

Conference Paper

Consumer Behavior in the Covid-19 Pandemic Era on the Purchase Decision Process at the Shopee Marketplace in Garut Regency

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Abstract.

This study aims to find out how consumer behavior in the era of the Covid-19 pandemic affects the purchase decision-making process in the retail market of Garut Regency. Using quantitative descriptive research methods, the authors conducted a survey of 100 respondents. The analysis technique used here is data analysis with structural equation modeling capability using SmartPLS version 3.0. Based on the research findings that show that consumer behavior influences the purchase decision process, these findings were tested through hypothesis testing. This study argues that the effect is partially significant. Therefore, it is recommended that researchers conducting this study deepen the existing research and find out which variables can influence the purchase decision process in addition to the consumer behavior studied in this study.

Keywords: consumer behavior, Covid-19, purchase decision process

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1. Introduction

In the current era where the COVID-19 virus is spreading, people who are not recommended by the government to avoid crowds or go to the busy shopping centers require a company to develop an appropriate strategy to survive in the competition. The one way to survive in intense competition is to pay attention to an important aspect, namely marketing. By determining the right market, the company can position the product to enter the market share and expand the market share.

The impact of the COVID-19 virus pandemic is being felt in the business and marketing world, including in Indonesia. Currently, as a strategy to survive the COVID-19 pandemic, business people are optimizing online marketing as a means of communicating with their target customers. Of course, marketing departments will need to respond with the right strategies, both during and after the pandemic is over. Even the government itself does

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not know when the COVID-19 emergency will occur. Below is a chart of the increasing spread of the COVID-19 virus in Indonesia.

To do marketing well, a company must be able to know what consumers want and need so that it can offer products that meet consumer expectations. Trends in changes in consumer wants and needs make companies have to do market research to find out what products are wanted and needed by consumers during this pandemic. All consumers will feel the health and economic impact of COVID-19. Everyone reacts in different ways and has different attitudes, behaviors and buying habits. Despite their personal fears about the impact of the crisis on themselves, their families and friends, and society at large, they are adjusting to the new normal [1]. Consumer shopping behavior may change during the pandemic. Therefore, it is important for both offline and online companies to examine such behavioral changes and the reasons behind them in order to remain competitive in the market in the long term [2].

The presence of the Covid-19 pandemic has caused changes in consumer behavior, impacting the regulations and procedures for shopping and purchasing needed products [3]. Most consumers have switched to an online environment. Demand for some commodities decreased while demand for others increased [4]. The scientific works of scientists [5,6] We are dedicated to investigating changes in consumer behavior in the digital environment. COVID-19 has influenced people's life from different aspects, in particular, in their shopping behavior [7]. Lockdowns and subsequent social distancing have led many consumers to quickly adopt technology-mediated purchasing behaviors (such as online shopping) [8]. Consumer behavior and COVID-19 research are characterized by three themes: Consumer Behavior and Technology Use, Purchasing and handling basic, hygienic, and protective products, Internal and external influences on consumers [9]. In the context of online purchases, Maximizers and Satisfiers must constantly make decisions during the decision-making process. They are motivated by different objectives in their decision-making behavior, use different decision-making strategies, and therefore follow different processes [10].

This research explores how the Covid pandemic is impacting consumer behavior in the purchasing decision-making process on the Shopee marketplace.

2. Literature Review

2.1. Consumer behavior

Consumer behavior is the process buyers go through to find, buy, use, evaluate, and respond to products, services and ideas that they expect to meet their needs [11]. Meanwhile, according to Peter and Olson [12], "Consumer behavior is the interaction between influence and awareness, behavior and the environment where humans exchange aspects of life". In other words, consumer behavior encompasses the thoughts, feelings, and behaviors that people experience during the consumption process. Based on some of the definitions above, consumer behavior is not only the behavior after receiving and consuming a product, service, or idea, but also the behavior of each individual, group, or organization in the process of making a purchasing decision.

2.2. A variety of factors influence consumer behavior

There are several factors that influence consumers in deciding to buy products or services. These factors can come from internal or external sources. According to Peter and Olson [12], consumer buying behavior is influenced by four factors. and has similarities with the theory of consumer behavior according to Schiffman et al. [11].

