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THE ANALYSIS OF IMPACT OF COVID-19 ON RETAIL CONSUMER
BEHAVIOR AND BUSINESS MODELS

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ABSTRACT

The study aimed to identify the barriers to the implementation of the e-learning system (Blackboard) among female students at the Community College at Imam Abdul Rahman bin Faisal University. To achieve the objectives of the study, the researcher adopted the descriptive approach. The study sample which was chosen randomly consisted of (300) female students from the community college at Imam Abdul Rahman bin Faisal University. The researcher built the study tool "questionnaire" which covers four areas: Administrative barriers, technological barriers, financial (physical) barriers, and social barriers. The data was processed by the statistical method. The findings indicated that the areas of the barriers which faces the implementation of the blackboard system among female students at the community college at Imam Abdul Rahman bin Faisal University were as follows: Social barriers which ranked first and with a (high degree) followed by financial barriers (moderate degree), administrative barriers (moderate degree) and the technical barriers (low degree) and with the mean 2.60, 2.20, 2.13 and 1.37 respectively. The study recommended promoting the technical aspect in the university through using the blackboard system and providing specialists and technicians with suitable training regarding the use of this system and holding educational sessions for students and community members to enhance the concept of e-learning.

1. Introduction

Covid-19, the unprecedented pandemic has slowed down the overall economic growth across sectors. Social distancing and self-quarantine have forced majority of the consumers to rely completely on e-commerce. There are a number of issues faced by the retail sector like the fluctuations in demand, supply chain management and providing safety to their customers to retain them. There are several innovative technologies for the retail sector which leaves the business unsure of the value each would deliver. The companies have begun to deep dive in offering relational dimension to customers[1]. Few like Amazon, Infosys Experience stores have already adopted concepts like self-service, analytics, fast tags, etc. The Coronavirus (Covid-19) has abruptly changed the life of both retailers and consumers and we are currently witnessing the fastest changing environment which had caught us all off-guard. Being the second largest employer of the country, even the retail industry is trying to stay afloat by continuing to invest in digitalization rapidly in order to meet the changing reality. The digital world today with consumers who are well-informed and the massive change in their behavior after a pandemic there is a need to cope up with change quickly than before[2]. The shift in consumer behavior after the impact of corona virus has to be understood before reacting and adapting to the changes. Given that the course of pandemic has altered consumers in short term with panic buying and reduction in willingness to shop as well as in long term expectations like a safer in store shopping and improve logistics and delivery in online. The first step to plan new or modify products and offerings is to understand the correct expectations of the consumers. Though we may not have crystal clear understanding we can conclude near certainties of trends. The transformation journey as stated by experts would be challenging in both the operations and management of the retailer. However technologies like IoT also brings along immense quality control with a reduction in servicing equipment thereby saving money and fulfilling the need of the hour which is health & safety[3]. Owing to the need of the hour one cannot sacrifice the customer experience as it is what helps retailers succeed during a period of recession. Consumers build everlasting trust and loyalty depending on a company's response to them during a crisis. This raises the query of which category of consumers prefer what. The home delivery has been moved from luxury to necessity, which points that it is important for retailers to get their business to consumer's home. Learning from the customer experience in China on its due course of the pandemic curve, there had been a 27% rise in Generation-X consumers shifting to e-commerce given that most of them tried for the first time. The retailers are ought to be aware of these kind of behavioral shifts to find savings without sacrificing their customers[4]. The crisis minimized the offline experience of the customers and more consumers have become dependent on online. This comes with the fact that we could also notice their desire to incline to the local Kirana shops, local vendors[5]. Providing a holistic customer experience after the chaos will be very critical to the success of the retailers. Though retailers had abundant data available all

along, now would be the right time to take advantage of the options and analyze in depth to strategically optimize prices and maximize sales[6].

2. Objective

The main goal of this research paper is to understand and determine the changes in the customer expectations, customer spend analysis and key drivers in the retail industry. Most of the retail players will have to revise their business models to adapt and prevail the Covid-19 outbreak. Based on the ongoing pandemic, health and hygiene concerns, contactless buying options, flexible payment and flexible delivery will be a major differentiator for the consumers. The underlying purpose is to explore the pain areas and key concerns with the current business models in retail sector through quantitative research.

