

How Covid-19 has impacted global consumer behaviours and the adoption of digital business strategies by companies in the UK

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Abstract

This study sought to establish how different facets of consumer behaviour have been affected by the Covid-19 pandemic, and how companies in the UK have adopted digital strategies to cope with the challenges that the pandemic has brought about. A desk-based research approach was used. It relied on a wide range of secondary sources such as books, journal articles and publications made by experts in the field of business and consumer behaviour. The main findings from the research highlight a shift of consumer behaviour, increasing the tendency of making online purchases except for essential commodities that have to be physically purchased. This shift has triggered a corresponding increase in adoption of digital technologies for businesses to ensure that they continue making sales amidst lockdowns and movement restrictions. The Covid-19 pandemic is quite a recent phenomenon and its impacts on consumer behaviour have been explored for just more than a year before this study. Therefore, the long-term impacts may not have been properly documented. Previous studies that were relied upon also had different objectives from this study and as such could impact the accuracy with which this study's objectives were met. Through analysis of previous studies, this study has provided a new interpretive perspective to existing research on the impact of Covid-19 to consumer behaviour and digital adoption by businesses. It provides valuable insights on how businesses can embrace digital strategies to maintain their relevance to clientele even as their consumer behaviours change.

Keywords: Covid-19, Global consumer behaviour, Digital business strategies, Digitization of sales and marketing, Panic buying and hoarding of essential products, United Kingdom

1. Introduction

The Covid-19 pandemic is the single phenomenon that arguably had the largest impact on the business environment in 2020 and 2021. In the United Kingdom, there had been as many as 4.49 million infections and 128,000 deaths by the end of May, 2021 (WHO, 2021). Among the measures that have been taken worldwide to control the spread of the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), which causes Covid-19, are lockdowns and stay at home orders to limit contact between people or overcrowding (Duffy, 2020). Such restrictions

had major bearing on businesses because even though e-commerce and online shopping were emerging trends, many businesses relied on physical store sales. As such, these restrictions led to a great decline in the number of visits to physical business premises, except for businesses whose goods were regarded as being essential (Knowles et al., 2020). The pandemic has had an impact on consumer behaviour, which is to a large extent attributable to the fear that has been instilled in them from reports on the ease with one they can be infected, the likelihood of transmitting it to vulnerable relatives, and fatalities from the virus (Loxton et al., 2020). The drop in physical sales has then brought about the need for organisations to consider increasing their focus on digital business strategies which are convenient for both the consumer and business. The consumer can purchase products they need online without leaving their houses in adherence to lockdown measures, and the business can supplement their adversely affected physical sales (Tran, 2021). This study, therefore, focuses on establishing how different facets of consumer behaviour have been affected by the Covid-19 pandemic, and how companies in the UK have adopted digital strategies to cope with the challenges that the pandemic has brought about.

Acknowledging the bearing of Covid-19 on the social and economic aspects of the UK, it is vital to explore the specifics of its effects to facilitate recommendations on how these impacts can be addressed if the pandemic persists, or in future situations of this nature. Whilst studies have been widely carried out on consumer behaviour and digital technology adoption in business operations (Alaeddin et al., 2018; Schwertner, 2017), the Covid-19 pandemic is relatively recent and as such, there is a scarcity of studies that have been carried out to explore its impacts on consumer behaviour and digital business strategies. In addition, there has been no pandemic that equals the scale of Covid-19 since the development and growth of e-commerce and digital business strategies. Thus, there is limited previous research that can be referred to understand the interrelationship between the three phenomena of focus in this research namely: a global pandemic, consumer behaviour and digital business technologies. This research therefore also contributes to existing literature on consumer behaviour and digital business strategies amidst pandemics.

The aim of this study is to explore how different facets of consumer behaviour have been affected by the Covid-19 pandemic, and how companies in the UK have adopted digital strategies to cope with the challenges that the pandemic has brought about. The specific research objectives that are to be attained by this research are as summarised below.

1. To examine how Covid-19 has affected the preference between physical and online buying among UK consumers
2. To establish the extent to which Covid-19 has triggered businesses in the UK to incorporate digital business strategies
3. To make recommendations on digital business solutions companies in the UK can adopt within and after pandemic

This research report comprises of six sections. The first is the introduction chapter, which has provided a background of the phenomena being explored in this research, provided the rationale of carrying out the research, and outlined the aims and objectives that this research sought to

address. The second chapter provides a critical and in-depth review of literature to provide a preliminary understanding on the phenomena covered in this research. In the third chapter, the methodological approach used in searching for relevant secondary sources to use in this research is presented, and the results obtained from the literature search are presented in the fourth chapter. The fifth chapter presents the discussion of the arguments presented in the source identified as relevant for this research and the sixth and final chapter presents the conclusion of the research and recommendations.

