

CONSUMERS CONFUSION DURING THE PANDEMIC COVID-19

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Abstract

Following the proclamation of the world pandemic of Covid- 19 by the World Health Organization in March 2020, the whole society underwent drastic changes that radically disrupted our practices and habits. The essential changes caused by the pandemic because of the different restrictions taken from all the countries were in the focus of every researcher. This research presents a modest summary of the latest impact that the pandemic itself has on the shopping attitudes, perceptions, and consumers' behavior, to determine the changes that this situation has caused to consumers. Secondary data are used for conducting this research on consumers' behavior and businesses, while as a tool for data collection a questionnaire was used, based on focus groups who were part of the first lockdown on March - April 2020. There were 127 respondents involved, who were randomly selected through social networks. As statistical methods, we have used correlations and descriptive statistics to make inferences and conclusions. The data are used only to describe the situation of the consumers during March-April 2020. From the analysis of the primary and secondary data, we reached the results which proved that the *Fear* from the unknown and the *Stress* caused by this physical distance has influenced the increase of impulsive purchases. According to consumers, they will change the economic conditions, so they will reduce their purchases, will change the meaning of businesses, and expect price changes as well. Income, family, and emotional state are presented as the main factors on which their purchases will depend. The effect of newspapers and social media is almost insignificant as sources of information for the consumers in times of pandemic. Family well-being is listed as the primary need of consumers.

Keywords: Covid 19, Consumer behavior, Attitudes, Changes, Western Balkan.

1. Introduction

Covid - 19 was declared as a pandemic by the WHO. And today the world is facing a war which is changing rapidly the way of life. In fact, during this period society experienced a shock and we do not know when this will end or is it just the beginning of the great changes that await humanity. We know that during our analysis of the business environment, economic and social factors are ranked as the most important factors. The social factor is already threatened, and the economic factor is damaged. For example, Supply chain management was disrupted due to nationwide lockdown, the long-standing economic problems of unlimited needs and limited resources deepened, the consumers' needs as basic concepts began to take on an unknown meaning, the structure of markets degenerated, the structure of capital underwent changes and the most importantly the micro-businesses as the main drivers of the economy are in trouble while their customers are under psychological and social pressure stemming from the uncertainty brought by this pandemic. According to (European Commission 2020), there are generally three factors that are likely to generate new consumer habits. These are public policy, digital technology, and its

development, and changing demographics, which in some EU countries is very important (European Commission, 2020 b).

We marketers consider the consumers as cells of every economic and social process. The concept of the consumer has been studied for decades and carries with it an extraordinary multidisciplinary effort which so far has served us to give an easier answer on what happens in the minds of consumers, what do they buy, why do they buy, where do they buy, how do they buy, what motivates them to buy, what their needs are, what their demands are and in this way we oriented our managerial activities and marketing strategies to attract them. But now, everything is being shocked and changed. The social distance itself made people radically change their lifestyles, the family structure itself began to fade, work (mental and physical), management, productivity as concepts began to take on a different meaning. Since March 2020 we have been able to see entire lines only in markets and pharmacies, flights have stopped, travels have been utopian goals, which clearly showed that the industries are in trouble and that the categorization of goods must be checked, at a time when only essential goods have prices. All these above-mentioned concepts in fact alarm and call for very serious and difficult work for researchers. If we carefully elaborate all the concepts that keep the economy alive, the consumers will be seen as determining factors. Since this situation will change everything in the world, it means that we will start to gradually study in-depth the consumer's behavior.

Changes of the living conditions in the world because of covid - 19 disease profoundly affected consumer habits and practices. These changes require a detailed analysis of the factors that influence behavior during the selection and purchase. The way we live, act, work and educate, have fun, and buy things warn us of the beginning of a new era which will require new needs, desires, and demands, causing the disappearance of many industries and the appearance of new industries. Let us start with the *social factor*, for example, does the meaning of family will remain the same after the social distance? will we want to emphasize social classes as in the past, will we remain in the same classes, or will the habits and practices that the pandemic imposed will remain, will there be changes in our reference groups, with the market structure, will change together with the structure of the labor market, will we have the role and status that we had before the pandemic?! If we happen to experience changes in the social and economic factors as I mentioned, no doubt the power of these changes will influence the personal factors, for example, a lifestyle which depends on the economic situation, education itself, and the professions that have already begun to lose its meaning. The economy is vulnerable; the emergence of new industries and the structuring of the new global market will automatically cause the need for changing professional profiles. Consequently, that will require new needs of the new consumers who will come with new beliefs, new attitudes, new perceptions for the market, making them differently motivated. Marketers gave lots of effort to study the costumers' behavior, which needed a deep effort and constantly borrowing theories, techniques, and practices to try to discover the mind of the consumers to attract them. Another challenge as well, was to discover seriously the expectations of the customers, even though we identified the sources and factors that caused those expectations in normal circumstances, often all those remained a mystery. Probably the Covid-19 pandemic represents one of the most significant environmental changes in modern marketing history.