1. Cultural factor
2. Cultural
3. Sub-cultural
4. Social class
5. Social factor
6. Group
7. Family
8. Role and status
9. Personal factor
10. Age
11. Lifestyle
12. Personality
13. Psychological factor

- 14. Motivation
- 15. Perception
- 16. Learning
- 17. Beliefs and attitudes

2.3. Purchase decision process

The purchase decision process is part of consumer behavior. There are several stages that consumers go through in the purchase decision-making process. During these phases, buy or not buy decisions are made. Refers to Kotler and Keller [13] it is stated that the purchase decision process consists of the following five phases (Fig. 1):

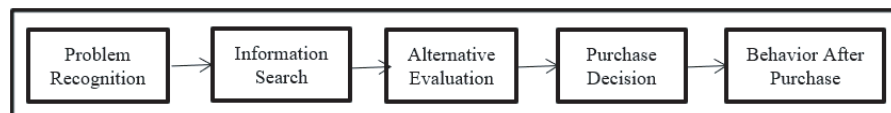


Figure 1: Five stages of the consumer buying decision process.

2.4. Framework

The consumer behavior that is currently occurring due to the spread of the virus is very important for businesses to study. When consumers are satisfied with a product or service, they become loyal customers. Consumer behavior is the result of behavior in line with expectations. In this study, the following research model was implemented.

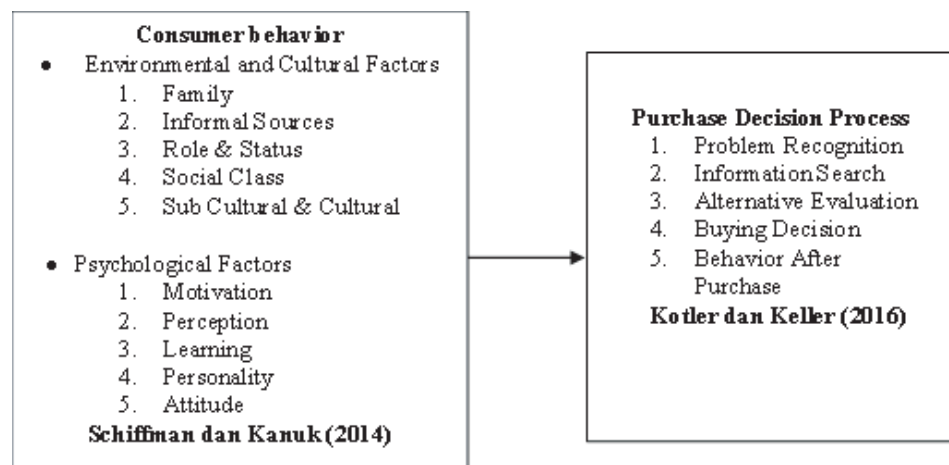


Figure 2: Research model.

Based on the framework and research model above (Fig. 2), the hypotheses in this study are :

H_0 : There is no impact of consumer behavior on the purchasing decision process

H_1 : There is an impact of consumer behavior on the purchasing decision process

3. Research Methods

In this research, the researcher used a verification method with a quantitative approach. According to Sugiyono [14], is a research method that basically test's a theory by testing hypotheses. Hypothesis testing is done by using statistical calculations that are used to test the effect of consumer behavior variables (Y) on the purchasing decision process variables (X) through statistical analysis tools, which in this study used the SmartPLS version 3.0 tool. In this research, we used a non-probability sampling method. The number of respondents in this study was conducted by a purposive sampling method. Since the population size is not known with certainty in this study, the sample size is determined using the unknown population formula. According to Dahlan [15], the formula for calculating samples in an unknown population is by using the following calculations:

n = Number of samples

$Z\alpha$ = Measure of confidence level with $\alpha = 0,05$

(95% confidence level means $Z \frac{1}{2} \cdot 95\% = Z. 0,475$ in the table specified 1,96)

σ = Standard Deviation

e = Standard Error or Tolerable Error (5% = 0,05)

Then the calculation is as follows :

$$n \left[\frac{Z_{\alpha} \cdot Z_{\sigma}}{e} \right]^2$$

$$n \left[\frac{(1,96) \cdot (0,25)}{0,05} \right]^2$$

$$= 96,04 \text{ Rounded to } 100$$

With a 95% confidence level, the random sample was $96.04 = 96$, with less than 0.05, so the sample was taken by as many as 96 people and rounded up to 100 people to anticipate errors in the data processing.

