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A Study on Corona Virus (Covid-19) Impact on Consumer Buying Behaviour With Special Reference To Chennai City

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Abstract

The COVID-19 pandemic and the lockdowns have caused significant disruption for people, communities, brands, and businesses. The lockdown and social distancing mandates have disrupted the consumer habits of buying as well as shopping. This study attempted to understand the effect of novel coronavirus disease (COVID-19) on consumers' buying behavior. After the declaration of lockdown, consumers experienced fear and felt unsecured. The news from television channels and multimedia drastically affected the changed behavior of people. The primary data were collected through a questionnaire from 200 respondents using Google form. Data were processed and analyzed by the SPSS. The study's finding revealed that consumer buying behavior fundamentally changed, and consumers are buying more products on health and hygiene. The current crisis is affecting the product preference, shopping behavior, and purchasing decisions of consumers.

Keywords: COVID-19, Chennai City, Consumer buying behaviour, Awareness, marketing strategy.

Introduction

The World Health Organisation officially declared COVID-19 to be a pandemic on 11th March 2020. When the Government declared the first lockdown, it suddenly increased the rush in the market. The essential goods in shops were at the lowest level. Face masks and sanitizers were out of stock in various medical shops during the early stage of lockdown. It resulted in black marketing of essential and medical goods. Daily life for people around the world has changed in ways that would have been unthinkable. Ongoing pandemic had impacted people's earnings levels and led to an increase in unemployment across the country and thus affected consumer behaviour. Consumers started stocking up things hoping that they would have a routine life when they would be fine. This situation has occurred first time in

history that many countries had executed lockdown to decrease the spread of this virus, leading to an extreme change in buying behaviour in the Indian market.

Consumer behaviour plays a vital role in profit-making and the market reputation of any product. It has been impacted severely due to the COVID-19 pandemic. The factors that are significant in influencing consumer behaviour are affected consumers' financial condition, change in spending pattern, reduced visits to public areas due to lockdowns, cancellation in travel plans due to travel restrictions imposed by Governments, etc. This research (data collection period April 2021- May 2021) is focused on identifying the factors which have triggered such changes during the covid-19 pandemic condition.

Objectives of the Study

1. To analyze the factors affecting consumer buying behaviour in a pandemic situation arisen due to COVID-19.

Methods of Study

For understanding the consumer buying behaviour under COVID-19 disease, the researcher used an explanatory research design. A survey was conducted to collect data from the public.

Sample and Sampling Technique

The present research is purely based on the Questionnaire method using Google forms. The data have been collected from 200 respondents.

Sources of Data

The primary data were collected through a structured questionnaire from 200 respondents using Google form, and secondary data was collected from the Websites, reports, magazines, and newspapers.

Data Analysis

The Statistical Package for social science tools used in the research is percentage analysis and chi-square test.

DATA ANALYSIS AND INTERPRETATION

Table No 1:

Demographic Characteristics of Respondents

Variables		Percentage
Gender	Male	54
	Female	46
Age	Less than 20 years	42.1
	21-40 years	45.1
	41 years & above	12.8
Marital Status	Married	65
	Unmarried	35
Level of Education	Graduate	46
	Postgraduate and masters	38
	Others	16
Occupation	Businessmen	20
	Government employee	20
	Private employee	55
	Others	5
Annual Income	1-3 Lakhs	42
	3-6 Lakhs	30
	More than 6 Lakhs	18

Inference

The above table shows that the majority of the respondents belong to the age group of 20 to 40 years, and 46 % are graduates. It also shows that 55% of the respondents are private employees, and the majority of the people belong to the annual income group 1-3 lakhs.

2. Factors Affecting Consumer Buying Behaviour in Pandemic Situations Arisen Due to COVID-19.

Table: 2.1

Impact of Availability of Product on Buying Behaviour

FACTOR	R Square	Adjusted R Square
Brought unknown brand in bulk	78.1%	72.7%
Bought In bulk more than the estimated budget	60.9%	50.7%
Brand not known, but only a few pieces are available in stock	69.3%	60.6%
product is out estimated	78.2%	70.4%

budget		
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During the Coronavirus pandemic, the availability factor helped obscure brands as they are bought most by purchasers. Be that as it may, a variety was noticed wherein buyers are not making bulk purchases if the item is dropping out of the purchaser's assessed financial plan.

