

Consumer Behavior Analysis on Online and Offline Shopping During Pandemic Situation

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ABSTRACT

Shopping has undergone a paradigm shift as a result of technological influence, with most consumers preferring online purchasing to traditional physical store shopping. The current pandemic scenario has resulted in a shift in customer spending patterns both online and offline. This paper identifies and analyses customers' behavior towards online and retail shopping based on various factors affecting their behavior on which mode of shopping most they prefer during the pandemic situation. Primary data was used and a structured questionnaire was utilized to obtain the data. An online survey was conducted to collect from 200 heterogeneous kinds of people. The data collected were subjected to frequency analysis, Chi-square test, and Cronbach's Alpha Test. IBM Statistical Package for Social Sciences (SPSS v23) was used for analyzing the data. The results revealed that among the various technological factors the proficiency rate of respondents utilizing, the internet has shown a significant impact on the consumers' preference towards the mode of shopping. Factors like quick product information, a wider choice of products, better prices and discounts highly influence the consumers to opt for online shopping, whereas faster delivery time and product quality reliability and accuracy influence the consumers to choose offline shopping.

Keywords: Consumer Attitude, Consumer Behavior, Offline Shopping, Online Shopping, Pandemic Situation

INTRODUCTION

Since the dawn of civilization, the action or activity of buying or exchanging goods known as shopping has been referred to as trading, bartering, and possibly even market. There are two types of shopping in general: traditional shopping and online shopping. Many customers prefer to buy offline enabling them to inspect the products and take



possession of them immediately after paying. Due to the extreme widespread use of computers, the internet has opened up a larger and more appealing market to current consumers. Online shopping has become a popular shopping method as it offers the opportunity to buy anything and everything you need at any time (Kaur & Kaur, 2018). To purchase products from the internet, customers must have access to the internet and a legitimate method of payment. Today, internet marketing is the fastest-growing segment of online commerce. The major difference between traditional and online selling is the extent of interaction between the consumer and the seller (Shanthi & Kannaiah, 2015).

Offline shopping is a traditional technique of shopping used by individuals of all socioeconomic classes. Many studies have focused on the view that offline shopping is the best when the consumer feels that they need to touch, smell, or try the product. Online shopping has been the most preferred way of shopping in the last decade. It is a recent phenomenon in the Indian context in the last few years which is backed by the increasing penetration of the internet. The kind of business online retailers are doing is proof enough that they are providing some benefits to the customers, which offline shopping does not give to the customer (Kaur & Kaur, 2018). Online shopping has been the standard in recent years, and people are embracing it because of its numerous benefits. From the perspective of consumers, online shopping offers low and transparent prices, a broad range of goods and services, and a far more convenient shopping experience that eliminates the traditional shopping inconveniences of squeezing through crowds, standing in long lines at cash registers, and battling for parking spaces in a crowded mall (Ho, 2013). The internet is redefining the way people shop for and purchase goods and services, and it has quickly become a global phenomenon. Many businesses have begun to use the Internet to decrease marketing costs and, as a result, lower the price of their products and services to remain competitive in highly competitive marketplaces (Muntauqheem & Raiker, 2019). Amazon's web services had been deployed by the mid-2000s. This development was in line with Jeff's long-term goal of turning Amazon to become a technology company rather than just an internet retailer (Warrier et al., 2021).

Due to several advantages customers perceive them to have, online shopping has exploded in popularity. One of them is buying flexibility, which allows customers to obtain information and make purchases at any time and from any location. Another attraction is the cost advantage, which arises from the fact that online products are seen to be far less expensive than those found in physical stores according to a survey by Forsythe, Liu, Shannon, and Gardner (2006). Some clients prefer to purchase offline, while others prefer to purchase online, and others do both. The study focuses on the consumer's choice to shop on the internet and in traditional retailers during the information acquisition period. Consumers should choose the channel that best meets their requirements and desires and can fulfill them. In today's competitive environment, understanding how consumers choose which medium to use to acquire items is critical from a managerial standpoint.