2- Literature Review

The concept of consumer behaviour and how it affects businesses or informs their strategy formulation has gained the interest of different researchers since its influence in marketing started being explored in the mid-20th century. Several studies have therefore been carried out on how pandemics can affect the behaviour of consumers and as well, how businesses can counter these impacts. This section therefore makes reference to some of these studies and provides a critical and in-depth review of the views presented in them.

2.1. Consumer behaviour during pandemics

The term consumer behaviour refers to the behavioural patterns that are displayed in the selection, purchase, used and disposal of goods, services or information that they may come across (Mothersbaugh et al., 2019). The Engel Kollat Blackwell model of consumer behaviour suggests that consumer behaviour can be manifested as a process that comprises of several stages namely; information input, information processing, decision processing, and variables influencing the decision (Choudhury, Mukherjee& Datta, 2018). It is therefore evident that certain external aspects could positively or negatively influence the behaviour displayed by the consumer. Businesses usually focus on understanding the behaviours of their target clientele in order to implement strategies that will trigger in them intentions to purchase goods or services that they have on offer. There are however other external business environmental factors that affect consumer behaviours, and which businesses have no control over. Among these are pandemics such as Covid-19, Influenza, Ebola and the bird flu (WHO, 2009), which have affected populations across the globe.

One of the behaviours that are displayed by consumers in the face of pandemics is that they prioritise their health and safety and as such, adhere to measures instituted by governments and bodies such as the World Health Organisation (Sohrabi et al., 2020). This was observed in previous pandemics such as the influenza and swine flu, as well as the current Covid-19 pandemic. Even with the high degree of adherence to directives such as lock-downs, curfews and stay at home order, parts of the population often find it difficult to stick to such directives without any financial aid from the government (Loopstra, 2020). These include the homeless and people with low incomes and short-ranged income mobility. Nevertheless, even with these challenges, adherence to such directives is usually high, partly facilitated by the fact that breaching them attracts punitive measures such as fines or prosecution.

In the 21st century that has seen an unprecedented growth in the adoption of digital technologies by businesses, the dominant consumer pattern exhibited in times of pandemics is

the spike in the digital engagement with brands (Tran, 2021). As early as 2002 when there was a threat of the SARS coronavirus in the United States triggering lockdown measures, there was a 30% increase in online searches for commodities, and a corresponding increase in online purchases (BofA, 2021). This trend was replicated in 2020 and 2021, but on a larger scale because of the current advancements that have been made in digital commerce and the increase in internet access (Knowles et al., 2020). Digital interaction with businesses as well as online shopping however is still viewed with pessimism especially because of information security challenges that it is associated with. This phenomenon can be explained by the theory of planned behaviour, which posits that beliefs, which comprise of subjective norms, attitudes and perceived behavioural control, have a bearing on the decisions made by clientele (Hassan, Shiu & Parry, 2016). Therefore, beliefs built around information security issues associated with e-commerce may have a great influence in fuelling the pessimism among consumers.

The risk perception attitude framework can be used to classify UK consumers based on their personal efficacy and perception of risk. As argued by Hesham et al. (2021), risk perception and risk attitude are the factors of highest importance in driving behaviours of consumers during pandemics. They effectively reflect the interpretation that consumers have of the actual risk that is posed by the pandemic. As posited by Deng and Liu (2017), it involves a subjective interpretation by the consumer of the likelihood of exposure and as such, influences their behaviour. This is manifested in their decision-making with most of the consumers in the UK at the peak of the pandemic choosing to limit shop visits and only doing so when there is need to purchase essential commodities. Most of the expenditure, therefore, was directed to online shopping. The risk performance attitude (RPA) framework classifies consumers into three main categories. These are the responsive (high risk, high efficacy), avoidance (high risk, low efficacy), proactive (low risk, high efficacy), and indifference (low risk, low efficacy) (Sewell et al., 2020). Basing on this framework to classify UK consumers in the face of Covid-19, they fit the responsive category which fits individuals who are highly committed in taking self-protective actions.

