
THE EFFECT OF PANDEMIC ON CONSUMER PREFERENCES IN THE CONTEXT OF HEDONIC AND UTILITARIAN CONSUMPTION*

Dr. Inci Erdogan Tarakci

Assistant Professor, Bilecik Seyh Edebali University,
Faculty of Health Sciences, Turkey

Dr. Arif Yildiz

Assistant Professor, Adiyaman University,
Golbasi Vocational High School, Turkey

ABSTRACT

The Covid-19 pandemic, which started to be seen intensely in the world in December 2019 and has been present in our country since the first months of 2020, has greatly affected life especially as of March 2020. In line with the measures taken by the Ministry of Health, production has come to a halt outside certain sectors such as food and logistics, and public life has been deeply affected by curfews. The great losses due to a pandemic, insufficient certain services, the lack of masks, disinfectants or similar healthcare materials during the periods when the pandemic was experienced the most, increased the awareness of consumers about health and developed sensitivity in this regard. In the light of these changes, while the consumption of many products, which were defined as compulsory goods in the past, decreased, the consumption of the products classified as hedonic increased and the definitions of hedonist and utilitarian consumption have changed to a great extent.

In this study, in order to determine the effects of pandemic, which is still ongoing, on consumer preferences, in-depth interviews were made with 60 people face to face, by telephone and video conferencing method, and the changes in post-pandemic consumption habits were tried to be revealed.

Key words: Consumer Behavior, Hedonic Consumption, Utilitarian Consumption, Pandemic, COVID-19

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1. INTRODUCTION

One of the main scrutiny topics of today's marketing world is consumer buying behavior. What are the basic motivations underlying consumer purchasing behavior, what are the effects of consumers during their purchasing decisions and what consumers shop for, are among the questions that marketing seeks answers in this sense.

Diversification of consumers' needs and demands, changes in consumption culture and living conditions; It has led to the emergence of some unsatisfied desires and desires in consumers (Kılınç, 2018, p.21). This is why it can be said that today's marketing world focuses on meeting consumer demands (Akçi, 2018, p.15).

Consumers consume many products in their daily lives. Needs, preferences and purchasing power can be effective in consuming these products. What to buy, how to buy, where and when to buy can be affected by many factors (Khan, 2006, p. 4).

This study examines how consumers' purchasing behaviors are shaped in terms of utilitarian and / or hedonic shopping, especially during the pandemic period.

2. UTILITARIAN AND HEDONIC SHOPPING

The biggest behavior expected from customers is spending more money. The customers' spending more money can be described as the approach motivation, and the desire to move away from the store as the motivation to avoid (Arnold & Reynolds, 2012, p.399). In today's marketing world, the concept of market has moved far beyond physical spaces and non-physical (virtual) stores have become much more important. Utilitarian and hedonic consumption is of great importance in shopping made by customers from both virtual and virtual stores.

2.1. Utilitarian Consumption

It can be said that consumers generally choose among utilitarian options as a result of mental evaluations (Kahneman, 1991, p.145). Utilitarian shopping emerges with utilitarian motives, such as efforts to reduce the time, effort or risk to be spent, by paying the price of the product with consumers choosing a store. It is stated that consumers classify stores through utilitarian features such as product diversity, customer service level, ease of transportation and distance from home to the store (Sands, Oppewal, & Beverland, 2009, p. 387). This classification covers the factors that affect the shopping preferences of consumers.

2.2. Hedonic Consumption

People shop for numerous reasons. These exchanges are driven not only by a set of utilitarian goals, but also by hedonic goals, but also by hedonic goals (Solomon & Lowrey, 2018, p.39).

Hedonism (<https://sozluk.gov.tr/>), defined as hedonism by the Turkish Language Association, can be expressed as an approach that includes avoiding pain and that the best thing in life is "pleasure" (Shaughnessy & Shaughnessy, 2002, p.526). However, hedonic consumption seems to offer an opportunity not only to approach fun and excitement, but also to avoid problems and stress in daily life (Arnold & Reynolds, 2012, p.399).

