

THE IMPACT OF THE PANDEMIC ON THE GROWTH OF ONLINE PURCHASES



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Abstract

The paper presents information about consumer behavior and is concerned with collecting and analyzing data on consumer behavior versus online shopping. The whole focus is on how much online shopping has increased since the pandemic to understand how businesses are operating with online sales and whether consumers are satisfied with their services.

This paper uses the descriptive methodology and concluded that people make online purchases in our market and from selected businesses. In this place, respondents make the most purchases is Giraffe. We also analyzed the questionnaire's data and compared it with the information extracted, where the result is that: people are greatly influenced by word of mouth on the Internet (e-Wom). So read the experiences of others before buying products.

Also analyzed the demographic data, where we concluded that the most cooperative age group for online shopping is 18-23 and the highest participation in the research is female.

1. Introduction

Covid-19 was declared global remorse in 2020, and thus this virus has overturned societies and dramatically changed daily life across the globe, and led to a dramatic loss of human life, posing a challenge unprecedented for public health, food systems, routine, the world of work, etc. The pandemic has created an economic and social disruption. In addition, the pandemic has had a positive impact on several other aspects. Special attention is paid to e-commerce, which has experienced a considerable increase during covid-19. This has changed consumer behavior and developed online commerce, thus raising awareness and enhancing the online shopping experience. Businesses also benefited from this; wherein the impossibility of physical presence, this field of business was developed and they had great benefits. It also made life easier for people, especially those afraid of online shopping, who removed the barrier and created a good relationship between them and online shopping.

This means that global blockade, social distancing and other measures introduced to limit the spread of the COVID-19 pandemic have prompted consumers to buy more in online markets. As a result, the business landscape underwent rapid

transformations during the quarantine period. Ultimately, the corona crisis accelerated the development of e-commerce. Globally, a new digitally immersed consumer has emerged, a more selective consumer with financial difficulties. In addition, revenue losses, limited transportation opportunities, and pandemic mitigation measures that have reduced supplier activities have forced manufacturers and retailers to reduce production and marketing costs, find new suppliers both at home and abroad, and speed up decision-making.

While visits to physical stores were limited and many were running out of money, consumers went online to shop, causing online shopping to grow more and more, and COVID-19 accelerated things in that direction. This research aims to test the proposed approach to evaluating online consumer buying behavior, which can contribute to identifying trends and patterns of online shopping. The structure of the study includes an introduction, a literature review showing the growing scientific interest in e-commerce issues during the pandemic. This methodology describes the proposed approach, the results, their discussion and conclusions.

2. Literature Review

Online shopping is the act of purchasing a product or service through any online store with the help of any website or app. Shopping through online channels is actively thriving due to the opportunity to save time and effort (Alharthey, 2020). The term e-commerce refers to a business model that allows companies and individuals to buy and sell goods and services online. Ecommerce operates in four major market segments and can be conducted through computers, tablets, smartphones and other smart devices. Almost every product and service imaginable is available through e-commerce transactions, including books, music, airline tickets, and financial services such as equity investing and online banking. As such it is considered a highly disruptive technology (Bloomenthal et.al., 2021).

The COVID-19 pandemic has forever changed online shopping behaviors. It is essential to study e-commerce consumption during the COVID-19 crisis for three reasons. First, we assume that pandemic-related circumstances will affect consumer behavior in the long run and that e-commerce companies need to fully understand consumer behavior patterns during this time to maintain a competitive advantage. Therefore, the role of determined incentives of e-commerce shopping behavior during a global crisis such as the COVID-19 pandemic needs to be clarified. Second, there is a lively public debate on addressing the pandemic globally, nationally and individually. Third, measures of social distancing, such as quarantine, need to be investigated to understand how they affect behavior patterns (Koch, Frommeyer, & Schewe, 2020). The COVID-19 pandemic forced everyone to change the way they shop. Grocery store shelves were quickly emptied of toilet paper and cleaning supplies as everyone struggled to reserve amid the global stalemate. As the blockade continued, supply chains tightened, cleaning supplies became increasingly complex, and everyone was trying to find food items and necessities (Nielsen, 2020).