3. Literature Review

3.1 Trends of retail sector:

The retail sector would gain a competitive advantage if they are open to innovation. The need of the hour would be affordable technology and vital understanding of consumer's psychology[7]. However, the consumer behavior has been on a strange journey during this year. Their pre-pandemic habits, pandemic habits and post-pandemic habits need to be studied and understood to restructure the trends now. Specifically, the Indian retail sector has seen the peak growth around the year 2006, along with the fall of Kirana stores and mom-and-pop stores. This was also the time when international players moved from manufacturing to retailing in India[8]. But what is unaddressed is if the entry of Atmanibhar Bharat Abhiyan will strengthen local markets and if going vocal for local will impact the supply chain in retail sector. Another keen input to be highlighted here is that the buying behavior of the consumers will pave way for deciding the pricing strategies of various products. The key driver in retail sector undoubtedly would from now on be customer's convenience and experience throughout[9].

3.2 Customer experience:

Delivering a personalized experience to consumers has been built up faster than before. In India the retailers and consumer companies look forward to consumer data through IoT connected devices. The IoT connected devices are also faster in India than other countries[10]. Can this still be used as a driver in retail sector even after COVID-19 changing the expectations of customer experience is yet to be explored. The very word quality has been dominating the retail industry this decade. Product quality, Service quality has been translated to customer experience now[11]. The retail industry offers a mix of products & services and hence the approach should preferably be all-inclusive instead of single dimension. With the front end customer facing operations facing a minor modification to amplify customer experience post pandemic, it is important to understand if we are measuring the right inputs from customer.

Customers amidst the panic tend to stick on to their trusted brands which would allow brand extensions have a better reach[12].

3.3 Circumstances post Covid-19:

On March 11, 2020, WHO had declared COVID-19 as a pandemic with certainty of economic disruptions inevitably spread across the world. Every sector needs to act upon the immediate challenges that Covid-19 has brought along where consumers have become conscious of spending and supply demand is imbalanced[13]. The retail pricing strategy is also expected to take a toll on customer experience. This could be owing to the market conditions and job scenarios which would allow user to turn down on pricing[14]. While returning the business to scale reimagining the new normal resultant of discontinuous shifts in the regulations and industry competitiveness and consumers priorities to be understood. The shoppers now have the urge to understand the supply-chain of the product they receive at hand and prefer local origins. Consumer groups would now be segmented to insulated spenders, whose income had been unaffected by the crisis and second by constrained spenders with curtailed income due to Covid-19 challenges. In one of the recent survey snapshots about consumer sentiments we have more than 50% of consumers feeling that their life has changed completely along the Covid-19 stages[15]. There would-be pent-up demand for particular sectors which will surge once situations approach normality.

3.4 Business Models:

A retail business model articulates how a company creates value for a customer. A key ideology to be understood here is that retailers sell products of others and the retailers have the most direct interactions with customers[16]. This is why the customers behavior jump impacts retail business model much higher than anticipated. Rethinking a solid business model which had been the reason for success could be challenging however as time passes remodeling is a mandate for the companies to keep pace. Among the business models innovation nowhere has there been a spike in the concern of hygiene and health over other variants. Over the past few decades, the online retail has been rising steadily whereas stationery retail is coming under increased pressure. The substitution effect of customers had to be measured to enhance value proposition and the business model[17]. However the post Covid-19 scenario rises the concerns of products received from both online and offline. The insights from few researchers suggested the stronger connections between customer and retailer coming ahead. Based on many case studies there was a need to use contactless payments in the underlying traditional business models from a strategy point of view and add value to business[18]. Given the current scenario there is demand to include contactless commerce and contactless payments to be included in business model leading to a digital transformation in brick and mortar business. The customer segment in the business model might not have been the core property all along but focusing on it with digitalization has also prone their business to risks and implications[19]. The

embedding of new ventures in the business model will be unavoidable given the analysis of customer choices to keep the retail sector growing.