2. Literature review

In the early 1960s research on consumer behavior by different researchers and marketers posed a complex issue of understanding what consumers think, how do they buy, when do they buy, why

buying, by what factors are they influenced, and so on. Although their focus and efforts were to look at a model that will manage the understanding of the consumers, still it continues to be a complex issue. The fact that consumer behavior is a multidisciplinary field involving the problems of psychology, sociology, social psychology, anthropology, and economics, reveals the complexity of the field of research (Kotler, 2011). The theories that laid the basics of the abovementioned discipline of consumer behavior had built the foundations of economic theories with the idea that individuals act reasonably to achieve maximum benefit when buying goods and services (Schiffman, Kanuk and Hansen, 2008). According to Kotler and Armstrong, consumer behavior studies how individuals, groups, and organizations react while selecting, purchasing, using, and delivering goods, services, ideas, and experiences to satisfy their necessities and requirements.

According to the American Marketing Association, consumer behavior is well-defined as “the dynamic interaction of consent, cognition, behavior, and the environment from which people are guided in the exchange process in various aspects of their lives.” Consumer behavior represents how individuals and groups choose to spend their available resources (time, money, effort) for consumer goods or services. It summarizes what they buy, why they buy it, when they buy, where they buy, how often they buy, and the frequency of repeated purchases (Schiffman, 2008). According to Solomon et al. (2006), consumer behavior involves procedures where individuals and groups chose, purchase, use, or abundant products, services, ideas, or experiences to satisfy their requirements. How consumers behave when purchasing goods and services is more than a behavior. It studies the effect of having or not having some things that might affect our lives and how belongings influence the way we feel about ourselves and each other (Solomon Bennett and Previte, 2012).

The theories that laid the roots of the discipline of consumer behavior had built the foundations of economic theories with the idea that individuals act rationally to achieve maximum benefits when buying goods and services. Even though research on consumer behavior ranges far before 300 years ago by early economists, as Nicholas Bernoulli, John von Neumann, and Oskar Morgenstern who started to practice the basis of consumer decision making (Richarme, 2007), consumer actions continue to remain a mystery, especially today, in times of pandemic where markets, businesses, and consumers are under the pressure of the dangerous unknown. Alfred Marshall believed that consumers buy their goods and services based on what offers them the most personal satisfaction, and the question arises if consumers will continue to treat themselves based on Marshallian theory and will they get the same pleasure when buying even nowadays. Another important question that is very possible to arise is if we as researchers will continue to support our research on existing theories on consumer behavior patterns or should we try to find new approaches in consumer behavior. Although so far we have not been able to define this old-aged battle over the process of buying, choosing, and satisfaction.

2.1. Consumers confusion during the pandemic

The global pandemic of Covid - 19 has seriously affected societies and economics around the world and affected the society in various ways. This situation has several consequences for the everyday life of consumers and has dramatically changed how consumers behave and businesses react (Donthu and Gustafsson; Pantano et al., 2020). According to Ahmed et. al. (2020) in an analysis based on the theory of *Fear*, where impulsive buying is studied as a pattern during the

Covid-19 pandemic, and their findings demonstrated that the fear of a complete lockdown and panic are the essential influencers on the US population's buying behavior. Other factors such as peers buying, scarcity of essential items on superstore shelves, disruption of the supply chain, and the US stimulus package also play a vital role in the impulse buying behavior of US citizens. The Covid -19 pandemic has changed usual routines, our working, schooling, free time spending and also shopping behaviors. As mentioned in the Accenture research (2020), people are living differently, buying differently and, in many ways, thinking differently. The global Covid -19 pandemic has seriously affected societies and economics around the world and has hit various sectors of society in different ways. This situation has several consequences for the everyday life of consumers and has dramatically changed how consumers behave and how businesses act (Donthu and Gustafsson, 2020; Pantano et al., 2020). The surveys carried out after the first wave have argued that consumers all around the world are looking at products and brands through a new lens (Accenture, 2020; McKinsey, 2020). The studies examine the dynamics of impulse buying patterns and its rise as a result of Covid -19 and the impact of the impulse purchasing behavior of Czech citizens during this situation is mostly based on fear (Ahmed et al., 2020; Iyer et al., 2020).