Tauber (1972) states that the reasons that direct consumers to shopping are examined in 2 groups. The first of these is personal reasons and the second is social reasons. Personal reasons; role playing, distraction, personal pleasure, learning new trends, physical activities and sensory stimulation. Among the social reasons are social experiences, communication with others, fellowship activities, status / authority and bargaining pleasure (Tauber, 1972, pp. 47-48).

In fact, classifying a behavior as hedonic or utilitarian may not be very correct conceptually. Because behaviors have both utilitarian (positive and / or negative) and hedonic (positive and / or negative) aspects. However, it can be said that some behaviors are motivated as more hedonic or utilitarian than other behaviors. Despite this, behaviors should not be classified as either a utilitarian behavior or a hedonic behavior (Ahtola, 1985, p. 8).

3. METHOD

3.1. Purpose, Scope and Constraints of the Study

In this study, it is aimed to measure the effect of pandemic, which is still ongoing, on consumer preferences in the context of hedonic and utilitarian consumption, to reveal the change in income levels and purchasing powers in this process, and to determine which product groups the consumption items are shifted to.

In the study, in-depth interviews were conducted with 60 participants between April 2020 and May 2020, face to face, by telephone and video conferencing method.

The first limitation of the study is that in-depth interview technique, one of the qualitative research methods, was preferred. Another limitation is that easy sampling method was selected due to time and cost constraints. Another limitation of the study is that the study was implemented at a time when the pandemic was still ongoing and therefore the majority of in-depth interviews could not be done face to face.

3.2. Research Method and Sampling

In this research, one of the qualitative methods, in-depth interview technique was used. Qualitative methods are widely used, especially in the social sciences. Although there are many reasons for this, the complexity and disagreement in people's communication with each other can be considered as the main reasons for this. The reason for the in-depth interview technique is preferred because the questions and terms used can be explained to the participants and the opinions of the participants can be obtained in detail.

In this context, 60 people were interviewed face-to-face, by telephone and video conferencing between April 2020 and May 2020, and changes in consumption habits after the pandemic were tried to be revealed in detail. Participants were identified by easy sampling method among those who volunteered to participate in the interview.

The data obtained as a result of the interviews were analyzed with the method of "descriptive analysis". Firstly, the main headings were determined in order to organize and classify the data systematically. Then, the data are grouped and organized in a meaningful and logical manner under these headings. These edited data are defined, supported and interpreted by quotations and literature. In the next step, all the data obtained from the research are examined in detail, coded with necessary and appropriate titles and tried to be explained with the most appropriate expressions. In this way, the similarities and differences between the opinions of the participants were tried to be revealed.

4. FINDINGS AND DISCUSSION

In this section, the analysis of the data from the study and the comments of these analyzes are given.

4.1. Demographic Analysis

28 of the participants are women and 32 of them are men. The education levels of the participants are 2 primary education, 2 associate degree, 8 high school, 20 undergraduate, 28 graduate and doctorate graduates. The occupations of the participants are 10 housewives, 2

retired, 2 self-employed, 2 student, 6 managers, 10 private sector workers, 6 teachers and 22 academicians.

4.2. Data Analysis

When the participants were asked whether adequate measures were taken in the field of health in the pandemic process and in which areas they were inadequate if they were missing, 32 participants stated that they found it sufficient while 18 of them found it partially sufficient and 10 of them found it inadequate. As the main reason for deficiencies and inadequacies, it was suggested that the disruptions in the distribution of free masks by the state when the sale of masks was prohibited and the normalization practice started to be applied earlier than it should. Especially the opening of the beauty salons, hairdressers, cafes and restaurants has been criticized. Other reasons include disruptions in health checks due to the conversion of hospitals into a pandemic hospital and other patients not being admitted, disruptions resulting from the fact that the courthouses do not work partially, public statements are inconsistent and made at night, the public is not in compliance with the rules and necessary penalties factors such as not being implemented, insufficiency of test kit at first, lack of nurses, academicians and other specialist health personnel other than physicians in the scientific committee. As for the product groups, it was stated that there were problems in the management of the process due to the lack of products such as first aid supplies, disinfectant, cologne, personal care products and toilet paper in the first periods.