4. Quantitative Research

4.1 Methodology

As a part of primary research, a survey questionnaire was circulated to gain insights from the data collected for our analysis. Primary descriptive cross-sectional study was conducted and a total of 200 responses were recorded. The survey was conducted through both online and offline channels across all age group and income levels. The 5-point Likert scale which translates to the degree of their emotion (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree) was used to record the responses for shopping attitude research with strong internal consistency. The research time weighed a crucial role to determine the outcome of this consumer behavior research. Since December, 2019 the pandemic has been continuously affecting the consumers and economy. However, the research was conducted from 3rd July, 2020 until 23rd July, 2020 during which our country was going through a partial lockdown (which was primarily effective in contaminated or red zones)[20]. Due to this, there were several restrictions on shopping activities around the country due to the increasing number of cases of Covid-19 in India. Data is analyzed using statistical analysis in excel and Machine Learning and Data Analytical models with IBM SPSS by employing Exploratory Factor Analysis (EFA) method.

4.2 Profile of Respondents

In this section, we will have a look at the profile of our respondents from our survey questionnaire. A total of 200 participants had engaged in the survey questionnaire which was collected through e-mail, mobile, online web survey and offline channels. The primary independent variables considered for our survey analysis are “Age Group” and “Income Category”. Figure 1 represents the even cross age and income distribution which are the two key parameters of this survey. The participants of our survey belong from a distributed demographic of our country by the method of random sampling. Since our survey questionnaire has mandatory fields, there was no cases of incomplete survey results. However, two duplicate entries have been found and has been removed. This completes the cleaning and filtering our survey dataset for further analysis. Figure 1 explains the various age and income distributions of the survey questionnaire. Among the 200 respondents, it was found that the age group of 18-25 years and above 60 years had the highest and lowest participation percentage (44% and 9% respectively). The other age groups had fair participation percentage and primarily translates that our research is evenly biased. Similar results were obtained for the “Income Category of Participants” were the income group of 0-1 Lakh and greater than 10 lakhs per annum has the highest and lowest distribution respectively. It can be inferred that though all income and age groups have fair participation in our study, the modern

millennial has the highest participation share in the survey and would contribute most to the results of this study.

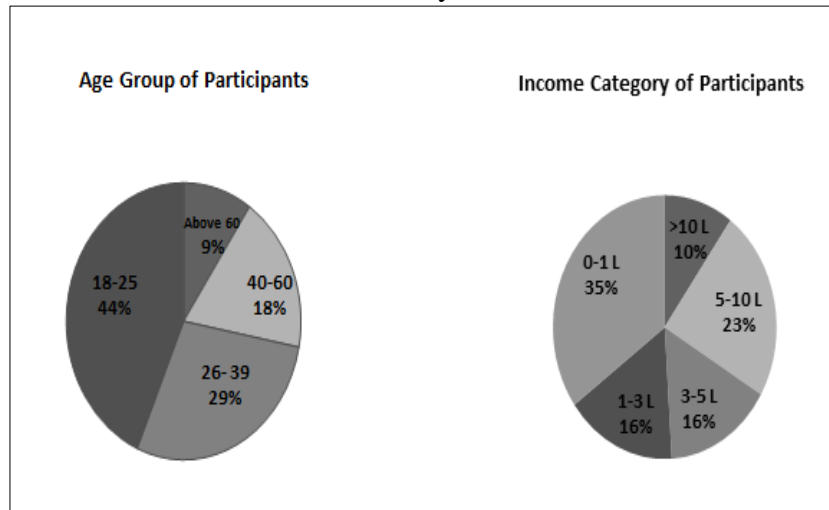


Figure 1: Age & Income Group Distribution of Respondents

4.3 The Impact of Covid-19 on The Spending Behavior of Respondents

This section dives deep to further study shift in consumer spending behavior of our respondents based on Covid-19 pandemic and also anticipates how our respondents are anticipating their future spending behavior at this point of time. In Figure 2, it can be seen that majority of the survey participants, i.e. 73% have their usual spending impacted with reduced consumption. Then we get the next group of respondents, i.e. 61.5% who have continued their consumption cautiously with reduced spending. The third group of respondents (around 45%) have seen no change in their spending behavior and have reverted back to their original consumption during this pandemic period.