2.2. Impact of pandemics on digital strategies of businesses

Shifts in consumer behaviour have the greatest influence on the strategic directions that businesses can make. Referring to studies by different researchers such as Knowles et al. (2020) and Tran (2021), the common theme that emerges is that except for essential purchases, most of the other purchases were made via online platforms. Organisations such as e-bay and Amazon whose main model of operation is e-commerce benefitted the most because they maintained operations based on their original models (Lei et al., 2021). The changes they had to grapple with were only in terms of the increase in sales during the pandemic. However, businesses whose main mode of operation was by selling through physical stores had to consider investing in digital systems in order to tap into the changing purchase patterns among consumers. Whilst there are a wide range of digital technologies that can be adopted by organisations, the specific technology that is to be adopted in light of pandemics such as Covid-19 is e-commerce. Incorporation of e-commerce in the business provides convenience to consumers because they

can buy through their electronic gadgets at anytime and anywhere (Sabou et al., 2017). This is also highly ideal for the business because it limits contact between staff members and customer, which is vital in prevention of transmission of the virus.

To facilitate the functionality of this strategy can however be costly, especially if it has to be hastily done in order to mitigate possible losses from the lack of sales (Sabou et al., 2017). In addition to developing a platform such as an application or website in which purchases can be made, companies also have the task of investing in promotional activities in order to create awareness among their target clientele about the e-commerce provision they have introduced. They also have to ensure that they incorporate fast delivery systems in their business models by either acquiring transportation equipment and staff, or outsourcing the delivery service to external vendors (Agarwal & Wu, 2018). These, in addition to the fact many other companies are incorporating the e-commerce option in their operations, makes it challenging for businesses to get a good return on investment because of the high competition, unless unique marketing strategies are incorporated. They also have the option of selling as merchants on established platforms such as Amazon, but a section of their sales revenue has to be retained (Janger & Twerski, 2019). It is therefore imperative for businesses to ensure that they consider these challenges when implementing digital strategies.

3- Methodology

3.1. Research Approach

The study is based on the qualitative approach. The secondary research articles considered were evaluated with the purpose of obtaining in-depth insights regarding various issues linked to the study's objectives (Queiros et al. 2017). There was no focus on obtaining measurable research outcomes (Queiros et al. 2017). The main alternative research approach considered was the quantitative approach. The research approach focuses on analysis of research issues using scientific methods to obtain measurable research outcomes (Bryman,2017). It was deemed inappropriate for the purposes of this study as it would not have enabled in-depth analysis of critical research issues.

3.2. Data Sources

The study involved the review of secondary data sources. The study's robust methodology design ensured that the limitations of secondary data did not undermine the validity and reliability of the study's findings. One of the disadvantages of secondary data is that the data may not accurately or fully address the secondary study's objectives since it was collected to address different objectives (Levefer et al. 2007). To address this limitation, the study only considered articles that focused on topical issues that were linked to its research objectives. Another disadvantage of secondary data is that the data may be out dated and therefore undermine the reliability of the secondary study's findings (Levefer et al. 2007). To avoid inclusion of out dated in the study, only articles that were published between 2016 and 2021 were considered. Difficulty in establishing whether the data from secondary data sources is free of bias is another major challenge associated with basing studies on secondary data (Hox &

Boeije, 2005). The CASP framework was used to appraise the quality of the studies considered for review to ensure the validity and reliability of their findings was not affected by bias.

3.3. Databases

The research articles considered for the study were sourced from Google Scholar and Ebscohost. The two databases were considered due to the large number of articles in their repositories. Each of the two databases has over 500,000 articles in their repository. Most of the articles in the two databases repositories are published in peer review journals.

3.4. Search Strategy

Key words based on the study's main objectives were used to develop search terms that were used to search for relevant articles from Google Scholar and Ebscohost. The search terms were modified to either expand or reduce the scope of the search in order to find the most relevant articles. An exclusion and inclusion criteria was used to screen the articles returned by the search results to identify the articles that were to be considered for review.

