



ONLINE BUYING BEHAVIOUR OF CONSUMER ON FMCG PRODUCTS- IN THE ERA OF POST-COVID 19

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ABSTRACT

Technology has been modernised and internet rendezvous is escalating every day, so are the consumer's behaviour towards organisation. Covid-19 has transformed the world, people thinking has changed. Supply chain and the retailers have closed the doors. So, the consumers started looking at the products through different perspective. This study is based on the impact of digitalization on the consumers behaviour post Covid-19. Digitalization provides a prospect to the consumers to have a look into varieties of FMCG products as they provide information and assess the products based on their colour, quality etc. Digitalization plays a pivotal role as there will be a great change in the behaviour of the customer. The purpose of the study is look into while buying online products and to acquaint the customers with online transaction after the virus attack. In fact, it has provided an impetus to online transaction.

Keywords: Customers, Transaction, Internet.

1. INTRODUCTION

The rise of the internet and creation of digital revolution had some thoughtful and unanticipated effects in 21st century life. While the term digital revolution may seem like a vast and indistinct concept it is fairly easy to understand it, when one can see the constant evolving changes in the retail sector. The Covid-19 has reshaped the FMCG accelerating the fundamental in a few weeks. The purchase habits of consumers have permanently changed with respect to the value, buying behaviour etc., Consumers have embraced digitalization during Covid times which in turn has affected consumer behaviour. It was further recognized that digital marketing has an impact on consumer judgment making process with a more influential impact on problem recognition, buying decision and post purchase behaviour. Consumers have very high expectancy as a result of influence of technology. The emergence of online E-commerce portals like Amazon, Snapdeal, Flipkart have a lot of impact on digitalisation and were dominant during the pandemic. A vigilant scrutiny of the changes in the

buying behaviour of consumers and the makeover has kept the retailers alert to grab the attention to accomplish tangible benefits. The present generation of consumers have embraced to move through these settings. Customers presently are intensely anxious about the impact of Covid both on health as well as from the economic perspective

They react in different ways with their changing attitudes, behaviour and buying habits. Consumers are responding to this disaster in diverse ways. Some are apprehensive and anxious about the hygiene of the product. On the other side they are apathetic to pandemic and are moving on as usual.

2. DIGITAL TRANSFORMATION IN VELOCITY WITH THE CHANGING CONSUMER BEHAVIOUR DURING COVID

The intrusion of digital technology and its impact on the consumer behaviour in digital retail has very factual involvement during the pandemic. How brand owners need to adapt their communication strategies in order to build successful and meaningful relationships with consumers today will be their



formula to stay in the race. Consumer's priorities have turned out to be most centred on basic needs, hygiene and clean products. Digitalisation has seen the advance of customers migrating online for grocery shopping after Covid-19,

- 1. Use of Mobile Apps:** Online retailings are being outpaced by mobile based buying. The modern smartphones have enabled improved shopping experiences, and it has become a very powerful connector across the retail channels, linking in-store and online modes of shopping especially to order online during the pandemic. In addition to vital information, consumers can in addition to access loyalty programs, real time check on store inventory and improved customer engagement. This action is the intellect of customer is inimitable and influences consumers buying behaviour.
- 2. Mobile Based Payment Applications:** The retail payments can be done using mobile apps conveniently or with browsers. Mobile payments are flawless and it gives a big know-how to use the smartphones. The present consumers plump on smart phone for such payments as it's very convenient and made our ease. The simple reason being the rewards and discounts the payments provide and also the observance of security features. It was contact less transactions, and very helpful and the need of the hour. All this was possible from home.
- 3. Social Media:** This social media has made gigantic leaps in this modern era for not only being in touch but also access to the most recent information to keep in touch with the current trends. This is a blessing in disguise as consumers during Covid times are inclined frequently to social media sites such as Insta, Facebook, Twitter, Pinterest, You Tube and Whatsapp. They acquire information about the various products, their design, color, prices and reference from these sites. They have realized the value of content marketing on these sites is organic, relevant and also adds value. The order of the day is not only product recommendation but tied with social mixing also.