When participants were asked whether there was an increase or decrease in income levels during the pandemic process, 6 participants stated that the income level decreased because they could not receive salary, while 54 participants stated that they remained stable. The participants, who stated that their income level decreased because they could not receive salary, are made up of private sector employees. Participants who did not experience any change in income levels consisted of public employees and those working in managerial positions.

When the participants were asked whether there was any change in their general purchasing power due to changes in income or spending, 14 participants stated that there was no change in their purchasing power, while 6 participants stated that their purchasing power decreased because they could not receive salaries and 14 participants increased their expenses, 26 participants stated that their purchasing power increased because they could not leave the house and therefore did not consume ready-made meals, especially because they were aware of health, they started to produce many things they had bought before and at the same time their spending such as education or fuel decreased significantly. Participants who stated that there was no change in purchasing power indicated that this is because their spending items changed, on the one hand, while their expenditures for luxury consumer goods decreased, on the other hand, the total expenditure amounts did not change due to the increase in the general level of prices, and the expenditures did not show a significant change even though they bought fewer products.

When the participants were asked whether there was any change in their health expenditures after the pandemic, 30 participants stated that they remained stable and 30 participants increased. In general, almost all of the participants are concerned about their health, their awareness about this issue has developed and therefore, they have made many additional health expenditures, especially mask, disinfectant, hygienic products, protective glasses, cologne, surgical gloves, vitamins and supplements that strengthen the immune system. However, on the other hand, they stated that they did not go to hospitals or doctors' offices for non-urgent health problems, and that total health expenditures remained constant and spending items changed.

Participants were asked to rate their total expenditure over 100 as health, hedonic, utilitarian and compulsory consumption during the pandemic process and to compare it with before pandemic. Accordingly, the amount of compulsory consumption decreases only in 4 participants, while the compulsory consumption rates of the other 54 participants increase between 10% and 40%. 2 participants stated that the amount of compulsory consumption increased by 80%. While hedonic consumption increased by 20% in 2 participants and 10% in 6 participants, the hedonic consumption levels of other participants decreased by 10% to 40%. 8 participants, whose hedonic consumption amounts increased, stated that they turned to hedonic consumption in order to relax psychologically and to minimize the negative effects of this process on their mental states and to feel happy. Utilitarian consumption decreased by 5-15% for 18 participants, while it increased by 5-20% for the other 42 participants. Participants who stated that there was an increase in health spending stated that there was an increase between 1% and 20% in this area. Considering the consumption amounts, it is seen that the biggest increase is in compulsory consumption and the biggest decrease is in hedonic consumption.

30 of the participants stated that their food expenditures increased, 26 of them remained stable and 4 of them decreased. The decrease in food expenditures arises due to the job losses and lack of salary. Participants made their food shopping mostly by going to the market. Only 6 participants stated that they spend food both in the market and online, all other participants stated that they only go to the market and carry out food shopping. Flour is one of the products that the participants bought for the first time in food shopping or when the consumption rate increased significantly compared to the level before pandemic. This is followed by yeast, pasta, fruits containing vitamin C and spices such as ginger.

22 of the participants stated that they did not shop for textiles, shoes or clothing during the pandemic process, 2 of them stated that they went to the store while there was a significant decrease in the amount of consumption, and 36 of them made online shopping. When asked to compare the amount of textile, shoe and clothing shopping with their pre-pandemic process in the pandemic period, 4 of the participants stated that there was an increase, 8 of them stated that there was no change and 48 of them had a significant decrease.

Finally, when the participants were asked whether they turned to luxury consumer goods during the pandemic period and when their consumption levels were asked, 26 participants stated that they did not make any luxury consumption in this process, while 4 participants made luxury consumptions in order to be more happy and psychologically relaxed in the process they spent at home and compared to pre-pandemic they stated that there is an increase in their luxury consumption. Increasing consumption of luxury consumption products are specified as hobby materials (jewelry design, hand motor-stone chipping, drill ...), cosmetics, movie channel memberships, games and alcohol-tobacco products.