Table 2.2

Impact of Financial Saving on Buying Behaviour

FACTOR	R Square	Adjusted R Square
Brought unknown brand in bulk	72.9%	67.3%
Bought In bulk more than the estimated budget	50.5%	36.5%
Brand not known, but only a few pieces are available in stock	87.3%	80.4%

Because of the pandemic and the lockdown, the monetary circumstance of individuals was not truly steady. Layoffs and pay had set off the behaviorism of investment funds in a few family units. The investigation saw that shoppers bought an item the most when the brand isn't known; however, a couple of pieces were accessible in stock though buyers were purchasing fewer items in mass when it dropped out of the purchaser's estimated budget.

Table 2.2

Impact of Fear of Health on Buying Behaviour

Independent variables	Less than a month	Within 1-2 months	After 2 months
Duration of conducting any important ceremony after the lockdown	2%	12%	86%
The duration after which socializing and gathering is suitable	1 %	10%	89%

Table 2.3

FACTOR	R Square	Adjusted R Square
Conducting an important ceremony	80.2%	70.5%
Duration of Socializing	79.4%	75.6%

From the above table, we can infer people were very reluctant towards arranging or going to a ceremony. The impact of socializing duration had also impacted the factor of fear of health by a good correlation. Since both the R square values were higher than 75%, we also inferred that the data had fit in the regression model and their impact on the dependent variable, i.e., change was great.

Table 2.4

Impact of Quality of Product on Buying Behaviour

FACTOR	R Square	Adjusted R Square
Household & cleaning supplies	74.7%	69.4%
Clothes & Apparel	70.6%	76.4%
Infant products	83.9%	75.2%
Packaged food item	66.7%	61.8%
Fruits and Vegetable	64.7%	56.3%
Pharmacy and Personal Care	84.4%	79.2%

Quality of product is considered an important factor for shaping consumer's buying behaviour. The analysis indicated that the personal care and pharmacy products are most with an R square value of 84.4%. It depicted that people preferred to buy personal care products directly from the shop. In contrast, the industry of packaged food was impacted least with an R square value of 66.7%.

3. Reasons for Change in Buying Behaviour of Consumers

Based on the research, the five most preferred and least preferred factors (along with its sub-category) influencing the consumer's buying behaviour during COVID-19 is presented along with its R square and adjusted R square values:

Table 3.1**Most Preferred Reasons for Change in Buying Behaviour Factors**

FACTOR		R Square	Adjusted R Square
Household & cleaning supplies	Quality	84.7%	79.4%
If the product is not of a known brand	Availability	84.6%	76.4%
Not known brand – Bought in bulk.	Availability	83.9%	75.2%
Pharmacy and Personal Care	Quality	84.4%	79.2%

Table 3.2**Least Preferred Reasons for Change in Buying Behaviour**

FACTOR		R Square	Adjusted R Square
Bought In bulk more than the estimated budget	Time Saving	54.7%	39.4%
Infant products	Quality	75.6%	66.6%
Packaged food item	Quality	63.9%	55.2%
Brand not known, but only a few pieces are available in stock	Availability	64.4%	79.2%

Through the research, one can observe buyer's preference at a granular level and discovered that during a pandemic situation, consumers were most inclined towards the factor of "quality of food" for Pharmacy and household-cleaning products, "availability of products" for unknown/ new brands and time saving for brought in bulk more than the estimated budget.

It was also observed that during a pandemic situation, the least preferred factors impacting the buyer's behaviour were "Financial savings" as fewer people were inclined towards bulk buying, especially when the product is out of the buyer's estimated budget. It was followed by "Quality of the product", and the factor of "Availability of product" as fewer

people were inclined towards bulk buying especially when product is out of buyer's estimated budget and unknown brand when only a few pieces are left in stock.