The data processing techniques and measuring instruments used in this study were in the form of a structured questionnaire using a rating scale. The data scale used is an interval scale. Descriptive data analysis with the interval range of each criterion for the score is as follows (Table 1):

TABLE 1: Assessment criteria.

No	Score	Assessment Criteria
1	100-179	Inacceptable
2	180-259	Inadequate
3	260-339	Fair
4	340-419	Good
5	420-500	Excellent

The statistical method applied in this research is Structural Equation Modeling (SEM). The structural equation model is a multivariate data analysis method that aims to test the measurement model, namely the relationship between indicators and latent variables, and the structural model of latent variables, namely the relationship between independent and dependent constructs, with the tool used in the form of the SmartPLS 3.0 program.

3.1. Validity test

In the measurement model, the indicator is recognized as valid if its load factor is greater than 0.5 for the proposed structure [16]. Then the output generated from processing SmartPLS for the loading factor is as follows:

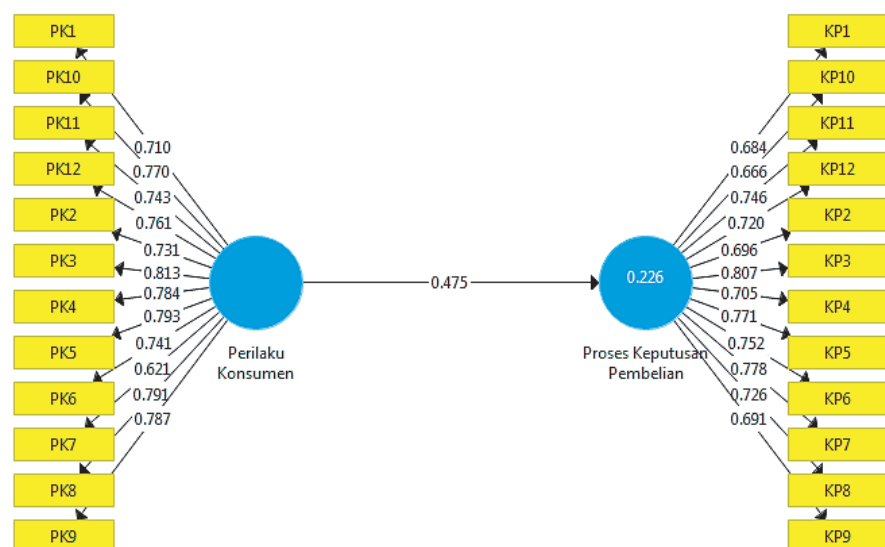


Figure 3: Loading factor.

Based on Fig. 3, the results of the indicator values that have exceeded 0.5, meaning that all indicators are declared valid. The following is a table of loading factor results (Table 2):

TABLE 2: Loading factor.

Des.	Consumer Behavior	Purchase Process	Decision
PK3	0.813		
PK5	0.793		
PK8	0.791		
PK9	0.787		
PK4	0.784		
PK10	0.770		
PK12	0.761		
PK11	0.743		
PK6	0.741		
PK2	0.731		
PK1	0.710		
PK7	0.621		
KP1		0.684	
KP10		0.666	
KP11		0.746	
KP12		0.720	
KP2		0.696	
KP3		0.807	
KP4		0.705	
KP5		0.771	
KP6		0.752	
KP7		0.778	
KP8		0.726	
KP9		0.691	

Based on the table above, shows that the load factor gives a recommended value of more than 0.5. This means that the value of the indicator used in this study is valid or has reached convergent validity.

3.2. Reliability test

TABLE 3: Composite reliability.

Variable	Composite Reliability
Consumer Behavior	0.941
Purchase Process Decision	0.932

Based on Table 3, it can be seen that the composite reliability of all the constructs is above 0.7, which means that all the constructs of the estimated model meet the value

of the discriminant validity criterion. So the constructs of consumer behavior and the purchase decision process proved to be reliable. In addition, Cronbach’s alpha also strengthens the reliability test, which is as follows:

TABLE 4: Cronbach’s alpha.

Variabel	Cronbach's Alpha
Consumer Behavior	0.932
Purchase Decision Process	0.922

Table 4 shows that the value of Cronbach’s alpha for all constructs is above 0.8. This means that the questionnaire is recognized as reliable or consistent because the value of Cronbach’s Alpha is above the 0.6 value that has been determined.

