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**COURSE CODE: BUS 208**

**COURSE TITLE: CONSUMER BEHAVIOUR II**

**QUESTION**

1. **In not less than 2000 words, Explain explicitly how the Pandemic (COVID 19) has affected consumer buying behavior.**

**ANSWER**

 According to World Health Organization (WHO), Coronavirus disease (COVID-19) is an infectious disease caused by a new virus. The disease causes respiratory illness e.g. flu with symptoms such as cough, fever, and in more severe cases, difficulty breathing. It spreads primarily through contact with an infected person when they cough or sneeze. It also spreads when a person touches a surface or object that has the virus on it, then touches their eyes, nose or mouth. It is described as a pandemic because it is prevalent over the whole world and as at this moment, there is no vaccine to prevent the corona virus but a person can protect himself or herself through the following measures:

1. Regular hand washing with soap and water or alcohol based hand sanitizer
2. Using face mask to cover the nose and mouth with a disposable tissue or flexed elbow when coughing or sneezing
3. Avoiding close contact(1 meter or 3 feet) with people who are unwell
4. Staying at home and self-isolate from others in the household if feeling unwell

This virus was first reported in Wuhan, China where the Chinese Health officials informed the World Health Organization about a cluster of 41 patients with a mysterious pneumonia and most of them were connected to Huanan Seafood wholesale market located in Wuhan. This report was filed on December 31st 2019 and now, According to statistics on the 5th of April 2020, there are 1,213,927 cases in the world with 65,652 deaths and 252,391 people have recovered from the virus. In Nigeria for example, the first confirmed case was announced on 27th of February 2020 when an Italian citizen in Lagos tested positive for the virus and on the 9th of march 202, a second case of the virus was reported in Ewekoro, Ogun State with a Nigerian citizen who had contact with the Italian man and currently we have 224 cases with 5 deaths and 27 people who have recovered from the virus.

 According to a book called “Consumer Behavior: A Business Science Approach” by Dr Achugo and Mrs. Folayan, A Consumer is a private person, or a corporate body or any organization, nation who as an end user buys a a product from a seller, uses goods or services bought through an agent. A consumer is one who sees a product, has the cash and willingness to buy and consume the product. In summary, a consumer is a person or group of people who are the final users of products and services generated within a social system. A behavior on the other hand is the way in which one acts or conducts oneself especially towards others. Therefore, Consumer behavior can be defined as the study of how consumers select, purchase, use and dispose of goods and services to satisfy personal needs, household needs or industrial needs. It is the study of individuals, groups, or organizations and all the activities associated with the purchase, use and disposal of goods and services including the consumer’s emotional, mental and behavioral responses that precede or follow these activities. Factors which influence consumer behavior includes the consumer’s own thinking, feelings and desire for the product and also environmental factors such as social influences( personal group, culture, family, opinion leader, psychological and perception).

 As the covid-19 spreads rapidly across the globe, consumer buying behavior has changed rapidly. This has also affected the different sectors of the economy positively and negatively.

Below are some of the ways COVID-19 has affected Consumer buying behavior:

1. Increase in Grocery Shopping
2. Increase in the purchase of medical supplies
3. Increase in the purchase of data
4. Increase in the use of online applications
5. Increase in the use of ecommerce
6. Decrease in the purchase of flight tickets
7. Decrease in the populations in restaurants
8. Closure of cinemas
9. Temporary Suspension Of Cruise Ship Travels
10. **Increase in Grocery Shopping**

 Beginning with the stay at home and lockdown order to be implemented in some states and countries, consumers are stockpiling food items and shelf-safe products like toiletries because they will not be able to go to the store to purchase these goods. This will lead to increase in store visits to purchase these goods because when the order is fully implemented, individuals would no longer be permitted to go out leading to less store visits. Shoppers are encouraged to stock up and buy goods in bulk due to this order. For a family of 5 for example during this crisis, they will have to purchase a bag of rice or two because they have no idea on when they are stepping out again. Also, the demand for fresh and exotic food items are declining and we now have a rising demand for packaged or canned food products which can last longer. These items have a long shelf life, they are versatile and are frequently offered in large forms, making it easy to stock up on ingredients that last. The reason for this recent demand is because customers are not willing to take the risk of consuming items that may have travelled long distances and exchanged many hands with no way to prove if they are hygienic or not. Using the Mile 12 market which is located on the mainland side of Lagos as an example, consumers would not want to go to such a crowded place which would be described as a “high risk area” because it is clamped up with different people who a person doesn’t know where the person is coming from or what the person has touched before coming to sell goods to the consumer. Rather than going to such market to purchase fresh tomatoes, a consumer would rather go to a supermarket nearby to purchase tin tomatoes because of the fear of contacting the virus. Other consumers who are not interested in going outside their homes will participate in online grocery shopping and in Nigeria for example, we have Jumia foods and Hubmart where a consumer will just order whatever he/she would want and it will be delivered to their doorstep.