Over the last few decades, the world has been hit by pandemics on a regular basis. At the beginning of 2020, the SARS-Co-V2 virus began to spread over the world. Within weeks, the circumstances surrounding this virus had morphed into a pandemic, paralyzing economies around the world. Most governments implemented limitations on a variety of social activities to slow the virus's spread. In India, it has been observed that lockdowns are increasing, non-essential companies are closing and consumers are generally avoiding public settings while shopping but for critical things. Simultaneously, there has been a lot of paradoxical thinking among customers, such as mob mentality (Sinha et al., 2021). Because of the closing of brick-and-mortar establishments, people have turned to internet shopping to suit their demands. Hence this study was undertaken to study consumer behavior during the COVID19 epidemic, both online and offline. Also, it analyzes the significant differences between the online and offline consumer groups in terms of demographic, technology use, availability, and consumer attitude while examining the factors influencing consumer preference between offline shopping and online shopping during the pandemic situation.

An internet channel differs from a physical channel in that it does not provide the opportunity to examine the physical product (Alba et al., 1997). During the information collecting period, the focus was on the consumer's decision to shop on the internet and in physical stores. The findings show that consumers consider buying offline to be inconvenient and that online shopping intention is higher for search products than for experience products Chiang and Dholakia (2003). Kolko (2000) found that areas located further away from large cities are more likely to use the internet. Persons in smaller cities are more likely to connect to the internet than people in big cities, according to Sinai and Waldfogel (2004).

According to Chayapa and Cheng (2011), the decision-making process is quite similar whether the consumer is offline or online, but the shopping environment and marketing communication are two main variations. Lu, Cao, Wang, and Yang (2011) studied the elements that influence users' decisions to switch from offline to online channels that provide identical services. The study found that new technology innovation and relative benefit had a beneficial impact on consumers' propensity to migrate usage. Furthermore, the study's findings revealed that internet experience moderates the relationship between relative advantage and consumers' propensity to switch from offline to online services.

Chiang and Dholakia (2014) investigated why customers bought things online during their purchasing. After comparing the two modes of purchasing, online shopping is more convenient and provides greater satisfaction, prompting customers to make purchases on the internet. Iyer and Eastmen (2014) discovered that seniors who are more literate, knowledgeable, and aware of technology, as well as those who have a positive attitude toward online buying and the internet, are more likely to engage in online buying.

In a complex environment, a range of external or psychological factors influences buying decisions (Kahnemann & Tversky, 1979; Thaler, 1980). Consumer behavior during the



Covid-19 pandemic has been studied recently, and it has been shown that the pandemic affects consumer decision-making and behavior. Due to government regulations and concerns about infection, consumers are hesitant to buy goods from stationary vendors (Akhtar, Akhtar, Usman, Ali, & Siddiqi, 2020). Another study discovered a link between the desire to isolate oneself and aberrant purchasing behavior (Laato, Islam, Farooq, & Dhir, 2020). A survey of consumer behavior in the United States before and during the Covid-19 found that the pandemic had an impact on purchasing habits, with people dramatically increasing their usage of internet shopping (Mason, Narcum, & Mason, 2020). The majority of research has focused on the switching behavior of consumers from one channel to another due to various factors regulating the decision-making process.

RESEARCH METHOD

The present study is descriptive in nature as the primary objective is to do a comparative study of consumer's behavior in online shopping and offline shopping during the pandemic situation. The sampling design is clustering sampling, as the online survey has been done and has covered heterogeneous kinds of people. Primary data was used for the study and a structured questionnaire was utilized to obtain the data. The objective type of questions was administered to facilitate the respondents to express their opinion with ease. An online survey was conducted and data was collected from 200 heterogeneous kinds of people. IBM Statistical Package for Social Sciences (SPSS v23) was used for analyzing the data.

For frequency analysis, the data were analyzed using descriptive statistics. Frequency tables were used to study the demographic profile, the usage, and different dimensions of shopping of goods via online and offline modes. Chi-square test was used to test the significance of differences based on the demographic profile of the respondents and the consumer satisfaction parameters. The Cronbach's Alpha has been used to determine the internal consistency to ensure validity and was confirmed that the scale was reliable at 94.7% as indicated by Cronbach Alpha (Churchill, 1976).