- 4. Voice Recognition and Virtual Reality:** Voice enabled search such as Apple's Siri, Amazon Alexa and Google assist are varying the way customers look for the products. Searching for products and services using ordinary speech makes the whole process easy and quick. It's greatly convenient and relaxing and also increases their inquisitiveness about the product. The consumers do agree that more and more of products and services should be channelized using this style as its easy for people who have limited knowledge. Another vital feature is to experience the reality of product digitally in the virtual world. This gives a more sensible image of the product they want to purchase.
- 5. Customer Insights:** Gone are those days when customers were allied with luxury shopping unlike in real time. But in the present day after the digital transformation, consumers find varieties and at affordable prices. Even the companies have come up with the idea of designing the goods according to customers tastes and preference i.e., tailor made for them. Customisation gives value for their money and better access to all the products, as earlier they were unable due to various reasons.
- 6. Reverse Show rooming:** Reverse showrooming occurs when a consumer enquiries about the product online but purchases the product in a store. Clothing and some consumer durables are done this way. This is advantageous as the consumer is equipped with the knowledge of the product and also has first hand information about the product he/she want to buy. The online survey has given them all the information they needed line origin, colours, texture etc. The ultimate step to feel the product and complete the process. This was myth during the pandemic as people could not step out but it is possible once there is unlock.

3. OBJECTIVES

1. To acquaint consumer knowledge and usage about online buying behaviour
2. To revise the problems faced while buying online product
3. To give the suggestion based on the findings.



4. METHODOLOGY

Consumers who are buying online FMCG products are the main source of primary data. Primary data was collected through a well-structured questionnaire. The study area is limited to South Canara district of Karnataka. The researcher has proposed the random sampling techniques for the selection of respondents. Finally, 100 respondents were selected and included the study. The Secondary data is collected through Journals as well as from websites.

5. LIMITATIONS OF THE STUDY

- ❖ Time was the crucial factor.
- ❖ The responses may be quite casual. This may be due to lack of interest.
- ❖ The study has been taken in some of the consumers in South Canara.

6. REVIEW OF LITERATURE

Mirjana Tankosic, Dragana Trifunovic (2015) emphasise in their study about how important is digitization on consumer behaviours. They have stressed more on marketing communication and the rapid changes taking place globally due to new entity of media and the information they give.

Abhijeet Pratap (2017) and Aditya Juyal (2013) in their article stressed that consumer buying behaviour is affected by demographic factors like age, gender etc., and it differs from person to person and the distinction. Even some of other factors are income, age and education. He also analyse the informative role of consumer demographic factors independently and its digital affect in shifting consumer behaviour. The buying behaviour difference is seen in aspects like gender, income, age and educational level. The impact of social media, visual advertisements and e-commerce are making it possible for the shift in consumer shopping experience as they are presenting them with various avenues which hitherto seems to be impossible. The success of these achievements is to find a technique to affect the marketing appraisals that seems to be very attractive to the eyes and expand consistent experiences with social media,

other medias and digital platforms. **(Heini Lipiäinen (2014)).**

Krishnamoorthy (2008) stated that rural consumers are required to study for influencing factors of their behaviour for FMCG. Price, promotion, packaging, quality, brand name etc. influence the purchase of the rural consumers.

Somashekar (2016) studied about the buying behaviour of customers in the FMCG sector. Consumption of FMCG products growing rapidly as the urban market was facing a saturation point. Entering of MNC'S in India has resulted in increased competition among domestic players. Packaging plays an important role in selling product. FMCG sector sees impulsive buying behaviour of customers like customer go to the shop to buy biscuits, they purchased chips along with it. The main factors influencing the consumer to buy products are taste, quality with low price. He concluded that marketers should give importance to these factors to increase their revenue. Thus, marketer needs to understand the behaviour of customer with the changing behaviour of customers.

Sudhamathi (2017) discussed the buying behaviour of customers in FMCG products. The study revolves around to know factors influencing consumer's preferences. The author discusses the consumption pattern, their lifestyle, perception about the product through advertisement. The conclusion of the report is consumers are more focus on quality rather than the price also health is an important factor that consumer focus to buying online.