1. **Increase in the purchase of medical supplies**

 Consumers are now more concerned about their health status therefore causing proactive health-minded buying and also reactive health management for example, products for infection containment, the use of the safety masks (face masks) and hand sanitizers by the health workers for protection has increased the purchase of these products by consumers due to the fact that everyone is trying to stay safe. Products like hand wash, hand gloves, toilet rolls and even drugs e.g. Vitamin C (which can be used to boost one’s immunity) is being purchased now in large quantities. In countries like Italy and France, sale of medical supplies have increased drastically.

1. **Increase in the purchase of data**

. At this point, the mobile network firms are benefitting a whole lot from this pandemic because consumers now make use of more data to communicate via Whatsapp, Instagram, Twitter, Zoom, and Jitsi and so on. Consumers are now purchasing more gigabytes of data to browse the internet and communicate. They also make use of data to learn more information, Watch YouTube videos for DIY(Do-It-Yourself) tutorials, interesting videos to while away time, to gain more knowledgeable information about what to do and what not to do during this crisis and so on. Even Academic institutions have moved most of their classes and assignments online making students purchase more data to enable them participate in school work.

1. **Increase in the use of online applications**

 Moving into the entertainment sector, Applications like Netflix, HBO, Disney Plus and Iroko TV in Nigeria are getting more subscriptions because most people are bored at home. Consumers who do not find the regular television stations interesting download subscribe to this applications to watch good and interesting movies. Due to the fact that people are not allowed to move around during this period, most people will prefer watching movies on this applications. Note that the consumers will have to pay a particular amount on the application to enable them have access to the movies to watch. Using the family which is a factor that affects consumer buying behavior, the head of the house for example would have noticed dullness in the house and would have considered purchasing these application to lighten up the house.

1. **Increase in the use of e-commerce**

 As pointed earlier on how some consumers prefer buying items online, there has been a huge shift from in-person buying to what is now called “e-commerce”. Some online shopping platforms have witnessed a huge spike in sale of products e.g. groceries. Due to this act, online brands are compelled to stack their online inventory to maximize profitability. Even local stores have moved into e-commerce and are now taking orders from consumers from home

 Moving into the statistical part of this paper, using America as an example and according to new research from on-demand consumer insights platform “Suzy’ its Founder, Matt Britton explained that the consumers are now focusing on two tiers of consumable products called “Survival” tier and “Sanity” tier.

 Under the Survival tier, 74% of people are buying more Food and Beverages, 50% of people are buying more personal care items, 47% are buying more household cleaning items and 33% of people are buying more OTC (Over-The-Counter) Medicine. However under the Sanity Tier, 24% of people are buying more alcoholic beverages, 22% of people are buying more entertainment, 21% of people are buying more beauty products and 15% of people are buying more electronics. Also, consumers have increased their purchase of sporting items. This is because individuals have seen this period as a “free time” to keep fit and so with excess time on their hands, they will need sporting kits to keep fit and perform sporting activities at home before everything goes back to normal and they all return to their daily jobs.

1. **Decrease in the purchase of flight tickets**

The aviation and tourism sector of the economy has been greatly affected; purchase of flight tickets began to decrease after the airport and aircrafts has been described as a “high risk area” due to the large population of individuals who are moving through the airport on a daily basis. Consumers no longer purchased flight tickets and could no longer be able to travel and their plans have been greatly affected by the travel restrictions.

 Even in the aspect of tourism, tourists can no longer travel around the world due to this pandemic. For example, A Nigerian tourist cannot travel to the United States of America due to the increase in the virus in the United States. The media has been able to influence the consumers and inform them about the pandemic therefore, influencing them not to travel anywhere for tourism purposes.

 **7) Decrease in the populations in restaurants**

Due to health and safety reasons, consumers can no longer go to restaurants to eat or have meetings. Consumers have been advised to avoid crowded places in order to stay safe from the virus and therefore, they have avoided places like the restaurants. For example, they can no longer celebrate birthdays in a restaurant or even eat from their favorite restaurants.

1. **Temporary Suspension of Cruise Ships Travels**

Consumers who have already planned to go on cruise ships for their holiday or summer break for example, they can no longer do that because they have no idea who else would be on that ship or where they are coming from. This is very risky and consumers can no longer purchase such tickets.

1. **Closure of Cinemas**

Cinemas around the world has been shut down due to this pandemic and consumers no longer purchase movie tickets. New movies can no longer be premiered at these cinemas due to the fact that consumers no longer purchase their products. This has also affected consumer buying behavior.

 These negative factors have affected consumer buying behavior in the sense that the products which they always purchases regularly have now been cut short and they can no longer purchase them in order to satisfy their needs and wants.

**References**

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