RESULTS AND DISCUSSION

Frequency Analysis of Demographic Characters

The demographic characters are the respondent's traits. It varies individually. This section examines the nature of the association between the online and offline consumers and the various demographic variables.



Figure 1. Responses towards Mode of Shopping

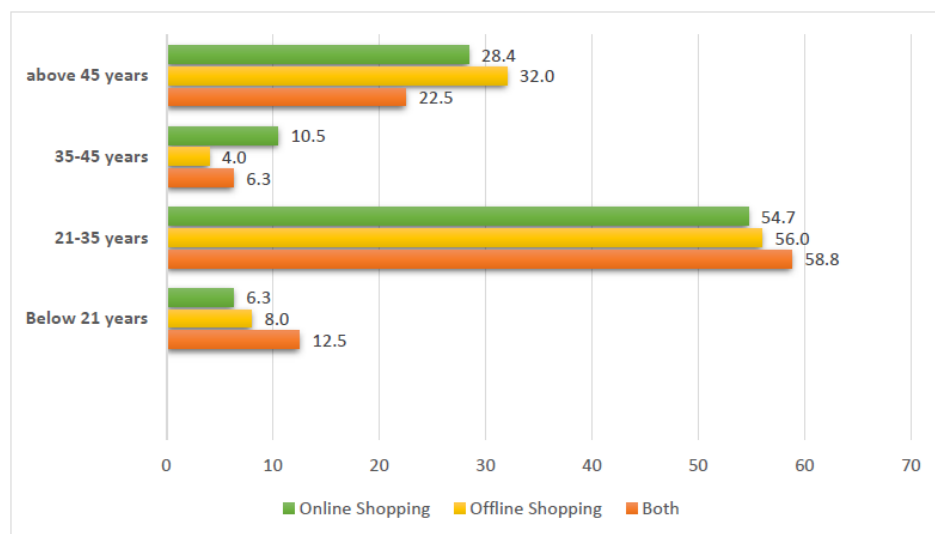


Figure 1 shows that the highest percentage of respondents who chose online shopping mode during the pandemic situation belong to the age group of 21-35 years (54.7%), followed by the age group of above 45 years (28.4%), and the age group of 35-45 years (10.5 %). The respondents below 21 years (6.3 %) chose the online shopping mode.

The highest percentage of respondents who chose offline shopping mode belongs to the age category of 21-35 years (56.0%), followed by the age group of above 45 years (32.0%), and age group below 21 years (8.0%). The least percentage of respondents who chose offline shopping mode belongs to the age group of 35-45 years (4.0%).

Figure 2. Responses of Occupation towards Mode of Shopping

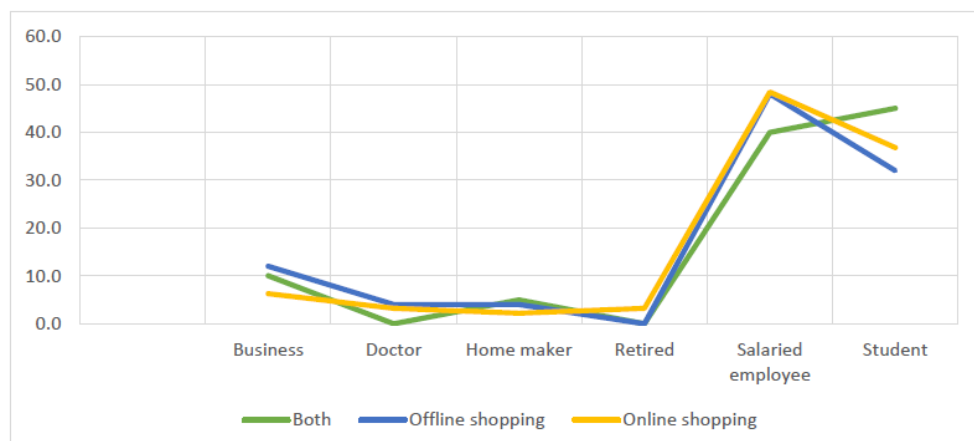




Figure 2 indicates that 48.4% of the respondents who choose online mode of shopping are salaried employees, 36.8% of the respondents are students, 6.3% are business population, 3.2% are both doctor population and retired population, and 2.2% are homemakers.