The present situation, after the first wave and at the beginning of the second wave of the Covid -19 pandemic in Europe, has made many consumers reconsider their preferences of buying and shopping behaviors (Sheth, 2020). Due to the extraordinary suppressions, some consumers were forced to move to online shopping, home-deliveries or cashless payments, which were never considered before as an option (Pantano et al., 2020). There is a need for managers and marketers to detect the changes in consumers' shopping behavior and practices to understand how to adopt the changes in their strategies (Verma and Gustafsson, 2020). The results of the research conducted show that consumer behavior during shopping in the Covid-19 pandemic generally depends on Fear - the greater the fear, the greater the change in shopping behavior. As we expected, fears for health were statistically significant for the main reasons in choosing new items. The reasons for the new purchases for their sample of respondents were the quality, availability and convenience of the purchase (Eger et. al, 2021). Recent literature has shown that a perceived insufficiency of products can significantly affect consumer choices (Pantano et al., 2020).

3. Methods

At a time when a large number of states tightened security measures to protect against infection, even though the number of infected was much lower during the first wave of the pandemic to all of us as consumers an uncertainty appeared. Exactly in the time period April -May 2020 this research was conducted. This research as a tool for data collection used the questionnaire. The purpose of this paper is to highlight changes in attitudes, expectations and actions of the consumer regarding the purchase. Research questions will serve for accepting or refusing the following hypotheses:

- H1: Consumers are afraid of the unknown;
- H2: Expectations for lifestyle changes;
- H3: Changes in motivating factors.

The sample contains 127 observations and as is required, it is chosen randomly. The randomness is explained by the diversity of the people that answered. The demographic statistics is showing that 57% of the surveyed individuals were female and 43% were males. The age of the sample

prostrates from 18 to 44 years with 20 and 22 being the most frequent age to answer. Most of the individuals were from North Macedonia but there are not isolated those from Albania and Kosovo. Around 81% of the individuals were with higher education.

Methods used for analysis and interpretation are statistical and comparative. From statistical methods, we have used correlations and descriptive statistics to make inferences and conclusions. The comparative method is used to make a comparison between different periods and different variables.

Table.1. Pandemic effect on wellbeing

PANDEMIC EFFECTS ON WELLBEING	
Mean	2.874016
Median	3.000000
Maximum	5.000000
Minimum	1.000000
Std. Dev.	1.188517
Skewness	-0.211086
Kurtosis	2.199380
Jarque-Bera	4.335049
Probability	0.114461
Sum	365.0000
Sum Sq. Dev.	177.9843
Observations	127

Source: Authors' calculation

When asked about the effects of the pandemic on the wellbeing of people, the mean points of the answers is 2.874 which means that somehow the effect of the pandemic is not that high as it was expected. The standard deviation is 1.189, which indicates that the answers do not differ a lot among different persons.

Table.2. Pandemic effect on wellbeing

Value	Count	Percent	Cumulative	
			Count	Percent
2	9	7.09	9	7.09
3	16	12.60	25	19.69
4	29	22.83	54	42.52
5	40	31.50	94	74.02
6	23	18.11	117	92.13
7	7	5.51	124	97.64
8	2	1.57	126	99.21
9	1	0.79	127	100.00
Total	127	100.00	127	100.00

Source: Authors' calculation

Most of the people surveyed answered that their family counts of 5 members, which is 31.5% of total people answered, 22% were family of 4, 18% were family of 6. Around 12% answered that they count 3 family members and members of 2 were only 7% of 127 people that answered. If we correlate the variables of how many purchases were made during and before the pandemic, we get to see that those two variables are somewhat linearly associated with a coefficient of correlation of 41.92%. This means that people who bought before the pandemic still buy during the pandemic.