There is a high awareness that digitalization is vital for business; however, there are setbacks in designing and implementing digital strategies. The private sector is aware that digitalization can help it perform better in the future. Still, companies face barriers to the transformation, such as a lack of digital skills in the workforce, a lack of technical knowledge to move the digitalization process forward, and a lack of / access to finance. In the digital sense, the Kosovo industry is divided depending on the work and the operating sector. Among other things, it has been noticed that the management of Kosovar companies on which the burden of digitalization falls invests more in digital solutions but not in IT security (Jashari, 2020). During the pandemic, consumers have moved dramatically towards online channels, and companies have responded similarly. The Covid-19

pandemic has created a new narrative of how to do business considering the changes caused to companies of all sectors (Crosta et.al., 2021). The potential of digital transformation for companies has been highlighted, especially after the outbreak of the Covid-19 virus pandemic and due to the imposition of restrictive measures to prevent its spread. Whether small, medium or corporate, Kosovar businesses have faced many changes in the way of doing business and have found themselves in an unprecedented situation that necessarily requires reaction and change (Kosovo Chamber of Commerce, 2020).

E-commerce has been prevalent during the COVID-19 pandemic, and retailers have made great efforts in building, improving, and promoting their online stores (Despin, 2020). Some small retailers that did not manage online stores before closure developed temporary solutions to sell their products online, e.g., by posting products on social media sites and offering product pick-up or delivery services. Others have offered discounts for their online channels and started promotional campaigns on social media. To ensure that these efforts succeed, it is important to investigate the motives of online consumer purchases during this pandemic (Koch, Frommeyer, & Schewe, 2020). With vaccines now being administered and the economy reopening, several post-pandemic shopping trends are emerging: there has been a steady increase in sales of hand sanitizers, trips to see family and friends take precedence over international travel, home cooking yes benefits from grocery stores, consumers are being shown to be selective about retail spending, there is a growing demand for e-commerce and payments without physical contact (Tymkiw, 2021).

Vendors need to develop the right strategies to satisfy their customers regarding the online sector. Previous studies of (Zhang, 2015) and (Ariffin, Yusof, & Putit, 2016) contributed to the literature that customer satisfaction is important in retaining a customer. This research has also suggested that customer satisfaction plays a vital role in maintaining them. Moreover, online shoppers offer the fastest WOM distribution for the exemplary product/service. Second, consumers need to feel valued and committed to sellers.

To be successful, e-commerce companies need to understand new trends in pandemic-stimulated consumer shopping behavior. What pushes customers is different from what it was. Thinking about the end-to-end e-commerce shopping experience, what do consumers expect now? Moreover, what can retailers do to meet the new expectations brought about by this rapid and drastic change in e-commerce? This means that, before examining recent trends in e-commerce and how to meet consumer demands, it is important to understand consumer behavior online. This new era

of retail is marked by the transition of the customer's shopping experience from brick and mortar purchases to online purchases. And this happened much faster and on a much larger scale than ever predicted (Wenzl, 2021).

Some of the online consumer behaviors after the covid-19 pandemic are these (Rao et.al., 2021):

- Convenience - is a top priority because most consumers value comfort as one of their top priorities.
- Easy access to all devices means that when shopping online, no problems occur because consumers do not have much patience if there are system outages.
- The simplicity of payment options - pushes consumers to make faster purchasing decisions.
- Fast delivery - is also an advantage because customers also do not have much patience and prefer not to have shipping delays.

Customer frustration is a negative response to a product or service. Anger is the negative emotion that the consumer experiences when he buys something entirely against his demands. In addition, when the buyer's perception is violated, such behaviors occur. As a result, they are involved in communicating their anger through e-WOM. Outraged consumers actively harm the firm or brand from which it hurts (Goyette et.al.,2010). Consumers provide online e-WOM reviews to reduce negative emotions from consumer experiences and restore a calm mental state to equilibrium. Thus, such consumers tend to give negative comments about the brand or product, which fails to meet their expectations. E-WOM (electronic oral marketing) has been characterized as negative evaluations shared between people or interpersonal communication between buyers about their experiences with a particular brand or service provider (Durante & Laran, 2020).