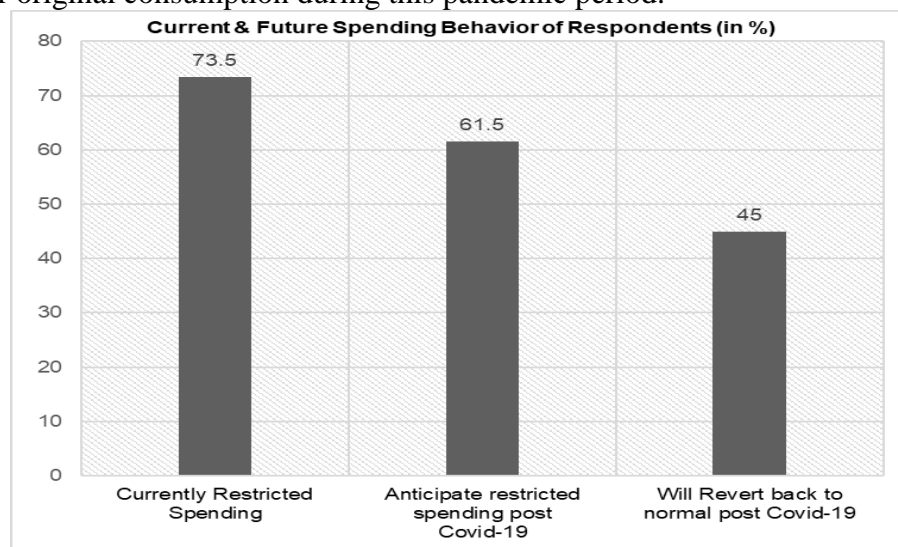


Figure 2: Consumer Spending Behavior

A little drill down of Consumer Spending Behavior would be to analyze the number of respondents who are currently restricting their spending based on income and age groups. In Table 2, it can be interpreted that the highest respondents who were affected due to the Covid-19 pandemic belonged to income groups of 0-1 lakhs per annum and age groups of 18-25 years of age. As stated earlier, this primarily corresponds to the millennial or generation-z of our population who take active interests in every mode or channel and consumer spending and reduced consumption can have serious impacts on the GDP of our country. Furthermore, we can infer that the second most affected category of respondents belong to age groups of 26-39 years having annual income range of 5-10 lakhs per annum. This basically translates to the urban working class of our country and form the base of our workforce. Reduced consumption from this category can also have serious implications on the growth of the country.

AGE	INCOME SEGMENTS					TOTAL AFFECTED (BY AGE)	TOTAL RESPONDENTS
	0-1 L	1-3 L	3-5 L	5-10 L	>10L		
18-25	40	11	4	9	0	64	87
26-39	2	9	7	15	10	43	56
40-60	3	4	9	5	6	27	37
>60	1	3	4	4	1	13	19
TOTAL AFFECTED (BY INCOME)	46	27	24	33	17	147	200

Table 1: Breakdown of respondents with restricted spending currently due to Covid-19

An analysis similar to Table 1 has been done here, where we take the number of respondents anticipating restricted spending behavior post Covid-19. We notice that the current spending behavior has had a ripple-effect on the future spending behavior as well. In this case, the most affected respondents belong to Age Group of 18-25 years and have a yearly income of 0-1 lakh per annum followed by respondents belonging to 26-39 years of age and having yearly income range of 5-10 lakhs per annum. We see just that the same category of correspondents who were highly affected in Table 1 will continue to cut-down their spending post the Covid-19 pandemic. This doesn't bode well for the retail organizations as reduced consumption will continue to hit the economy of the nation and hinders its recovery from this pandemic.