Table 3. Purchases before and during the pandemic

	Purchased during pandemic_ PW	Purchases before pandemic_ PW
Purchased during pandemic_ PW	1.000000	0.419243
Purchases before pandemic_ PW	0.419243	1.000000

Source: Authors' calculation

Analyzing the table for the average purchases that people made during and before pandemics we see that the mean value of the purchases during the pandemic is higher than that of the pre-pandemic period. This could be explained by the fact that people were more stressed and felt pressure when staying indoors and that has made them buy more things. This result correlates with the findings of recent literature has pointed out that conscious (planned) or subconscious (impulsive) purchase patterns are driven mainly by hedonic (emotional) and utilitarian (practical) stimuli (Ahmed et al., 2020) reported that in the context of the fear-inducing Covid-19 phenomenon, impulse buying behavior has increased significantly across the world even it is an almost forgotten theory. The average purchase of 127 observations that we have gathered is 1.913, this means that per week one person has made approximately two purchases during the pandemic. The mean value does not differ a lot from that of the pre-pandemic period with 1.882 purchases per week. The standard deviation of the number of purchases during a pandemic is lower than that of the purchases of the pre-pandemic period, respectively 0.951 and 0.989.

Table 4. Purchases before and during the pandemic per week

	Purchases during pandemic_ per week	Purchases before pandemic_ per week
Mean	1.913386	1.881890
Median	2.000000	1.000000
Maximum	3.000000	3.000000
Minimum	1.000000	1.000000
Std. Dev.	0.951387	0.988940
Skewness	0.173184	0.237862
Kurtosis	1.135999	1.073038
Jarque-Bera	19.02074	20.84650
Probability	0.000074	0.000030

Sum	243.0000	239.0000
Sum Sq. Dev.	114.0472	123.2283
Observations	127	127

Source: Authors' calculation

When asked if people tend to make unplanned purchases during the pandemic is worth mentioning that only 30 of them answered yes, this is around 24%. The others who answered no are more than 76%.

Table 5. Impulsive buying

Tabulation of Impulsive buying				
Sample: 1 127				
Included observations: 127				
Number of categories: 2				
Value	Count	Percent	Cumulative Count	Cumulative Percent
0	97	76.38	97	76.38
1	30	23.62	127	100.00
Total	127	100.00	127	100.00

Source: Authors' calculation

Table 6. Pandemic is going to change the lifestyle

Table of; How pandemic is going to change your lives?				
Sample: 1 127				
Included observations: 127				
Number of categories: 2				
Value	Count	Percent	Cumulative Count	Cumulative Percent
0	61	48.03	61	48.03
1	66	51.97	127	100.00
Total	127	100.00	127	100.00

Source: Authors' calculation

When asked if they believe if the pandemic would change their lives, 52% answered that yes they do believe that changes would come.

The impact of the pandemic is the scariest unknown to most of the people that we surveyed since 65% of them declared that they fear that the impact of the pandemic would be strong on the economy.

Table 6. Expectations of consumers for economic changes.

Table of; Is covid going to have an impact on the economy?				
Sample: 1 127				
Included observations: 127				
Number of categories: 2				
			Cumulative	Cumulative
Value	Count	Percent	Count	Percent
0	45	35.43	45	35.43
1	82	64.57	127	100.00
Total	127	100.00	127	100.00

Source: Authors' calculation

79% declared that the pandemic is going to affect their future purchases. This is very concerning from two points of view. The first one is that if people fear about their future purchases it means that they fear about their incomes and that is the uncertainty that we try to address here. The second point is that if people start to "save" more and spend less the economic activity would fall by decreasing consumption of households.

Table 7. Future buying purchases

Table of; Is Pandemic going to affect your future purchases?				
Sample: 1 127				
Included observations: 127				
Number of categories: 2				
			Cumulative	Cumulative
Value	Count	Percent	Count	Percent
0	100	78.74	100	78.74
1	27	21.26	127	100.00

Source: Authors' calculation

Table 8. The meaning of businesses

Table of; COVID_19_will change the meanings of business?				
Sample: 1 127				
Included observations: 127				
Number of categories: 2				
			Cumulative	Cumulative
Value	Count	Percent	Count	Percent

0	77	60.63	77	60.63
1	50	39.37	127	100.00
Total	127	100.00	127	100.00

Source: Authors' calculation

61% think that the pandemic will change the way of doing business. This is also very interesting because it has begun to affect the way of thinking about the most suitable ways of doing business. There is a need for retail managers and marketers to monitor the changes in consumers' shopping behavior and habits to understand which changes in strategies they need to adopt (Verma and Gustafsson, 2020). Retailers are aware that their responses to the emergency will dramatically impact their business, but are scrambling to adapt as they have very little time to take action (Panteno et.al., 2020). Whatever the changes, it seems highly likely that the ways marketing has operated in the past will need to change and will do to meet the new reality (He and Harris, 2020). The outbreak of the Covid-19 pandemic changed Europe and the world within the blink of an eye. It will leave a lasting impact on the way we live and work together, and it came at a time when Europe had already been going through a period of profound demographic and societal change (European Commission, 2020).

