

# A Study on Consumer Expectations After COVID- 19 Towards Online Shopping

(Mumbai Sub- urban region)

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## Abstract

The study endeavored to understand the changes that have occurred in consumer expectations after COVID-19 towards online shopping. The COVID- 19 pandemic brought about an increase in online shopping because of government imposed restrictions and consumer anxiety over the potential health risk associated with in- store shopping. However, after the pandemic once again changes have been observed and noted too in consumer expectations. It is equally very important for E- commerce industry to understand consumer expectations and try to fulfill them through the best possible way. Some government started to relax their restrictions and consumers started to return to in- store shopping, creating the possibility that the volume of online shopping would decrease once stores reopened however, consumers may continue to shop online more than they did prior to the pandemic because of their experience during the lockdown. Regardless of the shift in consumer demand towards essentials, all categories are moving online for good. To know and understand consumer expectations after COVID-19 pandemic towards online shopping a survey has been conducted with a random sampling of 110 consumers belonging to the Mumbai suburban region. The findings highlighted that the main components like mode of shopping, their experience and expectations regarding the price, quality, privacy protection, information and reviews of product and services, effectiveness, Customer service approach and so on. Significantly influenced consumer expectations after COVID- 19 pandemic. The findings of the study will help to identify the changes which have occurred in consumers' expectations post COVID- 19 pandemic.

**Keywords:** E- Commerce, Consumer expectations, marketing strategy, COVID- 19

## Introduction:

The Novel COVID- 19 pandemic turned the entire prospect of buying and selling of goods and services as well as changes in consumer expectations too. The pandemic taught so many aspects and has changed the entire picture after the COVID-19 pandemic. Consumer expectations have always been the most important part for every businessman to deal with and to fulfill their expectations is a big challenge in itself.

Generally, consumer expectations are a set of ideas about a product, service or any brand that a consumer holds in their mind. Knowing your consumer expectations is important to all business whether you are a small business or a large enterprise organization.

Customers' expectations matters, because if you can meet them than consumers are likely to spend more after a positive experience. To do well now and in the future, E- commerce companies need to close the gap between customer expectations, and the actual consumer experience.

Over a period of time consumers have jumped into the online world of buying goods and services. However, to deal with consumer expectations via online isn't an easy task. Because a small dissatisfaction in terms of consumer expectations will lead to a big loss for E- commerce companies. E- Commerce companies should focus on fulfilling and retaining consumer expectations. By way of providing several discounts, gift vouchers, Quality service, better price range, wide variety of options and do provide detailed information about the product or service. Have drawn a major attention towards consumer expectations.

When are Expectations formed?

The truth is it happens at all the times and across all the stages of the consumer journey- sometimes even before consumers have bought something. Today however, consumer expectations are far higher. Customer wants friendly and efficient service. And not just friendly it should feel like the service has been personalized for them.

The importance of “Know your customer” is still true today as it ever was and with changing consumer expectations rapidly, businesses need to stay apprised and aware of customer experience and customer expectations trends.

### **Factors influencing consumer expectations are:**

1. Impact of social media gained more importance now a day in order to influence consumer expectations.
2. Enable convenient shopping.
3. Customer service has to be more approachable.
4. Habits and trust gained over a period of time.

### **Review of Literature**

**Bharti Aggarwal 1, Deepa Kapoor 2, (2020)** studied on Influence of COVID- 19 Pandemic on customer’s online buying behavior in India. In this study they have opted descriptive research. It has been observed that consumers are changing their buying behavior from conventional buying to online shopping. It has also increased the shopping through websites and mobile apps. Due to increasing risk of corona virus customers are avoiding public places which increasing customer’s attraction towards online shopping. E-Commerce companies have to make better policies to meet changing needs of customers. After COVID- 19 in India, attitude towards online shopping is getting better and bigger. They concluded that COVID- 19 pandemic has encouraged online shopping activities of consumers more active and also, E- retailers supplied products that are normally purchased in the supermarket by consumers.

**Thiyagarajan 1, (2021)** studied on impact of COVID-19 on customer expectations. In this paper they have mainly discussed about the digitalization and its impact on the buying behavior of the customer. Digital platforms help the customers to get the products and services by staying inside the home. They have focused on consumer expectations and also the factors that have made responsible towards the change in their expectations.

**Rita and Juaneda-Ayensa, (2016)** Studied on expansion and growth of the internet are leading the retailing sector to more developed channels and rapid growth as e-commerce and digital marketing. The change in the retailing sector that happened over the last decade provided the customer with more features and power in the market. The several options that appeared in the market created an unstable situation which led to different results and implications and more complexity in the customer attitude and the retailers’ performances. And majorly changed consumer expectations too.

### **Scope of the Study**

This study would be undertaken to analyse the changes in consumer’s expectations after COVID- 19 pandemic towards online shopping. It would also be helpful to us to understand the factors that have influence consumer’s expectations after COVID- 19 pandemic.

### **Research Methodology**

It’s a specific procedure used to identify, select, process, evaluate and analyze the information used in the research paper. In order to present the accurate fact. It also helps the researcher to evaluate over all reliability and validity of the research paper. In short research methodology emphasis on systematic way or method of doing research.

Problem of the study: The study is based on consumer expectations after COVID- 19 towards online shopping and what are the problems faced by the consumer’s while shopping online.

## Research Objective:

1. To study the changes in consumer expectations after COVID- 19.
2. To identify the factors that has influenced consumer expectations towards online shopping post Pandemic.
3. To analyse how consumer expectations helps online shopping to improve further in terms of products and services.
4. To study the limitations of online shopping.