5. CONCLUSIONS AND RECOMMENDATIONS

The Covid-19 pandemic, which started to be seen intensely in the world in December 2019 and which showed itself in our country since the first months of 2020, has greatly affected life especially as of March 2020. By bringing the number of cases under control, the normalization process was gradually implemented on June 15 and July 1.

In line with the measures taken by the Ministry of Health, especially in the quarantine process, production has come to a standstill outside certain sectors such as food and logistics, and public life has been deeply affected by curfews. The great losses due to the pandemic, the inadequate certain services and the inadequacy of masks, disinfectants or similar healthcare materials during the most intense periods of pandemic increased the awareness of consumers about health and developed sensitivity in this regard.

Participants were asked whether the measures taken in this process were sufficient and it was found that the majority of them found sufficient, although there were some disruptions. Considering that the process is continuing, the detection of disruptions is of great importance. When it is considered in terms of public services, problems in routine health services and difficulties experienced in the online education system come to the fore. On the basis of product group, it was found that the biggest deficiency was in the size of personal hygiene and cleaning materials, primarily mask and disinfectant. The most common disruption of the participants is that the normalization process starts earlier than it should be and this creates anxiety for the public.

It was determined that there was no loss of income in general except for private sector employees who lost their jobs or started to work part-time during the pandemic process. In this process, the absence of many expenditures, as the house was not left, generally increased the purchasing power. Due to the awareness of health and the risks of the pandemic, people started to produce many things at home that they had already consumed. Stating that the purchasing power has not changed, the participants stated that the reason for this was the increase in product prices.

It was determined that there was no significant increase in health expenditures in general. While the amount of utilitarian consumption increased by 5% -20%, the amount of compulsory consumption increased by 40% -80%. The biggest decrease in spending was in hedonic consumption, luxury consumption products were almost never consumed in this process. Textiles, shoes and clothing shopping, which can be considered as a compulsory consumption product before the pandemic, started to be considered as luxury consumption in this process, and almost all of the participants stated that they either did not shop at all or that they did very little shopping than before the pandemic. In the pandemic process, food is the leading product group with increased consumption. The reason for this is that many meals that are consumed are started to be made at home.

The pandemic process has been a difficult process for manufacturers and businesses, causing many economic losses. Many businesses closed in this process, while many came to the point of closure. It is not known when the pandemic process, which is a disadvantageous period and is still ongoing, will end. Estimates show that it will not end and a new lifestyle should be developed. The task of marketers, academics and managers is to take necessary actions to turn this situation, which is seen as disadvantageous, to an advantage in order to avoid economic losses in this new life process.

In Turkey which has a very advantageous position in terms of health tourism, awareness of health care that developed in the pandemic process offers many opportunities for the development of tourism alternatives such as personalized resort and tourism facilities where social distance rules can be applied. VIP or personalized hotel concepts, facilities providing villas, private accommodation facilities, thermal hotels and wellness services create a sector where creative initiatives can be made in the pandemic process where health awareness comes to the fore. Camping facilities and caravan services, in which services for protecting or improving health in nature can be added, are also very popular alternatives.

On the other hand, the amount of hedonic consumption of individuals, whose purchasing power has increased and turned these savings into investment with the support of the state, can be increased again through creative initiatives. In particular, it will be beneficial to redefine the descriptions of luxury consumption products with reduced consumption. Participants who increased hedonic consumption expenditures as well as luxury consumption stated that this increase was experienced in hobby and cosmetic products. Therefore, taking into account the psychological effects of the pandemic and the concerns experienced, personal hobby products or activity products where the family can have a pleasant time can be

presented with new designs. Personal care and cosmetic products can be offered to consumers through effective marketing communication by evaluating awareness about health. It will be beneficial to produce products that will make the time they spend at home enjoyable especially for individuals who are under the age of 18 and over 65 who have to spend time at home in terms of health risk. Due to the closed schools and kindergartens, the group who experienced the most difficulties in this process was children and their parents. Especially considering the children with disabilities who cannot find special education and treatment opportunities in this process, it will be a very profitable initiative for businesses to make product designs, to offer them for sale online with effective advertising and marketing communication activities.

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