Dey (2017) concluded that in India spending and Income of consumers has risen. Increase of internet and social media has changed dramatically. Lifestyle of consumers has shift, which affects change in buying behaviour of consumers, consumers awareness is also rising in both rural and urban areas. Urban people shift to fast and ready to eat food rather than the traditional way of cooking and cleaning. Customers shop more from malls and supermarkets than small shops and purchase items in bulk. Consumers have a huge impact on western culture, they buy branded products. The buyer should pass from following steps are Problem Recognition, Information Search, Evaluation of Alternatives, Purchase Decision, Post-Purchase Evaluation.



Sinha and Kim (2012) researched in the article that the quality information, ease of payment, online shopping benefits and loyalty on online purchase decision significantly. Also identify factors affecting consumers' behaviour based on online purchase considering perceived risks and service, products and infrastructure concerns. They have also added culture-specific factors like shopping and leisure habits, debit, credit or online penetration rate, Internet related infrastructure, reliability of postal carriers, etc. Convenience risk was found to be one of the factors affecting online buying behaviour of consumers.

Jagadeesan (2020) pointed out that understanding the consumer behaviour has always been an important factor in advertisement of FMCG products. Since this a century of digitalisation and globalisation, A Study of Factors Affecting Buying Behaviour of Indian Consumers Towards Online. *Corresponding Author: Dr. Syed Tabrez Hassan 48 | Page customers' wants, and requirements are modified. The Fast-Moving Consumer Goods sector contributes heavily towards the GDP of India

Uzun and Poturak (2014) told that convenience and trust are the most important factors of online shopping followed by price and quality of the products. According to the results, if the consumers have a good experience while buying online and they are satisfied with the products and services then there is lesser risk, and they intend to buy again which means they are loyal towards the brand or the product.

Digitalisation has become an integrated part of retail industry during covid 19, it has boost up growth of the industry as well as increased the no of customers. This sustainability trend is now also increasingly taking over other segments, such as electronics, household appliances, furniture or toys," confirms Alexander Lange, Business Development Manager at BuyBay. "Suppliers, especially well-known brands, are often concerned that they will cannibalize their offerings and brand image if they also make so-called B goods available to their customers. However, our experience in working with well-known vendors has shown that the offer of returned goods can help them to reach exciting new customer groups, who are attracted by the attractive price-performance ratio or by the sustainability concept.

Digitalization has boosted the intensification of industries and also the customers. The COVID-19 has been a tough time for most of the retailers throughout the world but retailers can still survive in this dynamic environment. All they need to do is concentrate more on their operations and try to change some of their strategies for some time till the COVID-19 is wiped away. The retailers can stress more on their inventories, supply chain management, new product development, apply new CRM techniques, change in the look of their stores etc. Although changing the strategies at a very short span of time is difficult for the retailers but this is the need of the time. Because it has been rightly said "Either Change or Die". During study it was also found that diversification as well as Product innovation can help the retailers in increasing sale of their stores. But product innovation comes with a risk for the success or failure of the product in the market.

7. DATA ANALYSIS AND INTERPRETATION

TABLE 1: Showing the frequency distribution of socio-demographic profile of the respondents

1. Gender		
a) Male		40
b) Female		60
	Total	100
2. Age (in years)		
a) 15-25		20
b) 26-35		40
c) 36-45		25
d) 46 and above		15
	Total	100
3. Educational Qualification		
a) No formal education		5
b) SSLC		15
c) PUC		35
d) Bachelor's degree		25
e) Higher Education		20
	Total	100
4. Occupation		
a) Student		10
b) Corporate		25
c) Self-employed		30
d) Government Employee	35	
	Total	100



5. Level of Income (per month)		
a) Less than 5,000		10
b) 5,001 to 15,000		15
c) 15,001 to 25,000		40
d) 25,000 and above		35
	Total	100

Source: Survey Data

TABLE 2: Showing the Purchase pattern of respondents before and during the pandemic

Sl. No.	Frequency		
	Yes	No	Total
1. Do you have purchased FMCG goods through online before COVID-19 lockdown ?	40	60	100
2. During COVID-19 pandemic whether you have purchased FMCG goods through online?	70	30	100