## Hypothesis

In light of the discussion in preceding sections, the following hypotheses are proposed:

H0: There is no significant change in consumer expectations after COVID- 19 towards online shopping.

H1: There is a significant change in consumer expectations after COVID- 19 towards online shopping.

## Research Design

The research design provides guidelines about the data element. The study is based on both primary data and secondary data. The primary data was collected through structured questionnaire for which the sample size was 110 respondents (consumers) were selected from different areas of the city. Secondary data gathered from different database sites; articles and journals written by various authors also referred.

## Area of the Study

The study is undertaken in and around the Mumbai city and its suburban areas.

## Research Approach

The questionnaire method of survey is used for collecting primary data from consumers belonging to Mumbai region. We appealed all respondents to fill in the questionnaire, by themselves by self- explaining the various aspects mentioned in it. It contained both open ended and close ended questions in the structured form which is very easy to understand at a glance.

## Sample Technique

A convenient sample (Probability sampling method) of 110 consumers belonging to Mumbai region shared their information regarding the study. They were requested to complete the questionnaire on voluntary basis. The study was done in January 2023.

## Data Usage

The analyses and interpretation are done on the basis of primary data. However, for conclusion and recommendation both primary and secondary data is used along with the verbal knowledge and information obtained from respondents. The data collected from these sources were analysed using tools like chi-squared test method.

## Findings from the study

1. It has been found that regardless of the shift in consumer demand towards essentials; all categories are moving online for good.
2. E- Commerce has never made more sense than now for so many.
3. COVID- 19 pandemic has reshaped consumer expectations.
4. Today however, consumer expectations are far higher.
5. E- Commerce i.e. online shopping preferred the most by the present generation.

## Recommendations

1. Customers are looking forward to have a simpler and faster service.
2. They want customer service more approachable as customers have lower tolerance regarding their queries.
3. Provide detailed product information and reviews.

Demographic Category of Consumer	Parameters	Number of Representatives	
		Total (110)	Percentage
Gender	Male	53	51.8
	Female	57	48.2
	Other	00	00
Age	18-29 YEARS	84	76.4
	30-44 YEARS	23	20.9
	45-59 YEARS	2	1.8
	60 & ABOVE	1	0.9
Employment	Student	58	52.8
	Self- Employed	14	12.7
	Private Service	30	27.3
	Public Service	2	1.8
	Business	2	1.8
	Others	4	3.6

Source: Compiled from questionnaire

In the present study it clearly indicates 53 respondents were male (51.8) and 57 respondents were female (48.2). 84 respondents were belonging from the age group of 18-29 years (76.4). 23 respondents i.e. 20.9 belonging from 30- 44 years and remaining 2 respondents belongs from 45- 59 years and 1 respondent were above 60 years. Majority of the respondents were students i.e. 58 (52.8) respondents. 30 respondents were working with private companies and 14 were self- employed. In public service and business 2 respondents each and 4 respondents were doing other job.

**Table- 2: What was your preferred Shopping method during COVID- 19 pandemic?**

Mode of Shopping	Total (110)	Percentage
Online	95	86.4
Offline	15	13.6

**Table 2** indicates during COVID- 19 pandemic consumers preferred shopping was more of online shopping which was 86.4 % and 13.6 % opted for offline shopping due to safety purpose.

**Table- 3: What is your current shopping method?**

Mode of Shopping	Total (110)	Percentage
Online	51	46.4
Offline	59	53.6

**Table 3** highlights the current shopping methods of consumers after COVID- 19 pandemic 46.4 % respondents preferred online shopping have continued their habits and expectations after COVID- 19. Whereas 53.6% respondents preferred offline mode of shopping.

Chi-square method used to find out the changes in consumer expectations during and after COVID- 19 pandemic towards online shopping.

The formula for Chi-square ( $\chi^2$ ) is: 
$$\sum_{i=1}^n \frac{(\text{Observed values} - \text{Expected values})^2}{\text{Expected values}}$$

Mode	During COVID-19	After COVID-19	Total
Online	95	51	146
Offline	15	59	74
Total	110	110	220

(Row total  $\chi$  Column total)

Overall Total

Online Shopping	$\frac{146 \times 110}{220} \quad E = 73$	$\frac{146 \times 110}{220} \quad E = 73$
Offline Shopping	$\frac{74 \times 110}{220} \quad E = 37$	$\frac{74 \times 110}{220} \quad E = 37$

E = Expected values

All Expected values are greater than 5 may proceed with Chi square test

$$\chi^2 = \frac{(95 - 73)^2}{73} + \frac{(51 - 73)^2}{73} + \frac{(15 - 37)^2}{37} + \frac{(59 - 37)^2}{37}$$

$$\chi^2 = 55.95 + 9.49 + 32.27 + 8.20 = 105.91$$

$$\chi^2 = 105.91$$

$$df = (\text{Number of rows} - 1) (\text{Number of Column} - 1)$$

$$df = (2 - 1) (2 - 1)$$

$$df = 1$$

5% Critical value = 3.841

$$\chi^2 > \text{Critical Value}$$

$$105.91 > 3.841$$

### Interpretation:

In the above study we investigated  $\chi^2$  is greater than the critical value therefore our Null hypotheses rejected and alternative hypothesis accepted that clearly indicates that there is a significant change in consumer expectations after COVID- 19 towards online shopping.

## Conclusion:

1. It is concluded that consumer want friendly and efficient service at the time of shopping online.
2. And not just friendly it should feel like the service has been personalized for them.
3. The adage “Know your customer is still as true today as it ever was and with consumer expectations changing rapidly, businesses need to stay apprised and aware of the customer experience and customer expectations trends.

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