The majority of the respondents who choose the offline mode of shopping are salaried employees (48.0%), followed by students (32.0%), business population (12.0%), and doctors and homemakers (4.0%). The majority of the respondents who choose both modes of shopping are students (45.0%), followed by salaried employees (40.0%), and business population (10.0%). The least percentage of the respondents are homemakers (5.0%).

Figure 3. Responses of Gender towards Mode of Shopping

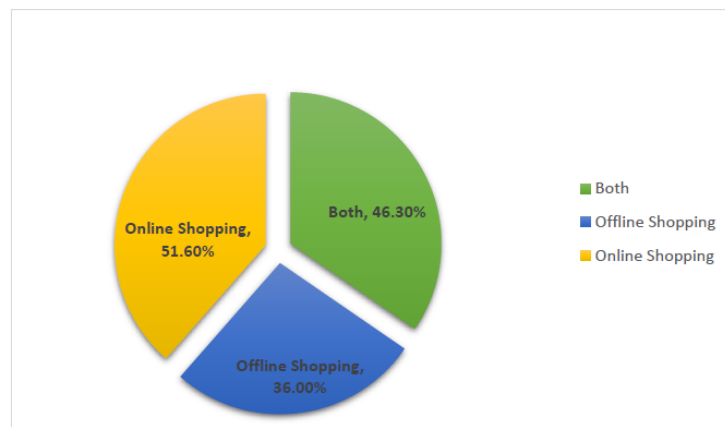


Figure 3 illustrates that 51.6% of the respondents who chose online shopping are female population and 48.4 % are male population. Also, 64.0% of the respondents who chose offline shopping are males and 36.0% are females. A total of 53.8% of the respondents who chose both the modes of shopping are males and 46.3% are females. Hence, it is inferred that the female population prefers online shopping during the pandemic situation, whereas offline shopping is preferred by the male population.



Figure 4. Response of Geographical Region towards Mode of Shopping

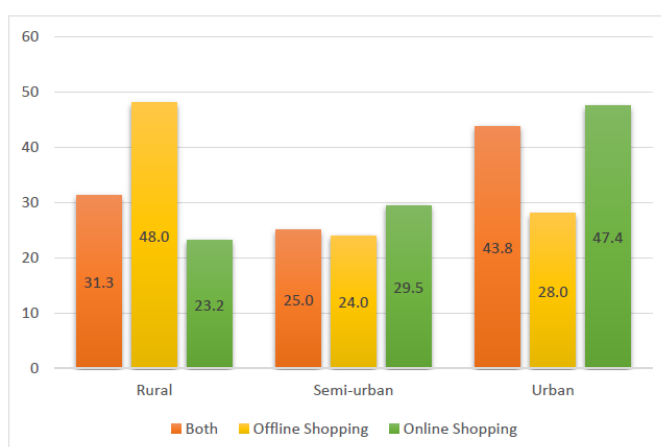


Figure 4 illustrates that the online shopping mode is preferred by 47.4% of respondents in the urban region, followed by 29.5% in the semi-urban region, and 23.2% in the rural region. The offline shopping mode is preferred by 28.0% of respondents in the urban region, followed by 24.0% in the semi-urban region, and 12% in the rural region.

