had mutual benefits for both the ecommerce businesses and the brick-and-mortar neighbourhood stores.

In overall, it was observed in a survey of the UNCTAD and Netcomm Suisse eCommerce Association that in many countries, especially the emerging economies, the events due to Covid-19 have provided an impetus to online shopping, and this may persist in the future and also altered patterns of purchases of products [4].

An example of this is visible in South Africa where ecommerce had been relatively slow to grow with the barriers including costly internet plans and access to its services, issues of distribution, preference of use of cash, etc. however, the concerns of Covid-19 have resulted in its use to grow with the retailers and delivery firms to increasingly engage in online selling as people avoided to physically visit shops [5]. There have also been associated issues with ecommerce in South Africa with the surge in demand putting pressure on their service delaying timelines and affecting the quality of service [6].

Nevertheless, surveys have indicated that expectations are positive for further growth in the usage of ecommerce in the country [5], [6]. Similarly, in India, the Covid-19 concerns and restrictions resulted in a surge of internet usage due to the need to avoid going outside the home unnecessarily, with a large percentage of people accessing the internet daily in both urban and rural areas for various purposes [7]. The ecommerce sector also gained new customers and experienced greater usage due to Covid-19 [8]. Covid-19 induced a push towards the shift in consumer behaviour in a variety of ways including towards the use of ecommerce, which is possible to have a long-term influence [9].

2. REVIEW OF LITERATURE

Jain and Kulhar [10] analysed a variety of literature to develop a common framework of the barriers to online shopping across the globe. A significant barrier was the risks perceived of shopping online relating to the consumer's personal and payment details, demographic factors such as age, income, etc, problems due to the nature of ecommerce such as lack of physical contact with product or salesperson etc. Also, they noted other barriers include issues of internet connectivity, the need for suitable devices, after-sales services, etc.

Tandon, Kiran and Sah [11] analysed both the drivers and barriers of people towards shopping online in India. They found that the major barriers included the lack of opportunity to physically touch the product before buying, a variety of perceived risks involved in ecommerce such as the sharing of personal details on the internet along with a general lack of familiarity with technology, and the methods of delivery. In addition, they analysed the drivers of online shopping in India and found those included security and privacy measures by the online shopping portal, aspect of time-saving, and convenience of usage.

Polychronidou et al [12] analysed the perception of ecommerce in Greece. They noted the majority of respondents

surveyed by them have not often used ecommerce and however they have visited the websites at least once. The barriers in the use of ecommerce are due to their concerns relating to the sharing of personal information.

3. RESEARCH OBJECTIVES

This paper is an exploratory study on the global patterns and preferences of online shopping and the influence of COVID-19.

The research objectives for this paper include:

- To ascertain the change in the use of online shopping in the period as caused by the changes in consumer behaviour due to COVID-19.
- To assess the future expectations of the usage of online shopping by the consumers.
- To identify present concerns relating to the use of online shopping.
- To identify major hindrances in the wide-spread use of online shopping by consumers.
- To analyse the perceived barriers to the widespread use of online shopping.

4. RESEARCH METHODOLOGY

A sample of 100 people, were surveyed and analysed to obtain information relating to various aspects pertaining to their use of online shopping as consumers. A structured questionnaire was designed and used for this purpose and a sample of a number of people in 4 countries (India, South Africa, USA, and UK) were surveyed by convenience sampling followed by snowball sampling to obtain a general global insight of online shopping during the Covid pandemic.

The questionnaire was to obtain information from the respondents on the nature of the usage of online shopping, their perception of their usage as a response to the Coronavirus Disease 2019 (Covid-19), and a variety of other information relating to the perception of online shopping. The questionnaire was distributed as an online form for the respondents to fill during the period of October 2020 to February 2021.

5. FINDINGS

5.1 RESPONDENTS PROFILE

The profile of the 100 respondents surveyed.

Table.1. Gender of Respondents

Gender	Total sample (%)
Male	57%
Female	43%

Source: Primary Survey

Table.2. Country of Respondents

Country	Total sample (%)
India	65%

USA	15%
South Africa	7%
UK	13%

Source: Primary survey

Table.3. Age Groups of Respondents

Age group	Total sample (%)
18-30	14%
30-50	29%
50 and above	57%

Source: Primary survey

Table.4. Nature of Employment of Respondents

Nature of employment	Total sample (%)
Full-time employment	57%
Part-time employment	8%
Self-employed	21%
Not presently working	14%

Source: Primary survey

Table.5: General Amount of Usage of the Internet by the Respondents

Amount of Internet usage	Respondents (%)
Very frequently every day	93%
Occasionally every day	7%
Few days in a week	0%
Occasionally	0%

Source: Primary survey

Table.6. Number of Years of Experience of Engaging in Online Shopping to Make Purchases

No. of years	Respondents (%)
< 1 Year	0
≥ 1 and < 3 Years	8
≥ 3 and < 5 Years	14
≥ 5 Years	71
Never used Online Shopping	7

Source: Primary survey

5.2 INFLUENCE OF COVID-19 ON THE PRESENT USE OF ONLINE SHOPPING AND ITS PROSPECTS IN THE FUTURE

COVID-19 and its health concerns were cited to be a major reason for the use of online shopping in the present period for 50% of the respondents indicating the prominence of COVID-19 related concerns for a number of people who shopped online during this time period. In addition, 43% of respondents had stated that it had also influenced their present nature of the type of items purchased online.