AGE	INCOME SEGMENTS					TOTAL AFFECTED (BY AGE)	TOTAL RESPONDENTS
	0-1 L	1-3 L	3-5 L	5-10 L	>10L		
18-25	38	8	2	9	0	57	87
26-39	3	6	5	17	7	38	56
40-60	2	3	8	3	3	19	37
>60	1	2	3	3	0	9	19
TOTAL AFFECTED (BY INCOME)	44	19	18	32	10	123	200

Table 2: Breakdown of respondents anticipating restricted spending behavior post Covid-19

In the next part, we analyze the spending pattern of the respondents based on the category of retail products. These categories range from Packaged Food Products, Health & Hygiene Products, Restaurant Food, Grocery & Essentials, Clothing & Apparel, Electronic Goods among a few. A high-level overview at Figure 3 will reveal that most of the respondents (80) spent their expenses on Health & Hygiene Products followed by Packaged Food Products (50) and then closely followed by Grocery & Essential Products (47.5). This highly makes sense that in these challenging times of a global pandemic, the people of this country have primarily restricted their spending to Health, Food and Essential items mostly. This is evident with the emergence of more Health organizations coming up with health products like ITC, opening up more efficient channels of packaged food delivery like Zomato, Swiggy, Dunzo etc. and higher investment in essential services enterprises like Big-Basket, Grofers and Jio-Mart[21]. The next part of this research paper primarily deals on these lines and discusses which features will be most suitable for the future consumers in the post-covid era.

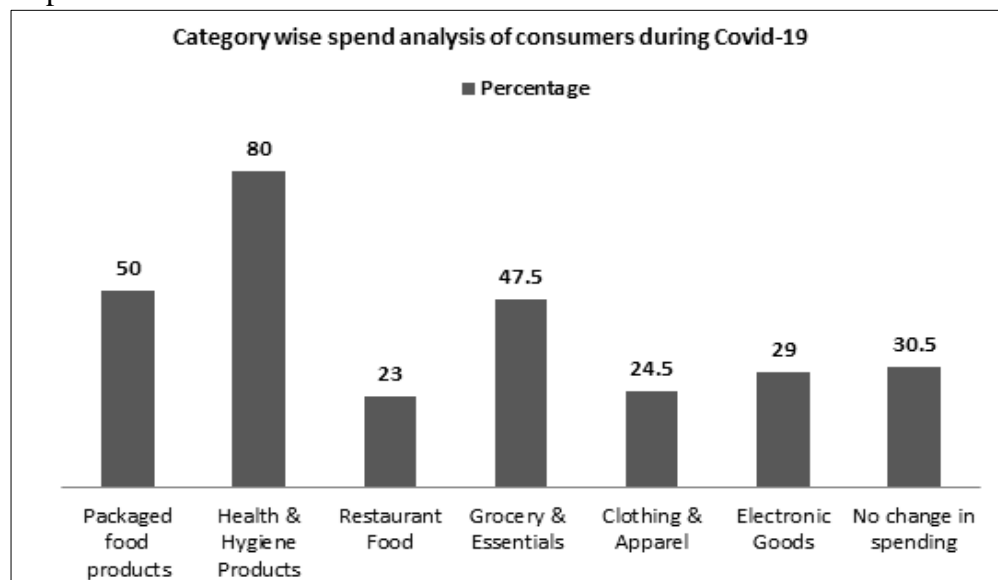


Figure 3: Category wise Spend analysis of consumers

4.4 Analysis of key differentiators for Retail Enterprises post Covid-19

In this section, the primary focus should be the needs and preferences of the future consumer that the current retail organization should start focusing upon to find maximum relevance in the upcoming times[22]. Here we have adopted two kinds of approaches to determine the consumer wants: Features to enrich consumer experience (CX) and Product Parameters. Respondents were judged on several such questions in our survey based on the Likert Scale. We have selected eight such questions from our survey underlining the primary consumer needs and they are as follows:

I. Takeaway/Delivery

II. Zero-Contact Shopping Experience

III. Curbside-Pickup (shop person delivers the goods to you, while you wait in the car)

IV. Multichannel Shopping experience

V. A combination of the above (Takeaway/Delivery, Zero-Contact Shopping, Curbside pickup, Omni-channel Shopping)

VI. Based on price

VII. Based on quality & hygiene

VIII. Based on online availability of the brand's products

Questions I through V correspond to the customer experience (CX) side of the analysis while questions VI through VIII fall under the Product Parameters vertical. The responses of the above questions have been transformed as scalar variables in IBM SPSS following which an exploratory factor analysis has been carried out. The method adopted for the Exploratory Factor Analysis is Principal Component Analysis. In Table 3, we discuss the descriptive statistics of the data-set we have imported in IBM SPSS. As it is clearly evident, the total number of responses corresponding to the number of respondents is 200 with scalar values ranging from 1 (min) to 5 (max) which are the scalar values of the Likert Scale responses. Apart from the minimum and maximum, the mean and standard deviation also has been recorded. From the mean we can infer that Q7 (Quality & Hygiene) is the most important parameter when buying a product for the consumer.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Q1	200	1	5	3.96	1.074
Q2	200	1	5	3.77	1.125
Q3	200	1	5	3.40	1.287
Q4	199	1	5	3.56	1.161
Q5	200	1	5	3.60	1.134
Q6	200	1	5	3.64	1.104
Q7	200	1	5	4.16	1.000
Q8	200	1	5	3.68	1.115
Valid N (listwise)	199				

Table 3: Descriptive Statistics of the Respondents

The array of variables in this correlation matrix corresponds to the Pearson correlation coefficients of one variable to each other variable in the responses. The primary diagonal of a correlation matrix in general, should always be one while the non-diagonal elements on the left and right side of the diagonal should be same. Smaller values of non-diagonal elements correspond to a better model.

Correlation Matrix									
		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8
Correlation	Q1	1.000	.279	.259	.269	.313	.280	.184	.270
	Q2	.279	1.000	.428	.491	.300	.234	.239	.228
	Q3	.259	.428	1.000	.503	.480	.179	.150	.288
	Q4	.269	.491	.503	1.000	.448	.177	.243	.234
	Q5	.313	.300	.480	.448	1.000	.240	.199	.323
	Q6	.280	.234	.179	.177	.240	1.000	.359	.435
	Q7	.184	.239	.150	.243	.199	.359	1.000	.430
	Q8	.270	.228	.288	.234	.323	.435	.430	1.000

Table 4: Correlation Matrix

In Table 5, the Kaiser-Meyer-Olkin Test measures the strength of the relationship among the factors in our survey. KMO Test correlates to the sampling adequacy which determines if there are adequate responses of the sample or not. The standard value for KMO should be greater than 0.5. In our case, it is 0.808 which translates that our model is adequate for analysis. In Bartlett's Test of Sphericity, a similar inference based on relationship of the variables are tested where the null hypothesis is tested by the identity matrix if it is 1. For the null hypothesis to be rejected, the significance level should be less than 0.05. In our case, the level of significance is 0.000 which says that our model is significant.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.808
Bartlett's Test of Sphericity	Approx. Chi-Square	357.480
	df	28
	Sig.	.000

Table 5: KMO and Bartlett's Test

The Communalities Table shown in Table 6 reflects the common variance in the data structure. So, in Question 1, 91.8% of the variance associated with it, is either a common variance or shared variance. Similarly, In Question 2, 80.8% of the variance is common or shared.

Communalities		
	Initial	Extraction
Q1	1.000	.918
Q2	1.000	.808
Q3	1.000	.696
Q4	1.000	.700
Q5	1.000	.771
Q6	1.000	.619
Q7	1.000	.730
Q8	1.000	.702
Extraction Method: Principal Component Analysis.		

Table 6: Communalities Table

The Total Variance shown in Table 7, shows the eigen values associated with each component before and after extraction. In our analysis, IBM SPSS has identified 8 components which are denoted by the eight questions in our questionnaire. The Initial Eigen Values of each component defines the variance explained by that particular linear component. For our analysis, we have set the threshold value for the eigen values at 0.7. This gives us 4 components after extraction. These 4 components have a cumulative variance of 74.3% i.e., the 4 components explain 74.3% of the total variance.

