

Panic Buying Perception in Walian Satu Sub-District, Tomohon City

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ABSTRACT

Currently the Covid-19 has infected many countries. Indonesia became one of the many countries that suffered the negative effects of the pandemic. Like other countries, this global pandemic health problem brings huge impacts on the economy. Thus, a study is needed to measure the perception of the people of Tomohon City especially South Tomohon regarding panic buying due to covid-19. This research was limited to the use of panic buying variable and the place of research is South Tomohon District especially Walian Satu area. This study made use of descriptive quantitative research in its methodology combined with qualitative interviews. The number of respondents in one-month data collection was 150 respondents. The result of this study were 89 respondents were indicated to still normally and rationally purchase basic necessities. However, 61 respondents have ever made unusual excessive purchases to anticipate the covid-19 pandemic.

Keywords: Covid-19, Panic Buying, Pandemic

INTRODUCTION

Currently the Covid-19 has infected many countries. The World Health Organization (WHO) has been declared a pandemic. Indonesia became one of the many countries that suffered the negative effects of the pandemic. In the beginning of March 2020, the President announced the first 2 positive cases of Covid-19 in Depok. Recently, more than 14,000 positive cases of Covid-19 were found throughout Indonesia (covid19.go.id; May 9, 2020). Among the large number of confirmed people, exhilarating data emerged that the recovery rate was higher, which was more than 2000 healed patients. This number was far greater than patients died of the disease. However, in March to mid-April the mortality rate was still higher than the recovery rate.

Like other countries, this global pandemic health problem brings huge impacts on the economy. The government was forced to issue a policy of physical distancing and or Large-Scale Social Distancing (PSBB) in various regions, temporarily closing schools and universities, banning worship in churches, mosques, etc., prohibiting gathering in large numbers, homecoming and traveling abroad and various other policies to break the covid-19 spread chain. It instantly forced the economy as it stopped. Business of travel service, public/online transportation, restaurants, and hotels were directly affected by the decline in turnover reaching more than 70% (observations of credible national media).

The outbreak of covid-19 allows the potential for higher panic buying, coupled with the rise of false news (hoaxes) on social media leading people more panicked.

Medical masks, hand sanitizers and vitamin C/E supplements had disappeared on the market, even if there was an unnatural price increase. The potential for panic buying due to the co-19 pandemic seemed to have been deliberately played by speculators to reap huge profits amid the suffering of the people. Luckily, the government's appeals to use masks when leaving the house, made masks (eg cloth masks) were highly available in adequate stocks with relatively affordable prices.

Basic need consumption increased for people purchased in an unusual amount. Internet quota purchases were getting higher even though the level of public income, in general, was decreasing (demographic survey of BPS, 2020). In shorts, the covid-19 issue which initially only relates to health has progressed to economic issues. Even, Finance Minister, Sri Mulyani, at a meeting with the Parliament in March 2020, cited that health issues for the pandemic could trigger a global economic crisis. It weakened rupiah from 13 thousand to 16 thousand, letting share prices fall, and mass layoffs occur. Those are examples of the consequences arising from covid-19. This situation began to be similar with the 1998 economic crisis. Even, an economist, Muhammad Chatib Basri argued that the crisis could be worse than the 1998 crisis, since it hit SMEs, which, in the 1998 crisis, they became buffers for the Indonesian economy (detik.com; May 8, 2020).

Tomohon City, rapidly developing small city in Indonesia, located in North Sulawesi Province, is also affected by the ferocious virus of covid-19. As stated in www.covid19.tomohon.go.id, on May 9th 2020, there have been 6 patients confirmed covid-19. Even though it is still relatively small, compared with that within the state, Tomohon faced with severe economic problems like other big cities did. The interesting thing about Tomohon City, is that it is a small developing city enabling people easily socialize one another. For example, if a person A accidentally meets with B at one market in one day, they would have very much likely to meet in another place within the same day. If they were asymptomatic with covid-19, then the virus transmission risk would be higher. Infact, on May 6, 2020 Tomohon City was calssified as a red zone by the Indonesian Ministry of Health (tribunmanado.co.id; May 8, 2020). In one of areas being the object of this study, there were 2 confirmed covid-19 cases. Therefore, the phenomenon of panic buying is likely to hit Tomohon City during the pandemic. Therefore, it needs further research or studies. In addition, recent studies on social behavior and panic buying behavior have not been widely conducted. Even, our people behavior pertaining to Covid-19 pandemic has never been studied.

Covid-19 pandemic in Indonesia has encouraged the author to work on a research upon this issue in Tomohon City. Determination of Tomohon as a red zone may trigger panic buying to be higher. Thus, a study is needed to measure the perception of the people of Tomohon City especially South Tomohon regarding panic buying due to covid-19. This research was limited to the use of panic buying variable and the place of research is South Tomohon District.