Relating to the future usage of the mode of online shopping, 62% of respondents stated that their usage of this mode is likely to remain the same or increase in the future and 31% were unsure/undecided on their amount of future usage. Only 7% of respondents felt their usage may instead decrease in the future. This is a positive indication towards the outlook of online shopping in the future.

Furthermore, 72% of the respondents also displayed an interest in placing orders digitally from their local neighbourhood stores, such as by a website for this purpose or by making orders through instant messaging apps, if such a facility was available and then receive the items by home-delivery. This is indicative that online shopping and its associated technology has the potential to be a benefit to even the local neighbouring stores and should be considered by them. This was moderately correlated with respondents who also stated an advantage of shopping online was the time-saving aspect.

Table.7. Nature of Purchases made through Online Shopping

Product Category	Respondents (%)
Food and grocery items	86%
Consumer electronics	86%
Personal and health care products	65%
Clothes	50%
Stationary	43%
Miscellaneous	7%
Items not available in store	7%

Source: Primary survey

A majority of respondents stated they preferred purchasing items that they regularly and routinely purchased through the mode of online shopping. 62% of people stated they preferred purchasing regularly purchased items online, while 23% stated they did not have such a preference. 15% stated to have particular no inclination for the same.

Similarly, 64% of people respondents also stated they preferred to visit stores to purchase products they do not purchase regularly as compared to only 23% respondents who stated to prefer to directly purchase such items online. 13% were ambivalent between purchasing items not purchased regularly online or physically visiting the store.

In addition, relating to the purchase of expensive items, 41% of people stated they were comfortable purchasing expensive items online while 38% of people stated were undecided about the same. 21% of the people stated they were uncomfortable purchasing expensive items online.

Table.8. Perceived advantages of shopping online by respondents

Factors	Respondents (%)
Time-saving	86%
Convenience	71%
Better ability to search and Compare products	79%

Source: Primary survey

The time-saving aspect was the most major advantage of shopping online perceived by the respondents, followed by the better able to search and compare products on the internet while shopping online and its overall convenience.

Table.9. Perceived disadvantages of online shopping by respondents

Factors	Respondents (%)
Security of payment details	43%
Privacy	21%
Delivery time	64%
Lack of opportunity to see and evaluate the product	64%

Source: Primary survey

The major two disadvantages of shopping online perceived by the respondents included the lack of opportunity to see and evaluate the product and the time taken for delivery of the products to the customer's home.

5.3 DIGITAL PAYMENTS AND ONLINE SHOPPING

Regarding the use of digital payments 64% of the people stated they were comfortable using digital payment methods such as credit cards, e-wallets, etc to make payments for purchases while shopping online. However, 35% of people stated they were more comfortable with other payment options such as 35% of people stated they were more comfortable with other payment options such as paying cash on delivery for items purchased online.

5.4 PERCEPTION OF THE MAIN BARRIERS OF ONLINE SHOPPING IN THE RESPONDENT'S COUNTRY

The main barrier for the greater usage of the mode of online shopping was the lack of availability of such services in many areas as perceived by 46% of the respondents. This was followed by 23% who believed there was a lack of trust or awareness of these platforms followed by 15% who perceived there was an issue of the lack of internet connectivity. 7% of respondents stated they were not aware of any such barriers.

6. CONCLUSION

It was found that COVID-19 has motivated the use of online shopping for several respondents and it was also stated by some to have altered the usual nature of purchase made through this mode of shopping. Overall, a large percentage of respondents felt that it was likely that they would continue to shop online in the future at present or increased levels and also favoured the adoption of digital technologies by the local neighbouring stores so that they can purchase their products with help of the internet.

Furthermore, it was observed that the items commonly stated to have been purchased by respondents during this period were food and grocery items and consumer electronics followed by personal and health care products. The advantages of shopping online including its convenience, time-saving aspects along with

the ability to better search and compare products online appealed to several people, however, online shopping had its associated disadvantages including concerns of delivery time and lack of opportunity to see and evaluate a product by a majority of respondents, followed by security and privacy concerns by some of the respondents.

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