Source: Survey Data

TABLE 3: Showing the Reason for buying FMCG goods through online during COVID-19 pandemic

Sl. No.	Reasons	Frequency
1.	Health concern (Contact less Buying)	50
2.	More convenient	30
3.	Better Selection option in online	20
4.	Save money due to Better Discounts	60
5.	Save Time	40
	Total	200

Source: Survey Data

$$\begin{aligned}
 \text{MRR} &= \frac{\text{Total Number of Frequency}}{\text{Total Number of Respondents}} \\
 &= \frac{200}{100} = 2.00
 \end{aligned}$$

Table 4: Awareness of respondents on online FMCG products

Sl. No.	List of the Products	Not at all Aware	Not Aware	Neutral	Aware	Fully Aware	Total
1.	Food	5	10	0	15	70	100
2.	Beauty and Care Products	0	10	0	15	75	100
3.	Drugs / Medicine	30	40	5	10	15	100
4.	Books	10	15	5	30	40	100
5.	Detergents (Soap, Washing powder etc.)	0	10	5	40	45	100
6.	Toiletries (Finial, bathroom fresheners etc.)	0	10	0	40	50	100
7.	Stationary Items	0	10	0	35	55	100

Source: Survey Data



TABLE 5: Opinion of the respondents on ordering FMCG products through online

Sl. No.	List of the Products	Not Ordered	Rarely	Occasionally	often	Very often	Always	Total
1.	Food	0	0	10	0	15	75	100
2.	Beauty and Care Products	0	0	10	5	20	65	100
3.	Drugs / Medicine	50	0	20	0	10	20	100
4.	Books	0	0	15	5	30	50	100
5.	Detergents (Soap, Washing powder etc.)	0	0	10	5	25	60	100
6.	Toiletries (Finial, bathroom fresheners etc.)	0	0	10	0	30	60	100
7.	Stationary Items	0	5	15	10	25	45	100

Source: Survey Data

TABLE 6: Problems faced while buying through online

Sl. No.	Particulars	SD	D	N	A	SA	Total
1.	Unclear product information	10	20	15	10	45	100
2.	Fake product review	0	15	20	10	55	100
3.	Issues relating to quality of the product	10	15	5	45	25	100
4.	Lack of security	0	10	15	25	50	100
5.	Hidden cost	0	50	25	15	10	100
6.	Digital Payment Failures	0	25	15	10	50	100
7.	Delivery and logistics related problem	0	10	20	45	25	100
8.	Unclear return and guarantee policies	0	25	5	40	30	100

Source: Survey Data

Note: SA=Strongly Agree, A=Agree, N=Neutral, D=Disagree, SD= Strongly Disagree

TABLE 7: Respondents Opinion on online buying FMCG goods through online

Sl. No.	Particulars	SD	D	N	A	SA	Total
1.	Covid-19 has increased your Frequency in online buying	0	15	5	30	50	100
2.	Do you agree that e-commerce industry is going to replace the traditional shopping of FMCG goods?	0	10	5	25	60	100
3.	Whether your satisfied with buying essential goods online rather than buying through retail shops?	0	20	10	45	25	100
4.	Online buying has played a vital role during the Covid-19 pandemic period	0	5	10	30	55	100
5.	In Post covid-19 whether you prefer to buy goods through online	0	5	20	60	15	100

Source: Survey Data

Note: SA=Strongly Agree, A=Agree, N=Neutral, D=Disagree, SD= Strongly Disagree



8. SUGGESTIONS

- Awareness has to be created among the customer about the new as well as the existing products through print media and online media.
- Online payment issue has to be solved by providing secured payment gateway.
- Website has to be frequently monitored to remove the product fake review.
- Proper packaging of the product has to be done in order to avoid the breakage/damage of the product.
- Build deeper understanding of new demand spaces and paths to purchase prioritizing accelerated e-Commerce sales (B2B/D2C)
- Reallocate and repurpose resources (e.g. field salesforce)
- Enable the shift in product portfolio by flexible (3rd party) manufacturing & logistics

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