4. Result and Discussion

Hypothesis testing can be seen from the path coefficient (path coefficient) generated from the bootstrapping process to determine the path coefficient value between latent variable constructs in the inner model and the significance of the proposed hypothesis, whether it can be accepted or rejected with reference to the following criteria:

1. If T count (T-statistic) > T table, so H₀ rejected
2. If T count (T-statistic) < T table, so H₁ received

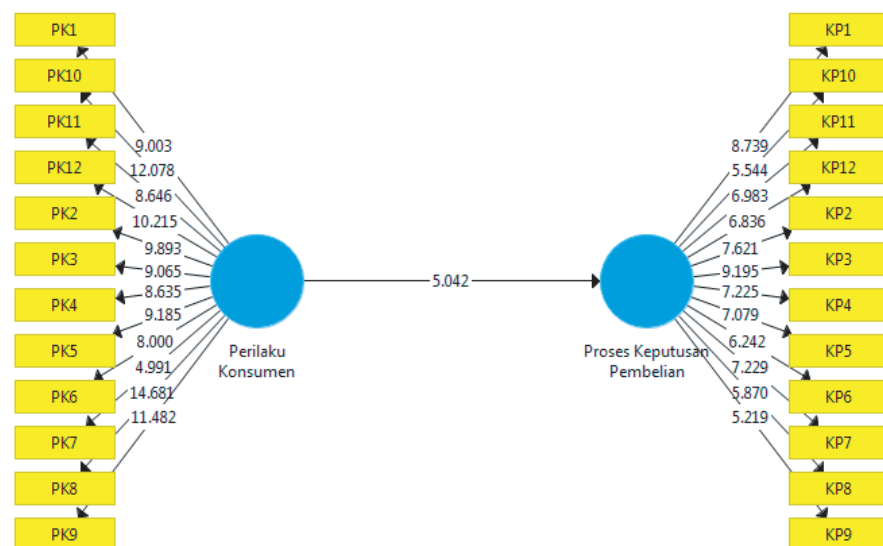


Figure 4: Bootstrapping.

Based on Fig. 4, it can be seen that the T-statistical value of each indicator, each latent variable construct has a value of more than the t-table (1.960), which means that

each indicator has a very significant predictive level on the latent variable. To strengthen this, in addition to the testing in Figure 4, hypothesis testing can also be seen in the following path coefficient table:

TABLE 5: Path coefficient.

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDDEV)	T Statistics (O/STDEW)	P Values
Consumer Behavior	0.475	0.475	0.094	5.042	0

Based on Table 5, the value of the path coefficient shows that consumer behavior in the era of the COVID-19 pandemic has a significant impact on the purchase decision process, because the value of the T statistic is greater than the value of the t-table (5,042 > 1,960). Therefore, H0 is rejected, which means that there is an effect between consumer behavior and the purchase decision process. This shows that the effects of the COVID-19 pandemic have a significant impact on consumer behavior when making a purchase decision. Thus, this study finds that consumer behavior in the era of the COVID-19 pandemic affects the purchase decision-making process in the Shopee marketplace of Garut Regency.

5. Conclusion

Based on the results of the study on consumer behavior in the era of the Covid-19 pandemic, there are several conclusions about the purchase decision process in the Shopee marketplace of the district of Garut. Based on the results of the respondents of the research done through the distribution of questionnaires, the following conclusions are drawn. Regarding consumer behavior, it can be concluded that the dimensions of the social and cultural environment significantly influence consumer behavior. The obtained results show that the social and cultural environment criteria are good criteria. And the psychological dimension has a significant impact on consumer behavior by obtaining good criteria. Based on the above assessment, the consumer behavior variable receives good criteria. Regarding the purchase decision process, it has been proven that the influence of consumer behavior is a strong factor in the purchase decision process. And the evaluation criteria of the purchase decision process itself receive good criteria.

Based on the results of data processing, it is known that the R-squared value is 0.226, which means that 22.6% of the consumer behavior variable can explain or influence the purchase decision process, and the remaining 77.4% can be explained by others variables. Based on the results of hypothesis testing, it is known that the effect of

consumer behavior on the purchase decision process leads to the rejection of H_0 , which means that consumer behavior affects the purchase decision process.

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