



IJMRRS

**International Journal for Multidisciplinary
Research, Review and Studies**

Volume 1 - Issue 1

2024

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**Consumer Decision-Making During the COVID-19 Pandemic: A Survey of
Millennial Behavior and Shifting Preferences**

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April 19, 2022

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Introduction

All economies are susceptible to being altered in a way that the behavior of the consumer shifts; COVID 19 proves to be such a catalyst that creates alterations. First, it is imperative to understand the circumstances during the pandemic that set a new ground for earning preference because the situational and motivational factors seem to be constantly changing. For example- shortages of products and tight house budgets (situational factors) heavily influenced the way consumers make decisions. Motivational factors like the desire to provide for the family have also influenced consumer decision-making. With the pandemic hitting employment and thereby their income, there is increased economic pressure and switching behavior. For example, one study indicates that about 56% of households feel the negative impact of financial concerns (Kantar, 2020). Laato et al. (2020) summarize how pandemics have influenced human behavior, and the covid 19 scenario stands no away from the situation. Consumers' responses happen in different ways; frequent washing of hands, self-isolating, etc., but no one generic pattern can be drawn; These responses have to be picked by the brands to meet the needs of the people.

Consumers experience a transformation in behavior as a result of economic instabilities. COVID-19 came to the world as a shock that created a new/revived behavioral understanding of buying. The behavioral pattern differs between necessity products and non-necessity products, both of which can be predicted by personality traits, perceived economic stability, motivating factors, self-justification for purchase, and so on.

In the following report, a survey was conducted through google forms and telephone interviews to access consumers' perceptions regarding their decision-making process.

Method

The report analyzes the survey conducted on thirty-five females aged between 21-30 years old. Further, we explored the literature to determine the reasons for these behavioral changes in the consumer decision-making process during crises.

Demographic Profiling

The respondents' details are attached in the appendix section.

Market Segmentation

All the respondents belong to the same geographical location (Belgaum, Karnataka), and hence their geographical segmentation stands for Belgaum alone. Most consumers have purchased and are interested in necessary products, and they could be segmented as safety-conscious consumers. With COVID-19, sanitizers, masks, etc., saw a surge in sales to protect against the virus. All the respondents belonging to Gen Z are inclined more toward social media apps; hence thorough advertisements in those apps will influence their buying behavior. The best segmentation of the above respondents can be regarding their age and quality consciousness. Therefore, social media advertising, innovative products, and trendy pickups can maintain these millennial consumers.

Consumer Decision-Making Model

With the responses, we can arrive at various consumer decision-making models. Based on our responses, Kantar's decision-making model seems to be best suitable as it categorizes the process into two types; type 1 as intuitive and type 2 as more rational. An intense interplay of the two types during the pandemic can help determine the consumer's decision-making process. This model recognizes that humans make decisions based on motivation, situations, and cognitive factors to provide a comprehensive picture. This model is a powerful tool for understanding the impact on consumers' decision-making process. Type 1 includes involuntary, non-conscious, and intuitive actions where consumers are unaware of what's happening- there is a "feeling of Righteousness (FoR)- a mental calibration of feeling good. For example, when consumers see a brand on the shelf with which they have a positive mental association, they just grab it and place it in their basket. When FoR stands weak, the consumer rushes to seek logic and rationality under type 2; justification is sought, or rethinking is being done to arrive at a decision. Many brands

during the pandemic focussed on type 1 by building positive brand associations through customer experiences, communication, and so on; brands can influence the type 2 stage by rationalizing the selection of that product

Findings

The respondents are millennials who are also called digital natives. According to Moreno et al. (2017), millennials constitute a large population and hold significant purchasing power, so they are an appealing demographic for marketers. Millennials form a fascinating group who are navigating towards more interactive forms of media as avid users of social networks; surprisingly, 100% of the respondents confirm that social media advertisements (Instagram, Facebook) impact them the most. Millennials also seek equality and reciprocation in terms of the trust, commitment, and respect they share with brands (Nicholas S., 2015); most respondents highlighted how some brands stayed committed to their goals and how that is very important, highlighting that millennials seek trust, commitment, and respect. 75% of the respondents claim to prioritize product quality over price, which is also confirmed by a study by Lissita & Kol (2016) that millennials value quality styles over other variables. When asked about the frequency and quantity purchased pre- and post-pandemic, they all agreed that the frequency and quantity had gone down since the pandemic started. One respondent stated, "I buy things less frequently but similar quantities." while another respondent said, "I am buying less frequently, but I buy more specifically practical items... I am spending way less now than before". Slight variations like these remain; however, the nature of their purchases highlights how purpose-driven it is. When enquired about their process of pre-purchase research being affected by the pandemic, all of them agreed that the information search had some form

transformation; many of them stated that despite less frequency of their purchases, they maintained the same level of average research time as it was before the pandemic. Lockdown and full access to the internet has allowed the respondents to allot more time browsing and seeking information on the product.