Table 1. Factors Influencing Buying Decision Via Online Shopping

S.No	Factors	Strongly Disagree	Percentage	Disagree	Percentage	Nuetral	Percentage	Agree	Percentage	Strongly Agree	Percentage	Rank
1	Ease of Use	19	9.5	12	6.0	43	21.5	60	30	66	33	IV
2	Quick Product Information	14	7.0	14	7.0	31	15.5	66	33.0	75	37.5	I
3	Easy Price Comparison	18	9.0	10	5.0	30	15.0	76	38.0	66	33.0	IV
4	Time and Money Saving	14	7.0	20	10.0	39	19.5	61	30.5	66	33.0	IV
5	Wide Variety of	17	8.5	15	7.5	29	14.5	66	33.0	73	36.5	II



	Products Visibility											
6	Better Deals and Discounts	13	6.5	20	10.0	27	13.5	68	34.0	72	36.0	III
7	Faster Delivery Time	25	12.5	24	12.0	53	26.5	58	29.0	40	20.0	VII
8	Guarantee Warranty and Return of Goods	16	8.0	24	12.0	55	27.5	69	34.5	36	18.0	VIII
9	Product Quality Reliability Accuracy	24	12.0	30	15.0	68	34.0	48	24.0	30	15.0	IX
10	Purchase of Required Products Only	11	5.5	32	16.0	40	20.0	69	34.5	48	24.0	V
11	Customer Service Online	17	8.5	24	12.0	54	27.0	63	31.5	42	21.0	VI

Table 1 shows that quick product information ranked first (37.5%) in influencing the respondents to choose online shopping over offline shopping, followed by a wide variety of products visibility (36.5%), and better deals and discounts (36.0%). The factors like time, money-saving, ease of use, and easy price comparison falls under 4th rank (33.0%). The purchase of required products only factor has been ranked 5th (24.0%), followed by customer service which comes under the 6th rank (21.0%), and faster delivery time (20.0%). Guarantee, warranty, and return of goods have been ranked 8th with 15.0% and product quality reliability accuracy factor in 9th rank with 18.0% is the least factor which influences the respondents to choose online shopping over offline shopping.



Table 2. Factors Influencing Buying Decision Via Offline Shopping

S.No	Factors	Strongly Disagree	Percentage	Disagree	Percentage	Nuetral	Percentage	Agree	Percentage	Strongly Agree	Percentage	Rank
1	Ease of Use	19	9.5	24	12.0	47	23.5	56	28.0	54	27.0	VI
2	Quick Product Information	10	5.0	40	20.0	48	24.0	51	25.5	51	25.5	VII
3	Easy Price Comparison	21	10.5	51	25.5	62	31.0	41	20.5	25	12.5	XI
4	Time and Money Saving	21	10.5	48	24.0	63	31.5	38	19.0	30	15.0	IX
5	Wide Variety of Products Visibility	23	11.5	40	20.0	54	27.0	46	23.0	37	18.5	VIII
6	Better Deals and Discounts	15	7.5	56	28.0	63	31.5	40	20.0	26	13.0	X
7	Faster Delivery Time	22	11.0	17	8.5	33	16.5	40	20.0	88	44.0	I
8	Guarantee Warranty and Return of Goods	14	7.0	30	15.0	36	18.0	52	26.0	68	34.0	III
9	Product Quality Reliability Accuracy	14	7.0	25	12.5	31	15.5	52	26.0	78	39.0	II
10	Purchase of Required Products Only	15	7.5	35	17.5	38	19.0	48	24.0	64	32.0	V



11	Customer Service Online	20	10.0	22	11.0	32	16.0	60	30.0	66	33.0	IV
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Table 2 signifies that the factor faster delivery time ranked first (44.0%) in influencing the respondents to choose offline shopping over online shopping, followed by product quality reliability accuracy factor (39.0%), guarantee, warranty and return of goods (34.0%), and customer service (33.0%). Purchase of required products only factor has been ranked 5th (32.0%), followed by ease of use which falls under the 6th rank (27.0%), quick product information (25.0%), and a wide variety of products visibility (18.0%). Time and money-saving factor has been ranked 9th (15.0%), followed by better deals and discounts (13.0%), and easy price comparison in the 11th rank with 12.5% is the least factor which influences the respondents to choose offline shopping over online shopping. The results of our study are in concurrence with the findings of Sarkar and Das (2017). The results of the present study presented in Table 1 and Table 2 are discussed hereunder.

