

REVIEW ARTICLE

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The Influence of Situational Factors on Consumer Purchasing Behavior- The Case of Covid - 19

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Abstract

The use of technology in all areas of life has made it part of social norms and life style. Consumer behavior in this new light has been modified in work, living and entertainment environments. The coexistence with technology was really challenged with the emergence of the pandemic Covid-19. In conditions of social distancing or even complete isolation the only way to connect with the world were technological devices and the Internet. This opportunity somewhat relieved the fear created in the population but also in the role and need of the consumer to buy and consume products. The purpose of this paper is to present through a review of the literature, the impact brought by the Covid-19 pandemic treated as a situational factor, to better measure consumer behavior through online shopping. Covid-19 is envisaged as a situational factor that influenced this behavior for experienced consumers in online shopping as well as for those with no experience at all. Online shopping studies often offer sometimes contradictory literature. Many consumers consider online shopping as a way to save time in choosing and evaluating product alternatives. This is also driven by the increased use of the internet and the increased familiarity with electronic devices. Has this behavior been observed even in the case of online purchases of food products? Food products are a category of products to which consumers are sensitive because they are directly related to consumer health. They are also in consumer choices purchases that are influenced by sensory features in choices. Online purchases of food products turned out to be a field of study where the literature presents little empirical data. This paper aims to contribute to the recognition of the impact of Covid-19 as an incentive for online shopping and to compare whether the presence of a global influencing factor such as Covid-19 proves that online shopping will be settled definitively or will be just an alternative.

Keywords Covid-19, food products, consumer behavior, situational factors, online shopping

1. Introduction

One of the most important and popular developments is the use of technology with the whole possibilities of mobile commerce applications (m-commerce), such as online shopping through mobile phones (m-shopping), mobile payments, services banking (e-banking), etc. The use of the internet has found approval from the entire population of the world and is changing our social norms of living, working and even spending leisure time. The same impact is seen in traditional consumption patterns. This has made the consumer and consumption a matter not only of themselves but also of businesses, to improve performance and provide better products and services to meet customer

satisfaction. As of January 2021, it is estimated that there are 4.66 billion Internet users worldwide or 59.5% of the world's population. It is estimated that 92.6% of the population access the Internet via mobile phone [32].

This very large number of internet users turns out to be taking advantage of this opportunity to conclude an online purchase. This results from 0.16% to 2.77% by usage platforms. From this number of visitors, it results that in the third quarter of 2021 the average value of online food orders ranged from \$ 71.75 - \$ 121.64 [32]. Taking advantage of such an opportunity to make online purchases shows that consumers perceive it as a very good opportunity to provide the products they need.

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An issue of interest is to know if this opportunity is a good alternative for consumers to buy food products? What impact is the experience of the Covid-19 pandemic situation bringing to this market?

As the literature suggests, the increase in online sales for different products has seen an increase over time, although not uniformly for all product categories [2]. Online shopping for food products turns out to be a relatively new environment and as a result are modest compared to other product categories. Yet they experienced steady growth throughout the world [7].

The study of online shopping alternatives can be study for the impact of the preference for online shopping but also of the use of technology. It is seen that online shopping has increased significantly given that the consumer wants to bring shopping in traditional stores to his home. Thus he can search the internet for more information facilitating his choice but also to search without time pressure and in any period of time. On the other hand, the use of technology is the instrument that facilitates this process and promotes it. This paper aims to investigate in the literature the factors that influence the consumer preferences for online shopping, the factors that influence the use and adaptation of technology by exploiting the opportunity created by living in the conditions of Covid-19.

2. Situational factors that influence consumer behavior

Consumer behavior is seen as a decision-making process influenced by many factors. The decision-making process to purchase goods and services is a rather complex process. To understand more about the factors that influence this behavior the multi-attribute selection model has been widely used as it was proposed by Fishbein [8]. The impact analysis of many factors has been studied by different researchers who make their division into situational and non-situational factors. Thus Belk classified them into two major categories: situational factors and non-situational factors. He saw these two major groups in a triangular paradigm: stimulus-organism-response [27].

Non-situational factors refer to the general characteristics of an individual such as gender, race, personality and brand image or function for an item that can be purchased.