60% of the respondents think that marketplaces are still unsafe and should be avoided; the brands and retailers can think of reassuring their consumers about the safety of the environment and the product. However, the trusted brands may not have to face this as they have already built positive mental associations and the FoR (Feeling of Righteousness) is most likely to be high.

Most respondents feel that advertising has had a positive impact on them and builds positive brand association, which helps in influencing their type 1 process. Despite advertisements adding to the type 1 process, brands can also focus on influencing the type 2 process of the consumers by providing means to reduce personal health rationally and safety concerns. The findings of research conducted by Mason et al. (2021) found that consumers have increased social media usage for finding product needs, product information search, comparative product evaluation, post-purchase satisfaction, and so on. Our respondents also confirmed that they used social media to seek product information. Social media now is a marketing tool that is taking an increasingly important place, especially after the COVID-19 pandemic. E-commerce during the pandemic was in full swing through various digital platforms. Digitalization of consumer shopping hampered the physical stores, and 100% of our respondents confirm that they prefer buying products online at a discounted rate, which is convenient and safe at times like the pandemic. Predictably, technology is expected to play a vital role in reaching and retaining consumers, post-pandemic transactions, and other marketing strategies.

Marketing Solutions

The above responses highlight the needs and requirements of the consumers, which marketers can study. According to the survey and interview, these points need to be kept in mind:

- Consumers need genuine responses that stand sensible in the world.
- Consumers expect brands to be responsible and into various welfare programs.
- Consumers like it when cultural differences are taken into consideration.
- Providing consumers with better prices, a rational reason for the choice.
- Marketers can focus on adopting a spiritual approach (saving and health aspects) to understand consumer behavior.
- Responding to consumer needs requires effective mobilization of resources at speed and scale.
- There is a solid opportunity to realign the conscious young generation into new life principles and build a new segment of consumers.
- Innovating products that cater to the current conscious generation can help keep the audience intact.
- There's no debate that consumers look out for necessary products in times of pandemic and not otherwise; consumers usually adopt utilitarian shopping.
- Psychologically,
 - if the consumers are experiencing higher levels of anxiety, they are most likely to engage in buying necessities.
 - saving money or the need to spend money on necessities will increase if consumers experience high stress levels.

- a higher level of depression can be linked to an increase in the need for buying necessities and non-necessities.
- if there's higher perceived stability, then there is most likely an increase in the need for necessities and non-necessities.

In this way, marketers can redefine, strategize, and reshape their methods of reaching out to the consumer. The above points can aid marketers in accessing behavioral changes in the above demographic. Therefore, a marketing mix and other related strategies can be adopted to bring out the “new normal.”

Limitations

The survey has a minimal research scope. The survey was limited to a small group of 35 people consisting of females only and hence cannot be generalized to a large audience. The age range of the respondents stands between 21 to 30 years old; the millennial generation and their pattern of behavior may not apply to all age groups.

Conclusion

With covid 19, we understand that situations like pandemics alter consumers' product requirements, purchasing behavior, shopping behavior, and post-purchase satisfaction levels. A crisis like this brings panic buying, mass business closures, and enforced social distancing, so brands will have to re-strategize and cater to the then needs of the consumers. Brands can play the role of competitive advantage during times like pandemics and try to build intuitive brand associations in the future. With Kantar's decision-making model, all retail brands can seek to

influence consumer choices by altering the consumers' brain's natural decision-making mechanisms.