3. Research Methodology

This paper was realized with secondary data from various literatures as well as with primary data which were collected through a questionnaire. The questionnaire was distributed electronically, where 81 respondents from Kosovo cities were part of the survey. The platform used to process the questionnaire is 'Survey monkey', an online platform that facilitates the construction of questionnaires.

The questionnaire was divided into two parts; it initially started with demographic questions (gender, age, place of residence, income level). Meanwhile, the second part of the questionnaire

contains questions about online shopping and customer experiences with online shopping. It started with general questions about online shopping frequency, followed by concrete questions about research variables. Data collection lasted a total of 10 days.

The statistical program SPSS did the processing of primary data deriving from this questionnaire, and in the following chapter, we will present descriptive statistics of variables.

Hypothesis:

H1: After the covid-19 pandemic, people are more inclined to buy online.

H2: People are used to online shopping culture and do not hesitate to choose this channel of shopping.

H3: Online shopping causes a high degree of insecurity among people.

H4: Online shopping depends heavily on 'word of mouth online.

H5: The impact of the pandemic is assessed as positive by e-commerce.

H6: The impact of the pandemic is assessed as positive because people save time while shopping online.

Three research questions:

1. Has the covid-19 pandemic affected e-commerce?
2. How has consumer behavior towards e-commerce changed?
3. Is the impact of the covid-19 pandemic on online commerce assessed as positive or negative?

4. Research Analyzes

In the survey questionnaire, we compiled a total of 17 questions. We used the funnel method (first the most general questions, then the concrete questions) in the questionnaire.

The number of respondents is a total of 81 and we have collected their responses to look at consumer behavior for online shopping as well as the growth of online shopping during the covid-19 pandemic and also some divisions and comparisons have been made between variables which we have selected them as suitable for comparison.

Below are the results in which we were most interested in explaining clear conclusions. The first questions of the questionnaire are related to demographic variables, then the questions that we have assessed as the most appropriate to reach the findings of consumer behavior, which results are presented as follows:

Table 1. Participation of age groups

		Valid			
		Frequency	Percentages %	Percentage	Cumulative percentage %
Age-group	18-23	46	56.8	56.8	56.8
	24-30	22	27.2	27.2	84.0
	31-40	6	7.4	7.4	91.4
	41-50	4	4.9	4.9	96.3
	over 50	3	3.7	3.7	100.0
Total	81	100.0	100.0		

From the table above, we look at one of the demographic questions to understand the age of the research participants. Here we see that more than half of the respondents belong to 18-23, while another significant part is 24-30 age group.

The participants with the lowest percentage in the research are the age group over 50 and this for the reason that this, this age group is much more difficult to be educated for online shopping.

Table 2. Gender of respondents

		Frequency	Percentages	Valid percentage	Cumulative percentage
Gender:	Female	49	60.5	60.5	60.5
	Male	32	39.5	39.5	100.0
Total	81	100.0	100.0		

The results show that, out of 81 respondents, more than half of the respondents (+ 60%) are female, while the rest belong to the male gender.

Table 3. Income level

		Frequency	Percentages	Valid percentage	Cumulative percentage
Income:	Under 100 Euro	23	28.4	28.4	28.4
	100 - 300 Euro	27	33.3	33.3	61.7
	300 - 500 Euro	18	22.2	22.2	84.0
	500 - 800 Euro	6	7.4	7.4	91.4
	800 - 1000 Euro	2	2.5	2.5	93.8
	Over - 1000 Euro	5	6.2	6.2	100.0
Total	81	100.0	100.0		

Income level is critical to understanding the economy after the covid-19 pandemic. The table above shows that many respondents do not have high enough incomes to make multiple online purchases.