Situational factors, on the other hand, refer to all those factors that need to be observed, which were not derived from a knowledge of personal and stimulus traits and which have a noticeable and systematic effect

on actual behavior [27]. According to Zhuang et al, [33] one of their divisions is: Social circumstances which include the presence of other persons, their characteristics, their roles and interpersonal reactions; Physical circumstances that refer to geographical and institutional location, decor, sounds, aromas, lighting, weather and visible configurations of goods or other materials surrounding the stimulus object; Time perspective is a dimension of situations that can be specified in units that vary by time or season of the year while selecting, purchasing or obtaining information relating to a general or specific acquisition and momentary moods or conditions of purchase, such as acute anxiety, pleasure, hostility, fatigue, and illness [11].

From the above situational factors are the factors that can serve as motivators to start an online shopping experience [11]. If we look carefully the occurrence of the Covid-19 pandemic is a situational factor [33]. This situation not only represents a disease situation, but carries risk for the entire population in conditions when it has been declared a pandemic by the World Health Organization.

The impact of Covid-19 is multidimensional as many families faced job loss, declining incomes. Thus the pandemic has led to an increase in unemployment in the US compared to those of the Great Depression [24]. This has also affected the way of purchases and their types. Rising unemployment also means that family members may have more time to devote to meal planning and preparation (Saksena et al, [18]). One of the ways that motivate the consumer to buy online is also this situational factor. It is interesting to understand the effect that this factor has brought as an incentive to start buying food online.

3. Factors that influence online shopping

Until then the data in the literature regarding online shopping, which were measured under normal living conditions, focused on identifying several factors that may motivate consumers to use marketing channels to buy their products online. According to Huan [12], consumer preference for online shopping depends on perceived cost, perceived convenience, perceived enjoyment and perceived risk. It studies these factors expressed delivery charge, travel time, time available, purpose of the trip.

According to Morganosky and Cude [17], the key factors in choosing online channels through which they can buy products are time savings and convenience in

purchasing. Many consumers cite convenience time savings as their main motivation for buying food products online [17]. They see online shopping as a way to save time in choosing and evaluating alternatives, associated with increased internet usage and familiarity with electronic devices. The tool that facilitates the execution of online purchases is the use of electronic devices and the Internet. According to Dabholkar et al., [23] the purpose of using technology determines the attitude that the consumer creates for them. Looking into this factors we can translate them as ease of use, performance and satisfaction.

4. The conceptual model

At the end of 2019 the world faced the Covid-19 which initially appeared isolated and then included the whole

world as a pandemic. This situation with great impacts put the consumer before the elections also in terms of buying food. Buying food online, providing ready meals online increased during this period. As mentioned above, Covid-19 created a situation where consumers, even if they did not have the incentive to buy food online, could use this as much as possible. This paper present a scheme which connects the consumer objective for online shopping, the promoter and the facilitation instrument. The first is of research interest to understand the generation of future marketing channels, the second to understand the effect of incentives on the adoption of consumer buying behaviors and the third as an instrument that can promote but also facilitate the performance of online shopping.

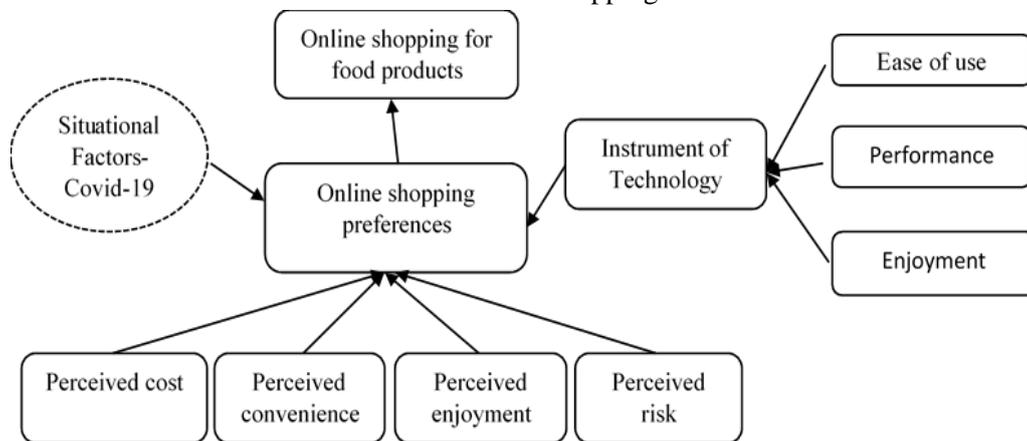


Figure 1: Effect of situational factors and technology usage in the intention to buy online food products