Community Social Perception and Panic Buying

As living creatures able to adapt to complex social groups and patterns, it seems necessary to understand individual behavior as part of interaction and communication among humans. One factor influencing human actions and behaviors are perceptions formed by the observation system (Knoblich & Prinz, 2001). Individual actions and behaviors coming out from perception are caused by

two things (Passer & Smith, 2009): first, behavior-related personal disposition, to internal characteristics such as personalities, beliefs, and attitudes. Second, situational disposition, that is behaviors driven by situations occurring outside of personal will and influenced by external aspects of the environment.

The social perception is defined as the initial stage of evaluating the psychological intentions and dispositions of others by analyzing perspectives, body cues, and other movements (Allison et al., 2000). It refers to identifying and utilizing social cues to make judgments about the social roles, rules, relationships, contexts, or characteristics of others. In other words, it measures the understanding of social communication relationships among individuals. Other opinions stated by (Baron & Branscombe, 2012) as a process to understand others. Based on the three opinions, social perception means an attempt to understand others by using non-verbal communication and interpreting it as part of social behavior and social perspective.

Several factors obviously contributing to the creation of one's social perception (Hanurawan, 2007), are recipients, situations, perspectual organizations, and objects. The recipients depend on the characteristics of the observers based on their self-concepts, values, attitudes, past experiences, and expectations. The situations are factors outside the observers such as selections, similarities, and organizations. Meanwhile, intellectual organizations demand objects as logical, orderly, and coherent systems. The objects are individuals used as observation objects with special, unique, contrast characteristics, and intensity.

The term panic buying or also called consumer hoarding is immediately becoming a trend in the midst of Covid-19 pandemic. Panic buying refers to a person's actions to buy in large quantities to avoid future deficiencies. This phenomenon can be clearly illustrated by looking at several indicators such as, long queues at shopping centers, large purchases, and loss of supplies on the market causing for public anxiety. However, this behavior is not only driven by emotional factors but also by a response to the threat of future availability and loss of access to get something.

It may happen anywhere and anytime. The trigger is mostly the beforehand unanticipated force majeure such as natural disasters, fear of supply shortages, terrorist attacks, as well as the threat of massive strikes (Kumar et al., 2018; Fang & Shou, 2015). However, the real reason is emotional feelings of anxiety and uncertainty in the future. Both of these psychological conditions are related to people's distrust of the availability of goods and significant price increases.

Some of the consequences arising due to panic buying behavior are disruption of supply and demand, availability of goods and scarcity in the market, retailers' decisions that can disrupt buying patterns such as, price increases, limiting sales (quota), and limiting supplies, and the stockpiling. Panic buying contains three elements: first, it occurs due to an individual's perception of distress signals, incapacity and concern over a threatening situation, and the inadequate solution potentials. The combination of these three drives one's panic. Second, attempts to withdraw from threatening situations are the result of someone's panic. Third, there is a change in behavior due to individual decision making to escape from panic.

RESEARCH METHOD

This study made use of descriptive quantitative research in its methodology combined with qualitative interviews. Online Google Form survey was chosen to use. It allows faster data distribution and lets the study-from-home during the pandemic easy to apply. This research is more intended for the community in Walian Village and Walian Satu Village, South Tomohon District. The reason for choosing South Tomohon District is that out of 6 positive Covid-19 cases, 2 of them came from this district. Then Walian and Walian Satu were chosen for they are large-scale urban villages and close to two big supermarkets in the City.

Descriptive statistics cannot indeed be used to generalize research conclusions (Cooper and Schinder, 2010). Thus, the results of this limited research can only describe the results for the two villages, particularly the number of respondents collected. The data collection of this research took place from March 25 to May 2, 2020 in collaboration with lecturers at the Faculty of Economics, Manado State University as mentors and supervisors. This google form is perfect for descriptive research since, in addition to helping spread questionnaires online, it makes the data highly possible to analyze.

The number of respondents in one-month data collection was 150 respondents. The sample method in this study is a non-random sample by means of convenience sampling method. This was chosen since it is more realistic to get a fast response in the midst of covid-19 pandemic. The questionnaire link was sent to the author's Whatsapp groups and Whatsapp's private network of the community. The collected data was then analyzed through the same application to descriptively get the desired data. The core instrument of this study consisted of only one question, namely "Have you ever bought something in large quantities during the covid-19 pandemic?" In addition to the core instrument, it consists of two general questions such as the respondent's age, residence or domicile. Besides collecting data using the GoogleForm link, several interviews were also conducted via WhatsApp with several selected informants to get direct information about their perceptions regarding their recognition of panic buying activities.

RESULTS AND DISCUSSION

3.1 Demographic Profile

The demographic profile of the respondents is presented in table 1 below.