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Appendix

Google Form Questionnaire

1. Demographic details- Name, Age, Occupation

2. What is your Range of monthly income?
 - below 1 lakh

 - 1 lakh-3 lakh

 - above 3 lakh

3. Which was your Preferred mode of buying during the pandemic?
 - Online

 - Offline

4. Which form of advertisements impacted you the most during the pandemic?
 - TV Ads

 - Social Media Apps (Instagram, Facebook)

 - Newspaper, Magazine Ads

 - Radio

5. Did the virus cause fear and make you panic buy? Explain

6. While purchasing during the pandemic, what is your priority?
 - Price

- Product quality
 - Brand name
 - Promotion
 - Location and store environment
 - Packaging
7. Based on your above response, kindly elaborate on why you prioritize it?
 8. What products did you purchase the most in the pandemic?
 9. After the purchase, do you evaluate and then decide to repurchase?

Telephonic Interview Questions

1. How has the frequency and quantity purchased changed for you from pre-pandemic to post-pandemic
2. How was your pre-purchase research affected during covid
3. How has the role of social media been during pandemics?
4. Why do you prefer buying online?
5. If a brand engages in a welfare program, does it influence you?

-

Informed Consent

You are being invited to participate in a study based on the decision-making of consumers during the pandemic conducted by Shifa M Munshi from the Department of Psychology at Christ deemed-to-be University.

Eligibility and Procedure

You are selected for this study as you fit the inclusion criteria of a working adult. If you decide to take part in this study you will be expected to do the following: respond to a questionnaire of 10 questions sent via WhatsApp followed by a telephonic interview of 5 questions

Confidentiality

Any information obtained in connection with this study that can be identified with you will remain confidential And will be disclosed only with your permission

Participation & Withdrawal

If you volunteer to be in this study, you may withdraw at any point without consequences of any kind. You may also refuse to answer any question and remain in the study

For any questions please contact, shifammunshi@gmail.com

- I understand the procedure described above. my doubts have been answered to my satisfaction and I agree to participate in this study

(This was put at the beginning of the Google form, after ticking the statement the participants were able to navigate through the 10 questions)

Respondents' Details:

1. Name- Aishwarya J
Age- 30
Occupation- Lecturer
2. Name- Arsheen Shaikh
Age- 29

Occupation- Manager

3. Name- Rhea Peter

Age- 25

Occupation- Talent Acquisition Manager

4. Name- Arlene Fernandez

Age- 27

Occupation- Businesswoman (Home Business)

5. Name- Deepali Bajaj

Age- 29

Occupation- HR Manager

6. Name- Pooja

Age- 29

Occupation- Freelancer

7. Name- Asma T

Age- 30

Occupation- Home-maker

8. Name- Swati B

Age- 21

Occupation- Teacher – tuitions at home

9. Name- Rida Yaligar

Age- 24

Occupation- Doctor

10. Name- Neha Bajaj

Age- 29

Occupation- Professor

11. Name- Manali

Age- 22

Occupation- Video editor

12. Name- Ruthvi P

Age- 27

Occupation- Software Engineer

13. Name- Spoorthi K

Age- 28

Occupation- PhD Scholar

14. Name- Ayesha S

Age- 26

Occupation- BD Manager

15. Name- Padmashree K

Age- 25

Occupation- Personal Banker

16. Name- Pooja B

Age- 22

Occupation- teacher

17. Name- Sanika Gurav

Age- 27

Occupation- Home baker (online business)

18. Name- Cietha F

Age- 24

Occupation- Assistant Manager

19. Name- Anushka

Age- 22

Occupation- Art Shop Owner

20. Name- Vaishnavi

Age- 30

Occupation- Tiffin Stall

21. Name- Adeeba P

Age- 21

Occupation- General Stores Owner

22. Name- Namrata R

Age- 26

Occupation- PR Assistant

23. Name- Rajani T

Age- 30

Occupation- Professor

24. Name- Jyoti k

Age- 28

Occupation- Teacher

25. Name- Laxmi L

Age- 25

Occupation- HR

26. Name- Diya S

Age- 22

Occupation- Student

27. Name- Annpurna

Age- 23

Occupation- Counsellor

28. Name- Ashita

Age- 25

Occupation- Talent Acquisition

29. Name- Rakshitha

Age- 24

Occupation- Business & student

30. Name- Cheryl M

Age- 24

Occupation- Quilling Online Business

31. Name- Deeksha

Age- 30

Occupation- Assistant Professor

32. Name- Anamika

Age- 27

Occupation- Flower Shop

33. Name- Avanti

Age- 26

Occupation- Corporate work

34. Name- Chandrika N

Age- 23

Occupation- Home Business

35. Name- Vaibhavi

Age- 22

Occupation- Jewelry shop