4.1. Perceived Cost (The time saving)

The literature provides information about the time the consumer spends on purchases in physical stores. Results from many authors suggest that more educated and somewhat higher-income consumers may be more likely to shop online, primarily for time-saving and convenience aspects. Hence they suggest that the online environment potentially reduces the amount of time required to shop [3][12][17][25][31]. This is also reinforced by Richmond [26] which shows that shoppers shop online to save time and have more [16]. Various authors acknowledge that online shopping saves time compared to shopping in physical stores as it avoids movement, parking, communication in a physical environment. The latter is of interest as reported by Hui et al., [13] “A considerable part of the time in the store does not go to the selection of goods, but is moving through the store”.

Huang and Oppewal [12] suggest that efforts to promote online food purchases may focus just as well

on communicating the time savings from online purchases rather than reducing delivery charges. On the other hand, Anesbury et al., [2] estimate that the time of choosing online shopping for food items is fast, with an average of 19 seconds [2]. They also point out that comparing the results of this online study with those conducted in-store shows that shoppers behave in a similar way across the two purchasing methods [2]. Considering the data it would be an interesting look at what has happened to this factor by studying the time spent online as a result of the impact of lifestyle in quarantine or social distance conditions as a result of Covid-19 which to some extent has pushed them consumers spend more time online.

According to Alaimo et al., [15], who have measured the impact of the time factor as a result of Covid-19, suggest that the opportunity to save time by making online purchases is high and the chances of being more satisfied are 4,011 times more than those who state that

this possibility is low, keeping all other variables constant.

4.2. *Perceived Convenience*

Convenience is also a motivating factor in online shopping. According to Aylott and Mitchell [28], the convention deals with psychological cost and other forms of non-monetary costs such as time, effort, and stress. Morganosky and Cude [17] also noted that convenience was a particularly important motive when there were limitations of the situation such as: the state of health or the presence of young children in the family [15]. This suggests that situational factors may be important in shaping and strengthening online shopping motivations. The situation created by Covid-19 can be considered as such [33]. Factors such as: product characteristics or seller, product information but also the impact of the situation affect online shopping [15].

Online shopping offers various conveniences regarding home or office shopping. Morganosky and Cude [17] even point out that consumers order a list for a period and send it when it is complete. Thus they are able to check the recipes or shelves for the products needed during the purchase, checking the execution of the order periodically, which is impossible or difficult to do when shopping in the store [17].

4.3. *Perceived Enjoyment*

Grocery shopping has long been considered as a burden or a chore [28]. Furthermore, in the online setting, further development in technology is expected to allow greater use of “virtual reality” and “interaction” with consumers and provider, which is more likely to enhance the “shopping experience” for online consumers [9]. The more routine and chore-like the trip, the less enjoyable the visit to the grocery store would seem to be to most people and the more likely they would be to endorse on-line shopping [28]

Dabholkar and Bagozzi indicate as well that marketers should heavily promote the fun aspect of using their technology-based self-service if their target market is likely to (1) be high in inherent novelty seeking, (2) be high in self-efficacy, (3) be highly self-conscious, or (4) have a high need for interaction with a service employee.

From this perspective thus we can deduce that satisfaction is a dimension that complements online shopping not only by itself but also by the use of technology itself.

4.4. *Perceived Risk*

The concept of risk is one of the most interesting concepts in the study of consumer behavior. Perceived risk is defined as risk in terms of the consumer’s perceptions of the uncertainty and adverse consequences of buying a product or service [10]. Six dimensions of perceived risk have been identified in previous studies: financial, product performance, social, psychological, physical, and time/convenience [30]. They investigated the four types of risk-financial, product performance, psychological, and time/convenience loss that were identified as most prevalent among internet shoppers. The level of risk perception also determines the level of consumer involvement. Consumers will have a higher level of situational involvement for grocery items that are purchased as an ingredient for an important event than for regular household meal items [22]. This higher involvement will result in a greater awareness of possible negative consequences and, therefore, in an even greater level of perceived risk for the online channel compared to in-store shopping.

On the other hand, we must take into account that the food products themselves are selected by the consumer implying some senses. Product performance risk seems particularly pertinent for online grocery shopping. For many grocery items, consumers generally prefer to physically examine the quality of the products prior to the purchase [1] This, however, cannot be done in an online environment. This may lead to another perception of risk by the consumer.

