

# Effects of lockdown over consumer behaviour and consumption practices covid-19: Pandemic review

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■ **ABSTRACT :** This review paper deals with the global studies of how consumers have been affected at a global level during past pandemics and how they are coping with the current pandemic of COVID-19 in world and in India. A relationship has been tried to be established of how situations and preparedness have been changed during pandemics in parts of government policies and consumers themselves. Lockdown has impacted the change in behavior among many consumers in different attributes of life like in electricity consumption, food habits and lifestyle factors. Agricultural sector has been widely impacted due to the lockdown and different farmers growing varied crops have been influenced differently.

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Consumer behavior are all the aspects that affect consumers' search selection, and purchase of products and services. The basic conceptual units used to describe consumers' actions are termed "consumption practices".

As the national lockdown restrictions have been slowly eased, fewer consumers report seeing a decline in income, though many have been personally affected by the crisis in the last two weeks. Net intent on spending has remained consistently positive for many essentials such as groceries, entertainment at home, and household supplies, while other categories such as alcohol and newspapers have also shown significant movement, likely due to increased availability. Shifts toward remote learning and online personal fitness and wellness continue

to accelerate, with high intent to continue for many habits acquired during the crisis. Consumers not yet being engaged with out-of-home activities are waiting for the approval of medical authorities before doing so, and they are prioritizing cleanliness and sanitization when choosing where to shop in-store. The story has been started since lockdown which is still not over even after unlock at many regions, which makes it necessary to observe the consumer behavior in all the time since March 2020.

## Past-pandemic studies:

Cooper (2006) predicted that a mild pandemic would reduce global GDP by 2 per cent while a severe pandemic would reduce GDP by 6 per cent. The supply chains could break down, financial markets could be

destabilized, building, real estate and home decorating and furnishing companies could suffer, “trade disruptions would shutter manufacturing plants,”.

McKibbin and Sidorenko (2006) estimated a global GDP impact of  $-0.8$  per cent from a mild 1968-type pandemic and  $-12.6$  per cent from a pandemic with population mortality roughly double that experienced in 1918. They estimate that the mortality effects of such a severe pandemic would be significantly greater in less developed countries, with GDP impacts reaching as high as 50 per cent.

The New Zealand Treasury (2005) estimated that a severe pandemic could reduce GDP by 10 to 20 per cent in the year that the pandemic occurred and by 15 to 30 per cent over the medium term.

### Recent studies (Abroad):

Scott *et al.* (2020) revealed from America in the first half of March 2020, individuals increased total spending by over 40% across a wide range of categories. This was followed by a decrease in overall spending of 25%–30% during the second half of Households with children or low levels of liquidity saw the largest declines in spending during the latter part of March.

Chen *et al.* (2020) from China revealed daily offline consumption—via bank card and mobile QR code transactions—fell by 32%, or 18.57 million RMB per city. Spending on goods and services were both significantly affected, with a decline of 33% and 34%, respectively; within finer categories, dining and entertainment and travel saw the greatest dip of 64% and 59%.

Hall *et al.* (2020) from New Zealand in their findings provided evidence of spatial and temporal displacement of consumption based on consumer spending patterns. Evidence of increased spending in some consumption categories confirms stockpiling behaviours. The hospitality sector experiences a sharp decline in consumer spending over lockdown.

### Recent studies (India):

Patil (2020) studied suddenly changed consumer behavior in lockdown situation. After declaration of nationwide lockdown, the public went to the market to purchase the essential goods. Sellers black-marketed essential goods, drugs, face masks, hand gloves and sanitizers. Consumers predicted the shortage of essential

goods and they rushed in the market for purchase. In that period consumers were not more conscious about specific brands of goods.

Vanapalli *et al.* (2020) discussed how COVID-19 has increased our reliance on plastics for safety and hygienic purposes. Increase in plastic waste generation adds up to the woes of our management system. Temporary relaxation on use of single-use plastic could alter consumer’s behavior. Innovation in existing products and technologies could help achieve sustainability.

Shehzad *et al.* (2020) had shown the Air quality of Indian Territory has been improved significantly during COVID-19. Mumbai and Delhi are one of the most populated cities and have observed a substantial decrease in Nitrogen Dioxide (40–50%) compared to the same period last year suggesting emergence of COVID-19.

### Recent studies (Haryana, India):

Jawed *et al.* (2020) revealed the COVID-19 pandemic has exposed the lapses in the current food system. While HACCP deals with food safety only, in the present scenario there is a need for tools which address all four elements of food protection i.e. food safety, food quality, food defense and food fraud. These elements can be defined and understood as separate concepts yet overlapping interactions are observed.