Total Variance Explained							
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.136	39.200	39.200	3.136	39.200	39.200	2.194
2	1.258	15.727	54.927	1.258	15.727	54.927	2.078
3	.812	10.146	65.073	.812	10.146	65.073	1.387
4	.737	9.211	74.284	.737	9.211	74.284	1.737
5	.620	7.753	82.037				
6	.537	6.716	88.753				
7	.454	5.676	94.430				
8	.446	5.570	100.000				
Extraction Method: Principal Component Analysis.							
a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.							

Table 7: Total Variance Explained

A Scree plot (Figure 4) is an interesting plot which states the number of factors to be dropped and is in continuation with the total variance explained table. It is marked by the sharp drop in the slopes of the curve. In this figure, we notice there is maximum drop in slope from the first and the second component which explains the highest variance explained of 39.2%. The curve keeps getting drop

in slopes till the 4th component which basically translates that all other factors apart from the 4 components should be dropped.

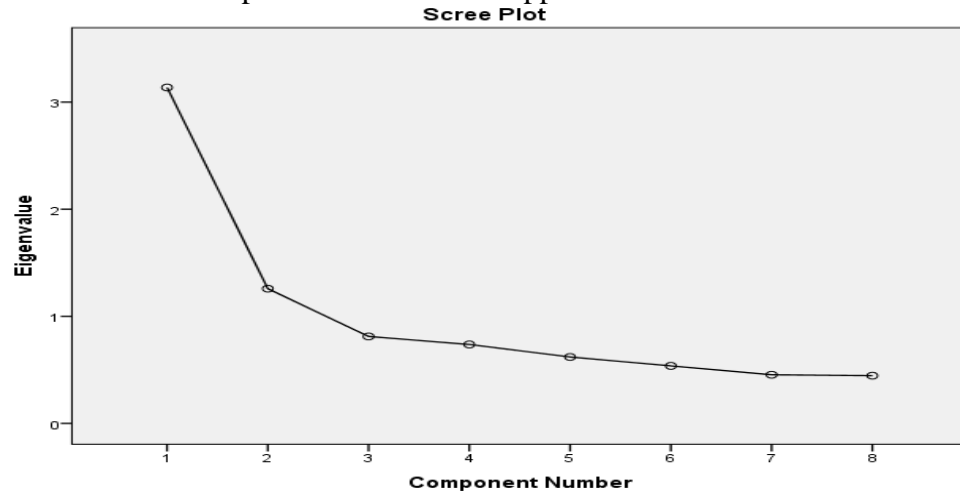


Figure 4: Scree Plot

In Table 8, we study the Component Matrix before rotation containing the loading values of every variable onto the factor. As we have mentioned before, all values of factors below 0.32 have been suppressed explaining the blank spaces in the table.

Component Matrix				
	Component			
	1	2	3	4
Q1	.553		.714	
Q2	.653			.505
Q3	.684	-.416		
Q4	.699	-.399		
Q5	.680			-.477
Q6	.553	.544		
Q7	.531	.522	-.402	
Q8	.630	.474		

Table 8: Component Matrix

In Table 9, we show the Pattern Matrix which gives a clear pattern of the matrix where we hide or suppress small loading onto our components using the Direct Oblimin Rotation method as our components are orthogonal in nature. We start our analysis without any suppression but slowly start suppressing the small loadings with absolute coefficient values of 0.1 (1st Step), 0.18 (2nd Step), 0.30 (3rd Step) and 0.32 (4th Step) shown in Table 9,10,11,12 and 13 respectively.

Pattern Matrix ^a				
	Component			
	1	2	3	4
Q1	.030	-.004	.932	.113
Q2	.006	.080	.150	.849
Q3	.721	-.032	-.021	.275
Q4	.441	.019	-.017	.588
Q5	.858	.067	.088	-.097
Q6	-.031	.675	.299	-.038
Q7	-.119	.831	-.161	.240
Q8	.313	.730	.021	-.171

Extraction Method: Principal Component Analysis.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 16 iterations.