Over 33% of respondents have an income level between 100 - and 300 euros, which means they do not have many opportunities for online shopping.

The smallest part of the respondents, of 2.5%, have an income level of 800 to 1000, and so on.

Table 4. Visits to shopping malls

	Frequency	Percentages	Valid percentage	Cumulative percentage
Every day	21	25.9	25.9	25.9
Every week	35	43.2	43.2	69.1
Every month	16	19.8	19.8	88.9
Once in a few months	9	11.1	11.1	100.0
Total	81	100.0	100.0	

Given that shopping malls are a place frequented by everyone, there is no question about it. This is evidenced by the result of respondents, where almost half of respondents go to shopping malls every week. At the same time, a considerable part of them

visit every day. This means that businesses belonging to shopping malls, from the numerous visits of customers, also have high profits.

Table 5. Frequency of online shopping

	Frequency	Percentages	Valid percentage	Cumulative percentage
Every week	5	6.2	6.2	6.2
Every month	16	19.8	19.8	25.9
Once in a few months	60	74.1	74.1	100.0
Total	81	100.0	100.0	

Online shopping is a phenomenon which is growing every day more and more, thanks to digitalization. From the table above, we see how often online purchases are made. Out of 81 respondents, over 74% of them make online purchases once every few months. Then about 20% of respondents make online purchases every month and the rest make purchases every week. The latter should be targeted at businesses operating online due to the frequency of

purchases. With these results, it turns out that Hypothesis 5 presented above turns out to be correct, which is as follows:

H2: People are used to online shopping culture and do not hesitate to choose this channel of shopping.

Table 6. Increase in online shopping during the pandemic

	Frequency	Percentages	Valid percentage	Cumulative percentage
Yes	33	40.7	40.7	40.7
No	48	59.3	59.3	100.0
Total	81	100.0	100.0	

The pandemic has changed us for many things! One of them is the awareness of consumers about online shopping. The table above describes whether online shopping has increased since the pandemic, where it turns out that, in more than half of the respondents, the pandemic has not affected the growth of online

shopping. In contrast, the rest has increased online shopping, where the hypothesis raised does not turn out to be correct:

H6: The impact of the pandemic is assessed as positive because people save time while shopping online.

Table 7. Buy Online Stores

	Frequency	Percentages	Valid percentage	Cumulative percentage
Gjiraffa	42	51.9	51.9	51.9
Ali Express	20	24.7	24.7	76.5
BejTani	4	4.9	4.9	81.5
Neptune (online)	15	18.5	18.5	100.0

Total	81	100.0	100.0
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Table 7 looks at the online stores that respondents most frequent. Over 51% of respondents make online purchases in Gjirafa, over

24% before purchasing on Ali Express, over 18% make purchases on Neptune, while the rest make purchases on BuyNow.

Table 8. Price reasonableness of online products

	Frequency	Percentages	Valid percentage	Cumulative percentage
Strongly agree	16	19.8	19.8	19.8
Agree	26	32.1	32.1	51.9
Neutral	29	35.8	35.8	87.7
Disagree	9	11.1	11.1	98.8
Strongly disagree	1	1.2	1.2	100.0
Total	81	100.0	100.0	

Above are the respondents' answers regarding the online products and whether those products have a reasonable price. It turns out that over 51% of respondents justify the price with the value of

the products they buy online. Another result is that about 36% are neutral about the cost of the product and its value.

Table 9. Perception of uncertainty (Online shopping involves a high degree of uncertainty)

	Frequency	Percentages	Valid percentage	Cumulative percentage
Strongly agree	19	23.5	23.5	23.5
Agree	30	37.0	37.0	60.5
Neutral	22	27.2	27.2	87.7
Disagree	9	11.1	11.1	98.8
Strongly disagree	1	1.2	1.2	100.0
Total	81	100.0	100.0	

Let's say that the pandemic has affected consumers' awareness about online shopping. The table above shows us that the citizens of Kosovo are still not safe with online shopping. Apart from the neutral respondents regarding this issue, another significant part, or 60% of them, thinks that online shopping is highly uncertain.