5. **Results and Discussion**

The basic question is: Is consumer adopting online shopping behavior after Covid-19? Based on the consumer decision-making process, knowing the post-purchase phase is of interest to understand whether consumers will repeat the experience with the purchase or the new form of purchase. According to Oliver [21], Expectation Confirmation Theory (ECM) is the cognitive theory that aims to explain beliefs about post-purchase, or post-adoption, satisfaction as a function of purchasing expectations and perceived performance.

Lee [29] used an extension of ECM with information systems theory that models how users accept and apply a particular technology in an empirical model to explain and predict the purpose of user continuity in online learning. Based on this model Shang and Wu [5] suggest that the determinants that affect the continuity of online use by users may vary between different

product categories. Shang and Wu [5] explain that among food buyers, the intention of continuation and the adoption of this purchasing model is determined by several factors:

- a) Ease of use of equipment
- b) Pleasure
- c) Value for money
- d) Confirmation

Among these factors, it turns out that the value for money, which is the perceived usefulness derived from a purchase through an app as a cost function, affects the intention of continuation more than all other factors. So according to Shang and Wu [5], the link between the tendency to buy food online and the value for money is high. Cost factors in the study of Shang and Wu [5], are those related to the change in monetary cost perceived by consumers when comparing food purchases online and in stores. Purchasing costs include both fixed and variable costs. Bell et al. [4], identify fixed costs as travel expenses associated with going to a store plus a buyer's natural preference and loyalty to the store. Travel expenses such as: fuel cost or parking are clearly an expense that consumers would like to get rid of. So online shopping saves monetary value for the consumer and consequently affects the tendency to continue online shopping.

Retailers expect online shopping to continue after restrictions are lifted, driven by social distancing as part of a new way of shopping. In the US., For example, Amazon is adding 100,000 new positions to its distribution network including Amazon Fresh and Whole Foods [7].

Situational factors like Covid-19 can be considered as incentives to push various customers who probably would not have been involved in online shopping. This situation can also affect the reduction of frequency after changing the initial conditions. Significantly, situational factors seem to have been important factors not only in initiating but also in reducing the frequency or complete cessation of online shopping for food products, especially when the initial situation returns to normal [11].

From a managerial perspective, discovering the importance of situational factors as incentives for consumers to start (or stop) buying food products online is important [11]. This suggests that efforts to promote online food purchases may focus just as well, if not better, on communicating the time savings earned from online purchases than on reducing delivery charges [12].

For food buyer groups, marketing policy strategies can focus more on increasing customer value through promotions and rewards, among other strategies by increasing perceived profitability by the consumer. On the other hand, online food providers should use simple platforms in use so that the consumer is easily oriented and encouraged to look at online shopping bargaining.

6. Conclusions

The level of internet use by the consumer has increased significantly. A very large number of internet users turn out to take advantage of this opportunity to conclude an online purchase. Online grocery shopping turns out to be a relatively new environment. Situational factors, on the other hand, refer to all those factors that need to be observed, which were not derived from a knowledge of personal and stimulus traits and which have a noticeable and systematic effect on actual behavior. If we look carefully the occurrence of the Covid-19 pandemic is a situational factor as it not only represents a disease situation, but carries risk for the entire population in conditions when it has been declared a pandemic by the World Health Organization. It may serve as a trigger to motivate consumer to start shopping online. On the other hand the development and the diffusion of technology and internet facilitates and promotes the use of platforms where the consumer can shop online.

As far as the distribution channel is concerned, online food purchases have seen a huge increase since the advent of Covid-19. Many consumers cite time savings and convenience as the main motivators for buying food products online. Perceived cost, perceived enjoyment, perceived convenient and perceived risk influence preference for online shopping for food product.

The opportunity to save time by making online purchases is high and the chances of being more satisfied are greater than those who state that this opportunity is low. Value for money results as the main factor influencing the purpose of continuity.

Factors related to the change in the monetary cost perceived by consumers when comparing grocery shopping online and in stores as travel expenses associated with going to a store plus a buyer's natural preference and loyalty to the store. Travel expenses such as fuel or parking costs are clearly an expense that consumers would want to get rid of. So online shopping saves money for the consumer and therefore influences the tendency to continue them. Online food providers

need to focus on improving factors that save time and increase consumer convenience so that online shopping is an alternative to securing products.

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