Table 1: Demographic data of respondents

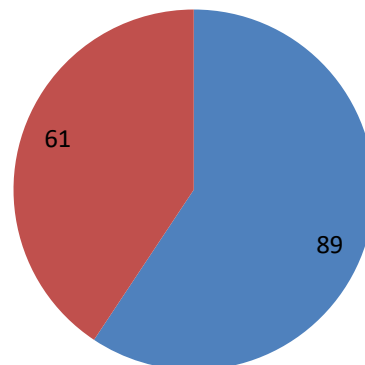
Demographic		Total	Percentage (%)
Age	17-24	44	29.33
	25-34	34	22.67
	35-44	38	25.33
	45 and above	34	22.67
Home address	Lingkungan 6 Walian 1	20	13.33
	Lingkungan 1 Walian 1	27	18,00
	Lingkungan 3 Walian 1	19	12.67
	Lingkungan 2 Walian	55	36.67
	Lingkungan 1 Walian	29	19.33

Source: GoogleForm (2020)

Based on table 1, the distribution of respondent data includes age and residence. Most respondents came from the young age range of 17-24 years old by 44 respondents or 29.33%, followed by the age range of 25-34 years old by 34 respondents, or 22.67%, and the age range of 35-44 years old by 38 respondents or 25.33%. Meanwhile, the age range of 45 years old and over was 34 respondents or 22.67%. In other words, the majority of respondents are at school age and or college students. For the respondent's residence, the majority lived in Lingkungan 2 Walian by 55 respondents or 36.67%.

A total of 150 respondents assessed the perception of panic buying activities during the pandemic by asking whether they were led to panic buying. The table below shows the respondents' characteristics equipped with reviews on each graph.

Figure 1. Panic Buying



Graph 1 shows that 89 respondents avoided panic buying. Thus, 89 respondents were indicated to still normally and rationally purchase basic necessities. However, 61 respondents have ever made unusual excessive purchases to anticipate the covid-19 pandemic.

CONCLUSIONS

The Government's policy on physical-distancing and study-from-home for students were to break the spread chain of the virus. This policy forced families to stay at home more and do crucial activities outside (e.g. work). Therefore, it is natural to happen when many parents/families think to make unusual purchases. However, this research argued that although they appear to make the unusual purchases, the quantity of which is normal and rational. In one of the interviews, a respondent claiming to avoid panick buying, in a normal situation, he/she bought his/her daily necessities for 3 to 7 days. Amids the pandemic, they made 14-to-21-days purchases. The number of purchases looks bigger, but it is normal since its costs relatively indifferent with his/her monthly expenses.

The 61 respondents claimed to make unusual greater purchases than they were supposed to buy, or more than their monthly needs. For example, they needed 10 kilograms of rice a month; they would buy 20-30 kilograms of rice. This was revealed from an interview one of the respondents.

The 61 respondent behaviours could be a reason why products such as hand washing soaps, hand sanitizers, medical masks and vitamin C supplies were scarce, triggering the price increase. This means that a smaller number of people panic buying will bring negative impacts on the scarcity and rising prices of some commodities. Currently, many supermarkets have set a maximum quota for purchasing basic needs products. This was legally strengthened by Circular Letter of Head of the Trade Office of Tomohon City to determine maximum purchases for basic needs.

Another reason was the fact the respondents were relatively at young age, between 17-24 years old (see table 1). At the relatively young age, they are dependent children. This made them feel unnecessary to panic. All kinds of needs are still borne by their parent; they have not experienced to meet their own needs.

In Tomohon City, especially Walian Village and Walian Satu Village, the pandemic has also created panic buying and consumer hoarding phenomena, despite the small numbers (61 respondents). A small number of research results indicate the need for a better national or regional logistic system for the anticipation of force majeure, such as pandemics, natural disasters, and others, to prevent panic buying or consumer hoarding from interfering with the availability of goods in the market causing scarcity and price increases. Anxiety and concern as the initial formation of public perception will be more easily controlled if the media in any form also supports positive public opinion. Therefore, the presence of the Government, along with the Urban Village Government of Walian and Walian Satu, must be fiercer to prevent disturbing hoaxes that increase the level of public concern. The State and the Government as organizers must be able to encourage positive public optimism.

Research Limitations

This study brought about limited findings. However, as a basis for further research, it is worthwhile to include psychological aspects of the community and decision makers as research objects. The formation of perceptions driven by the community's anxiety, concern, and optimism is available to explore in this study. However, the state administrators (central and local governments) as stakeholders were excluded.

This is a comparison proof of what is expected by the organizer of a decision and the public response to the decision is open. In addition, pertaining to force majeure, it is suggestible to observe surrounding community cultures, norms, values, and believes in adapting to government regulation changes. It is important to observe how quickly the community's ability to adapt to changes. This observation will be more complete if cross-cultural studies become important points.

Research with descriptive statistics has its own weaknesses. The weakness is in the absence of the ability to generalize the results of research. In other words, the results of this study were applicable to the 150 netted respondents. Thus, further research is needed by involving more samples. Random sampling was conducted to ensure the objectivity of the results, since the researchers do not have the ability to choose the respondents.

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