Conclusion

The study aims to understand the reasons for the change in consumer behaviour. The research findings showed a sudden increase in products' consumption in certain sectors like health care, disinfection, media, etc. It was seen that during a pandemic circumstance, individuals were not slanted to go through the cash, particularly when the item is needed in mass and is out of the purchaser's estimated budget. Based on this study's findings, Most of the respondents strongly agree COVID-19 -19 impacts buying behavior. The majority of the consumers are spending only on essential goods during COVID-19, and the majority of the respondents are purchasing personal care products. Due to stay-at-home and social distancing orders, customers relied even more on digital platforms, and their mobile phones became a lifeline to the outside world. Consumers completed their daily tasks digitally, for example, health appointments, online shopping, online workouts, etc. People worked from home, went to school online, and connected with family and friends virtually. Video chat use exploded as people spend their time in homes, which has both practical and emotional effects. People responding to the pandemic crises in many ways. Some feel anxious and worried, fuelling panic-buying of hygiene products. Some consumers remain indifferent to the pandemic and are continuing their business, as usual, despite continuations from government and health professionals. Consumer priorities have changed on the most basic needs, sending demand for hygiene, cleaning, and staples products soaring, while non-essential categories slump. During the pandemic, consumers' need for necessities takes precedence. Personal health is the top priority for the consumers, followed by food and medical security, financial security, and personal safety were other leading priorities.

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Introducing a Book:
*The East India Company -
The World's Most Powerful Corporation*

Author: Tirthankar Roy

Kindle Edition

Random House India

Introduction by
Gurcharan Das



THE EAST INDIA COMPANY

The World's Most
Powerful Corporation



Tirthankar Roy

Courtesy: https://www.amazon.com/East-India-Company-Powerful-Corporation-ebook/dp/B06XYML3Q4/ref=sr_1_3?crd=3UV9WWKX14E7S&dchild=1&keywords=east+india+company&qid=1632696011&s=digital-text&srefix=East+In%2Cdigital-text%2C210&sr=1-3

The East India Company is an integral part of modern Indian history in many aspects: politics, business, industry, governance, social movements, etc. In present days the concept/notion/practice of the East India Company established and run by the British traders and later converted itself as the dominant governing power of modern India arouse in us varied feelings/emotions - from acceptance of the Company as a historical development to angry passions against it as aggressors, etc. The book *The East India Company - The World's Most Powerful Corporation* by Professor Tirthankar Roy enables us to gain deeper understanding of the aspects of business corporations from a historical perspective, and how business corporations became and operate as powerful influence over the governance of a country. Business is no more a simple business; it has all the power to change the history of every nation in various ways.

The East India Company - The World's Most Powerful Corporation by Professor Tirthankar Roy contains the following chapters:

Introduction

The Voyages

Mission to India

Madras, Bombay and Calcutta

Growth amidst Turmoil

A Bridge between Many Worlds

Partners and Agents

War and Plunder

Ruler in India

The Company and Indian History

This is an excellent book presenting details of business and history that intertwined in making modern history of India. The book is a must read for all business administration students. From cultural unity that existed for many centuries between princely nations or states in the Indian subcontinent, we reach a politically united pre-modern country. And from there we move toward a modern politically united democratic country. The book has an interesting and insightful preface/foreword by Gurcharan Das, a former CEO of Proctor & Gamble. Gurcharan Das is known for his insightful books such as *India Grows at Night*. He declares in his Foreword that “the modern corporation is a child of the East India Company.

The East India Company was owned initially by shareholders, and this became the joint-stock model for other emerging corporations both in pre-modern and modern India. The Company, however, functioned as a monopoly because of the Charter granted by the British Crown, and later on by their Parliament. Slowly and steadily, East India Company gained political power in India. Even as the company grew in political and business power as well as wealth, mismanagement also became an integral part of its functioning.

The author Tirthankar Roy recognizes that the Company continues to be an enigma to historians. And yet its contribution to Indian history, development of modern business, private enterprise, etc. is evident. Indian students of business administration, business corporations and business executives will learn a lot of lessons from its history. Tirthankar Roy's book *The East India Company - The World's Most Powerful Corporation* offers many principles and management truths for all of us to learn.

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Introducing a Book:

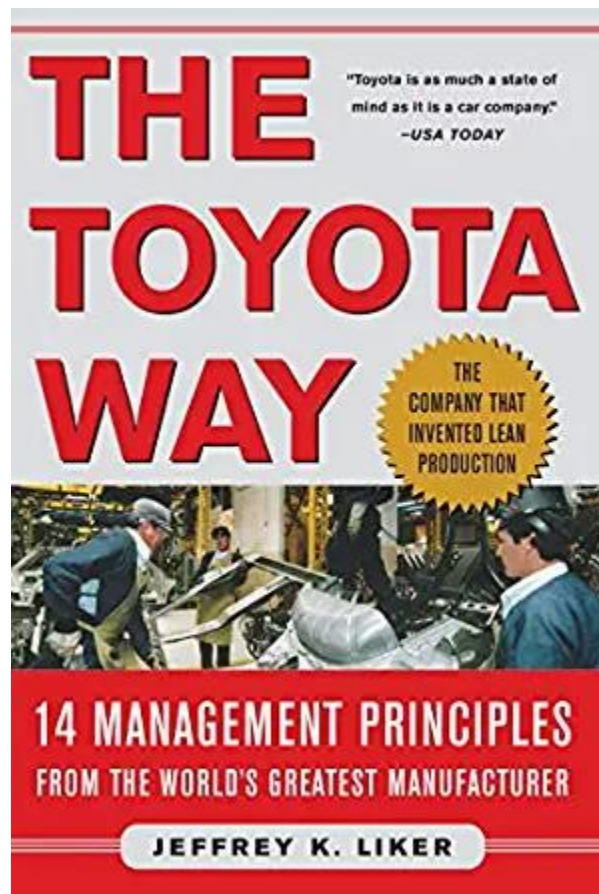
The Toyota Way -

14 Management Principles from the World's Greatest Manufacturer

Author: Jeffrey L. Liker

Kindle Edition

McGraw-Hill



Courtesy: https://www.amazon.com/Toyota-Way-Second-Management-Manufacturer-ebook/dp/B088P46Q9P/ref=sr_1_1?crid=30NBUDKEUZ803&dchild=1&keywords=the+toyota+way&qid=1632710671&s=digital-text&sprefix=The+Toy%2Cdigital-text%2C219&sr=1-1

The Toyota Way - 14 Management Principles from the World's Greatest Manufacturer

by **Jeffrey L. Liker** introduces us to principles and procedures used by Toyota Motor Corporation. Started in Japan in 1937, Toyota Motor Corporation has become a multinational automotive manufacturer. In its early years, like other Japanese companies, Toyota also faced some prejudice and consumer resistance because of its Japanese origin (aftermath of the Second World War), but the superior quality of the cars it manufactured and the competitive price it fixed for the cars made the company a great success. Expanding economic prosperity in the United States and Europe helped it to expand its manufacture of cars. Toyota cars soon became valuable assets of individuals and families.

The book *The Toyota Way - 14 Management Principles from the World's Greatest Manufacturer* begins with an interesting Foreword by Gary Convis, who was Chairman of the Board of Toyota Motor Manufacturing Kentucky Inc., USA. He identifies two pillars that support The Toyota Way: "Continuous Improvement" and "Respect for People".

The book is divided into Three Parts. Each part has several chapters - a total of 22 Chapters. In Chapter 22, the author Professor **Jeffrey L. Liker** presents suggestions to readers to learn ideas and methods from Toyota and use them in their business. Principle 1 suggests, "Base your management decisions on a long term philosophy, even at the expense of short-term financial goals." Every principle identified by the author as part of the Toyota Way is very insightful and focuses on practical steps. Every student of business administration courses must read this book and apply the principles as part of their work and leadership. You need to understand the philosophy of the company and adhere to it as part of your executive actions. In addition, the principles suggested are applicable to manufacturing side, and these principles are based on a manufacturing corporations. So, executive engineers, designers, producers of parts, etc. will benefit greatly by reading this book.

Knowledge widens our understanding and help us practice such understanding in our work. This book is highly commended for Indian manufacturers, students of engineering/manufacturing and workers in manufacturing companies. Even small businesses will benefit from using the suggestions offered in this book.

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Aristotle and Business



Courtesy: <https://www.britannica.com/biography/Aristotle>

Aristotle recognized the importance of the influences of our parents, society, and nature on us. But he emphasized that the individuals are finally responsible for their own actions. When it comes to business, he looked at ethics as the crucial element of business activities, just as ethics is important in all other activities. His philosophy emphasizes not only gaining wealth using ethical means but also magnanimously giving away the earned wealth for the benefit of others. The passive act and active intellect of individuals should be coordinated to become ideal persons. Even as we seek honour, we also need to give away the honour we receive for the benefit of others.

Reading the philosophy of Aristotle from the point of view of establishing and running businesses will bring useful insights to us all involved in business administration. Making profit was not criticized, creating wealth is deprecated, but common good of all the humans is emphasized.

The following links may be useful to gain some introductory knowledge about Aristotle and his philosophy in relation to business:

<https://www.biography.com/scholar/aristotle>

<https://www.britannica.com/biography/Aristotle>

<https://www.guelphhumber.ca/news/taking-business-advice-aristotle>

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