Table 9. Expectations for price changes

Tabulation of Expectations for price changes				
Sample: 1 127				
Included observations: 127				
Number of categories: 2				
			Cumulative	Cumulative
Value	Count	Percent	Count	Percent
0	110	86.61	110	86.61
1	17	13.39	127	100.00
Total	127	100.00	127	100.00

Source: Authors' calculation

Most people think that the prices will change because of the pandemic, 87%. This is already a fact because after a year of the pandemic, the prices have begun to rise and this is very concerning. The risks of higher prices impose a fright for inflation, which phenomenon is least wanted during this period.

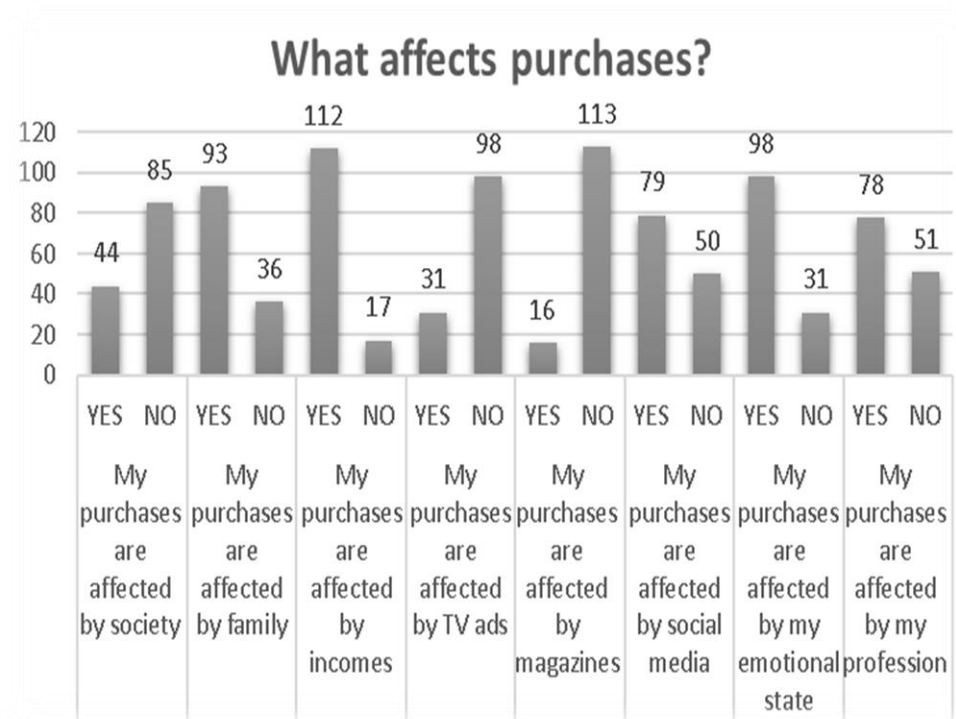


Figure 1. Factors impact on purchases.

As we can see from the bar graph the most impact on the purchases have incomes after incomes family is the second most influential decision buying factor. The emotional state seems to have an impact too. The least effect on purchases has magazines, followed by society and social media.

4. Conclusions

From the analysis of primary and secondary data we found that although the theory of *Fear* was probably forgotten during the treatment of consumer phenomena, according to some researchers, it is still present. Businesses need to deepen their research to adapt activities to the requirements of the consumers. The fear of the unknown and the stress caused by this physical distance has led to an increase in impulsive purchases. According to consumers, economic conditions will change, purchases will be reduced, the meaning of buying will, and the prices are expected to increase. Income, family, and emotional state are presented as the main factors on which their future purchases will depend. The effect of newspapers and social networks is almost insignificant as sources of information and incentives to consumers in the time of the pandemic changes.

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