Cariappa *et al.* (2020) studied COVID-19 induced lock down disruption the food markets and commodity prices in India. The prices shot up immediately since lockdown, for chickpea, mung bean, and tomato. The pandemic has impacted the consumers’ livelihood from moderate (59.53%) to severe (3.3%) with 92 per cent reporting a change in shopping behavior. The pandemic has caused dramatic and unprecedented panic purchase by consumers as revealed by the survey.

### Livelihood issues:

Since the Lockdown, the food and other commodity supply chains are further deteriorating; now, daily movement of trucks has dropped to less than 10% of normal.

The International Labour Organization had estimated that, as a result of just 3 weeks of national lockdown, about 400 million Indians, comprising a third of the population, might slip into poverty. The latest recall we have is that there were 85 million salaried jobs in India during 2019, which fell to 65,000,000 on August 2020.

Salaried jobs suffered the biggest hit during the lockdown, with total loss estimated to be at 18.9 million until July. Informal and non-salaried jobs however have shown some improvement during the same period that increase to 2.5% that is against the 22% decline of salaried jobs.

### **Changing consumer demands during the pandemic:**

First of all, we have seen a huge growth in the e-commerce sector during the pandemic. Varied sources have provided the data that the growth which we would have seen in 10 years, already has happened in the three months of the pandemic. There has been observed a preference among the consumers for their trusted brands. If we talk about the offline shopping, Consumers gave preference to stores that were available near to their residential areas that is to the local vendors.

As soon as the lockdown started getting stricter, there was a rise in unemployment. Job issues were at their peaks and many people became homeless. The people who still had their jobs left, started working from home due to which, many video calling applications' user base did show a big rise in number. For instance, zoom applications increase their users from 10,000,000 to 200,000,000 in just three months during COVID-19 pandemic.

Talking about entertainment, before Corona virus invaded people loved to watch movies in theatres. But now we have alternative platforms like Netflix, Amazon prime, Disney Plus Hotstar and many other platforms that have shown huge growth.

### **Food practices during lockdown:**

So many dramatic societal changes have already occurred due to Covid-19. A potentially detrimental impact has occurred over the consumers' food practices impacting the health and food Systems due to the differing movement restrictions across countries. Various food practices like a bulk buying were seen across all regions that have severely added pressure on the food system. An increase in saturated fat intake has been observed among the consumers in addition to the positive cooking practices like fruit and vegetable intake increase. It is necessary to promote an essential and balanced diet to maintain the physical and mental health of individuals for which planning should be emphasized under organizational food practices (Murphy *et al.*, 2021).

Due to the incorrect food management behaviour

and habits existing in Europe households, it is estimated that over half of the total amount of food used to get wasted before the COVID-19 outbreak. The tough lock down restrictions imposed by governments to reduce the spread of infections led to dramatic changes in food management and consumption habits among the consumers that has influenced the generation of food waste at household level (Principato *et al.*, 2020).

### **Electricity consumption behaviour:**

The electricity consumption behaviour and its effects on the transition of electricity in monetary terms has also been influenced due to the forced lock down and some social practices been conducted in that period. Activities like increased cooking, laundry at home, shoring, and other professional practices that had moved to the homes during the lockdown period have highly impacted the consumption rate of electricity. On the other hand, a reduction in manufacturing practices that were limited to those involved in food, pharmaceutical products and personal care products has been observed in the industrial sector. In commercial sector, the use of electricity has been reduced due to a scale down in the marketing activities and related services. The impact of the changing demands in electricity and its consumption in lock down scenario has caused its implications for energy transition and planning (Edomah and Ndulue, 2020).

### **Behavioral change after unlock:**

Stay at home orders issued and rescinded for the restriction of mobility by the states during Covid-19 pandemic had mixed influences over the thought process of consumers for going out. According to the consumers, the lifting of stay at home orders signaled for mostly of them that going out had become safer. The data of restaurant activity suggest that the restrictions caused by the states for staying at home of consumers though had a little impact upon them but its reopening caused quick rise in the activity ensuring that consumers found it to be safer to eat out after the re-openings. This might also be one of the reasons that why there was a sharp rise of Covid-19 cases after the reopening in some states (Glaeser *et al.*, 2020).

### **Food security in rural India:**

The pandemic has put India and other nations in a

condition to place stark measures to turn the virus spread at the cost of human lives. The farmers in India have been affected now like no one else is facing structural differences in market infrastructure and in state specific Covid-19 related policies. Farmers faced troubles regarding limited mechanization, excess in labor charges while harvesting crops, distress selling and absence of a well functioning procurement system for their crops. The farmers with similar crops phased more disruptions than those who were benefited from the diverse cropping patterns as they got better supply of local foods due to transport restrictions (Ceballos, 2020).

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