Table 9: Pattern Matrix without Suppression

Pattern Matrix ^a				
	Component			
	1	2	3	4
Q1			.932	.113
Q2			.150	.849
Q3	.721			.275
Q4	.441			.588
Q5	.858			
Q6		.675	.299	
Q7	-.119	.831	-.161	.240
Q8	.313	.730		-.171

Extraction Method: Principal Component Analysis.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 16 iterations.

Table 10: Pattern Matrix with Abs Coefficient Value=0.1

Pattern Matrix ^a				
	Component			
	1	2	3	4
Q1			.932	
Q2				.849
Q3	.721			.275
Q4	.441			.588
Q5	.858			
Q6		.675	.299	
Q7		.831		.240
Q8	.313	.730		

Extraction Method: Principal Component Analysis.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 16 iterations.

Table 11: Pattern Matrix with Abs Coeff Value = 0.18

Pattern Matrix ^a				
	Component			
	1	2	3	4
Q1			.932	
Q2				.849
Q3	.721			
Q4	.441			.588
Q5	.858			
Q6		.675		
Q7		.831		
Q8	.313	.730		

Extraction Method: Principal Component Analysis.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 16 iterations.

Table 12: Pattern Matrix with Abs Coeff Value = 0.3

	Component			
	1	2	3	4
Q1			.932	
Q2				.849
Q3	.721			
Q4	.441			.588
Q5	.858			
Q6		.675		
Q7		.831		
Q8		.730		

Extraction Method: Principal Component Analysis.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 16 iterations.

Table 13: Pattern Matrix with Abs Coeff Value = 0.32

	Component			
	1	2	3	4
Q1			.932	
Q2				.849
Q3	.721			
Q4	.441			.588
Q5	.858			
Q6		.675		
Q7		.831		
Q8		.730		

Extraction Method: Principal Component Analysis.
 Rotation Method: Oblimin with Kaiser Normalization.
 a. Rotation converged in 16 iterations.

Table 14: Final Selected Factors

After suppressing the loadings with absolute coefficient value of 0.32, we arrive at clubbing our eight important questions based on three primary factors which are constituted by the First Factor consisting questions 1 and 2, the Second Factor consisting of questions 3,4 and 5 and the Third factor consisting of questions 6,7,8. These three factors primarily correspond to the consumer shopping delivery methodology (takeaway delivery/ zero contact), consumer shopping mechanism (curbside/combination of them) and lastly the product parameters (hygiene, price, quality).

4.5 Limitations of Research

This sample size of 200 has limited scope to generalization. The scope of this research focused on B2C perspective, so the future research could focus on B2B perspectives too. Thus, future studies can be replicated in other markets

and regions as well. The effect of this pandemic could be explored across industries socially and economically[23]. This area is an upcoming area and more literature is coming up on the topic. The future study could include more parameters for the research on the topic.

5. Managerial Implications

Customer expectations, spending behavior and experience has a direct impact on behavioral patterns[24]. Better delivery of the customer experience leads to favorable spending behavior. Hence it is highly important for all the categories in retail industry to gauge the current level of services they are offering with their business models. If they choose to improve various parameters as mentioned there would be a considerable impact to their business drivers. Though spending behavior and expectations vary across demographics, this pandemic has brought a considerable similarity in the trend[25]. This research paper magnifies and delivers the ideology that retailers will not be able to continue business and sustain if they use the traditional business models across all customer segments from now.

6. Conclusion

Our research shows that the future consumer would be reducing spends on retail products even after the Covid-19 crisis has subsided. The reduced consumer spending is vastly seen among the age groups of 18-25 years with a yearly income of 0-1 lakh per annum and the age group of 26-39 years with yearly income of 5-10 lakhs per annum. Moreover, we see that consumers will primarily focus their reduced consumptions primarily on Health, Hygiene and Essential Products only. In these tough times, retail enterprises must switch from traditional selling techniques to creating omni-channel experiences for the consumer keeping note of shopping parameters (like zero-contact shopping, Curbside shopping) and product parameters (like quality, price and hygiene) to create favorable customer behavior and increase customer loyalty. Adapting in similar way would give ample opportunities to cross-sell and increase product stickiness. Through this, retailer could achieve best results in customer service quality and/or personalized customer experience (CX) across demographic

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