Ease of Use

Unlike offline purchases, consumers who buy online do not have to travel long distances to retail stores, jostle with other customers during peak shopping seasons, or struggle to locate adequate parking space for their automobiles. Online stores are available 24 hours a day, 7 days a week, and products are delivered to consumers' homes or offices, as desired. This enabling the consumers to just wake up in the middle of the night and place an order for any product. This is one of the major reasons for them to prefer online shopping.

Wide Variety of Products Visibility

An online shop is a customer's delight. No offline store can provide the same level of product diversity as an online store. As internet stores do not have to worry about space constraints, they may provide a wide range of products in one location. This large variety gives consumers vast choices for online shopping mediums.

Better Deals and Discounts

This is one of the major reasons for consumers, especially youngsters, to purchase online. Since online sellers do not need to go for costly decoration of their shops, employ a large number of salespeople, and due to disintermediation, they can offer products and services at a considerable number of discounts compared to the retail stores.

Faster Delivery Time

Unlike at retail stores, where customers may instantly use things after purchase, internet buying involves a significant amount of time between placing an order and receiving things, which can often take weeks. As a result, products that need to be used right away cannot be ordered online. To address this issue, online marketplaces have begun to



provide premium services such as same-day or next-day delivery of products in exchange for additional fees.

Guarantee, Warranty, and Return of Goods

If consumers are dissatisfied with their purchases, they can visit the store to exchange them; if they are dissatisfied with their purchases online, they must contact customer service, wait for the courier to arrive for reverse logistics, and then either get their money back or have their purchases exchanged. The full procedure may take a month. Even though most online buying companies include money-back guarantees or product exchange options, the experience can be traumatic. As a result, this could be one of the reasons why people choose to shop offline.

Product Quality Reliability Accuracy

This is one of the drawbacks of online shopping. In the case of retail stores, customers can touch the products, feel the products, get a first-hand demo, and, in the case of apparel, try it out on themselves before purchasing them. Whereas, online portals offer customers only the pictures and specifications of products which might not be sufficient in some cases to undertake informed buying. However, nowadays some of the online shopping stores are offering free trials upon delivery where a customer if not satisfied with the product or service can return it immediately. However, product quality reliability accuracy is one area that influences offline shopping over online shopping.

CONCLUSIONS

Our analysis leads to the conclusion that quick product information ranked first (37.5%) in persuading respondents to prefer online buying over offline shopping, followed by a wider choice of products (36.5%), and better prices and discounts (36.0%). Time- and money-saving, ease of use, and easy price comparison fall under 4th rank (33.0%) in influencing the respondents to choose online shopping over offline shopping. The purchase of required products only has been ranked 5th (24.0%), followed by customer service (21.0%), and faster delivery time (20.0%) in persuading respondents to prefer online buying over offline shopping. The least influencing factors were the guarantee, warranty, and return of goods and product quality reliability accuracy with respect to consumer buying decision of online over offline shopping.

Faster delivery time factor had ranked first (44.0%) in influencing the respondents to choose offline shopping over online shopping, followed by product quality reliability accuracy and factor (39.0%). Guarantee, warranty, and return of goods had ranked third (34.0%), and customer service (33.0%) had ranked fourth. Purchase of required products only factor has been ranked 5th (32.0%), followed by ease of use, which falls under the 6th rank (27.0%), quick product information (25.0%) ranked 7th, and wide variety of products visibility (18.0%) has been ranked 8th in influencing the respondents to choose offline shopping over online shopping.



Time- and money-saving factor has been ranked 9th (15.0%) in influencing the respondents to choose offline shopping over online shopping, followed by better deals and discounts (13.0%), easy price comparison in the 11th rank (12.5%), and better deals and discounts (14.0 %)

Consumer's perception of offline and online shopping varies from individual to individual. Among the various demographical factors, it was observed that geographical region is the only factor that influences the consumers' preference towards the mode of shopping. The proficiency rate of respondents utilizing the internet has shown a significant impact on the consumers' preference towards the mode of shopping, among the various technological factors. Factors like quick product information, a wider choice of products, and better prices and discounts highly influence the consumers to opt for online shopping, whereas faster delivery time and product quality reliability and accuracy influence the consumers to choose offline shopping.

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