This means that businesses operating online need to consider this part of influencing consumers' beliefs about online shopping. Of course, this should be proven only with quality goods / services offered by them.

Table 10. Risk perception (Product may not be the same)

	Frequency	Percentages	Valid percentage	Cumulative percentage
Strongly agree	37	45.7	45.7	45.7
Agree	24	29.6	29.6	75.3
Neutral	14	17.3	17.3	92.6
Disagree	5	6.2	6.2	98.8
Strongly disagree	1	1.2	1.2	100.0
Total	81	100.0	100.0	

The biggest fear of online shoppers is if their product is different from what they think. The table shows that over 75% of respondents are insecure about online shopping and fear that the product may not be the same. This is also a concern that online

retailers need to consider and prove otherwise and thus also contribute to consumer awareness.

Table 11. Customer Satisfaction with Online Shopping

	Frequency	Percentages	Valid percentage	Cumulative percentage
Strongly agree	9	11.1	11.1	11.1
Agree	22	27.2	27.2	38.3
Neutral	36	44.4	44.4	82.7
Disagree	11	13.6	13.6	96.3
Strongly disagree	3	3.7	3.7	100.0
Total	81	100.0	100.0	

After every purchase, both online and physically, the main thing for both consumers and businesses is customer satisfaction. In this way, you gain trust in companies and online shopping. The data show that 38% of respondents are satisfied with online

shopping, then neutrality varies, and a small proportion of respondents have negative responses regarding consumer satisfaction during online shopping.

Table 12. The impact of 'word of mouth' on the Internet

	Frequency	Percentages	Valid percentages	Cumulative percentages
Strongly agree	25	30.9	30.9	30.9
Agree	37	45.7	45.7	76.5
Neutral	12	14.8	14.8	91.4
Disagree	7	8.6	8.6	100.0
Total	81	100.0	100.0	

Word of mouth is the most reliable method of 'marketing'. According to other studies, it turns out that word of mouth is many times more reliable than marketing that companies do for themselves. From table 12, we see that word of mouth has a lot of impact on online shopping. Over 76% of respondents read the recommendations online before making online purchases, which best shows how important they are.

Companies need to pay special attention to the delivery of their goods or services because if customers are satisfied, they always speak well, which affects sales growth. Therefore, the hypothesis raised is correct:

H4: Online shopping depends heavily on 'word of mouth online'.

As mentioned in the second table, 60% of respondents are female, and 53% buy in the online store Gjirafa. The same result is for males, where 50% of them also make purchases in the online store Gjirafa.

5. Conclusions

Undoubtedly, the Covid-19 pandemic has accelerated the digital transformation process of companies. The Covid-19 pandemic has impacted companies treating digitalization not only as an opportunity but as a realistic solution to business survival. Considering digitalization as survival in business, consumers

should also get used to this sales channel and be maximally aware of the advantages of online shopping.

From the data presented in the previous chapter, we presented the results of the primary data from the questionnaire, including demographic and analytical data, using the Likert-5 system. The size of the research sample is 81 respondents. The research shows that most of the respondents (33%) do not have very high incomes, starting from 100 - 300 euros and this means that there is a stagnation in online shopping due to financial impossibility even though there has been an evolution in bringing consumers online for online shopping and this evolution is as a result of the covid-19 pandemic. On the other hand, an important feature is that people are satisfied with their online purchases. Still, the downside is a high degree of risk of online purchases due to data dissemination. Also, the favorite place for online shopping turns out to be Gjirafa.

Let's compare with the research of (Rao et.al., 2021), where it turns out that online shopping has flourished during the pandemic in our research. But, of course, it is not that the pandemic has greatly affected online shopping. But the same conclusions turn out to be in consumer satisfaction, where it is emphasized that the experience and satisfaction of buyers play an important role in survival in the market and that consumers are greatly influenced by the 'word of mouth online' before making purchases.

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