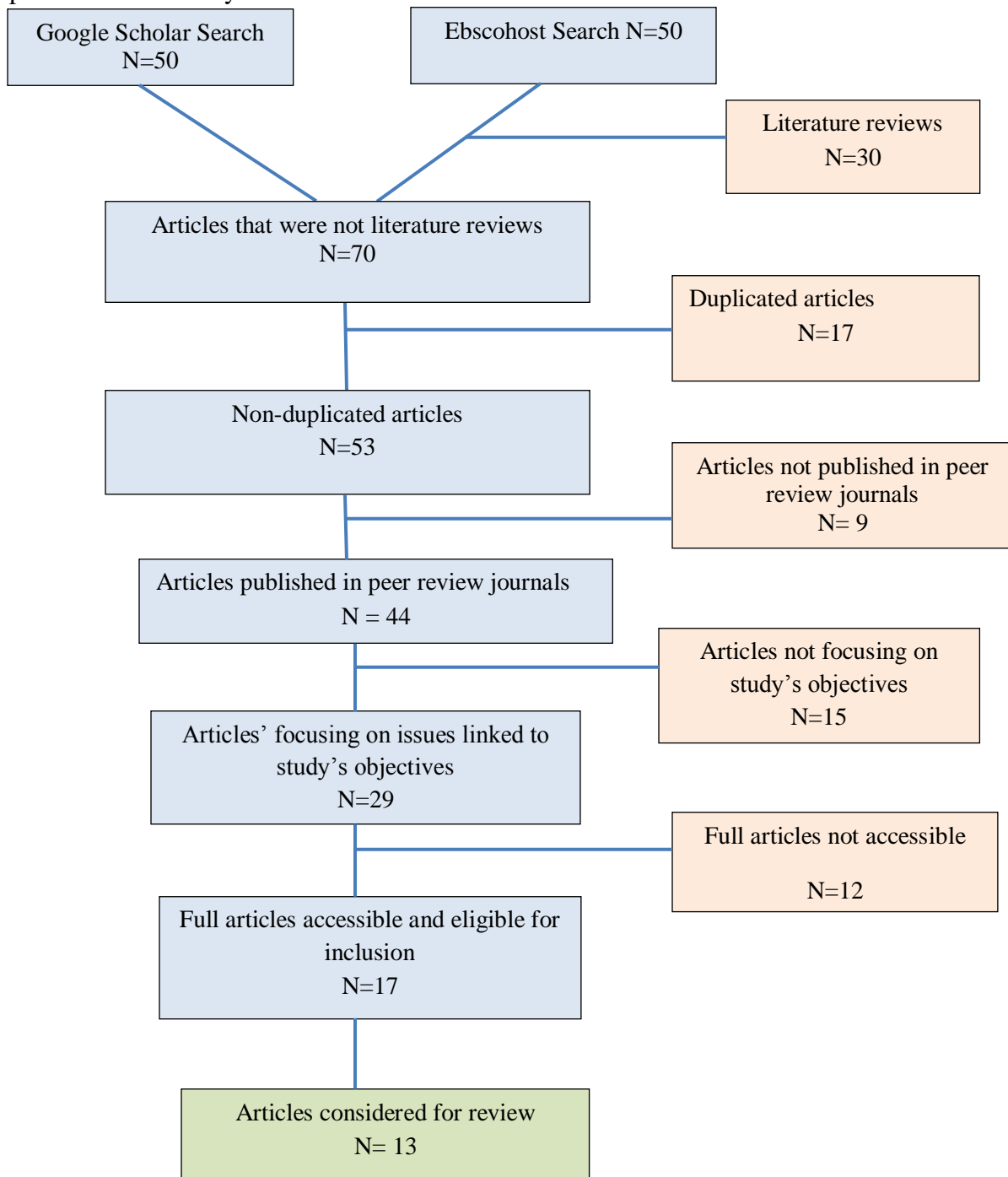
The main key words considered to search for articles from Google Scholar and Ebscohost were; 'impact of covid-19', 'digital strategies', 'digital marketing strategies', 'consumer behaviour', 'online shopping habits' and 'covid-19 restrictions'. Some the key search terms that were developed from these key words and used to search for relevant articles were; 'impact of covid-19/covid-19 restrictions on consumer behaviour', 'impact of covid-19/covid-19 restrictions on online shopping habits' and 'digital strategies/digital marketing strategies in response to Covid-19'

An elaborate inclusion and exclusion criteria was used to screen the articles returned by the search results to ensure that only articles with a robust methodology design, up to date information and low level of bias were included in the study. Only articles that met the conditions outlined in the inclusion and exclusion criteria were considered for the study. The table below highlights the conditions of the exclusion and inclusion criteria.

Inclusion Criteria	Exclusion Criteria
<ul style="list-style-type: none"> • Published in 2016 or after 2016 • Published in peer reviewed journal • Focusing on issue linked to study's objectives • Full article is accessible 	<ul style="list-style-type: none"> • Published before 2016 • Not published in peer reviewed journal • Focusing on issues that are not linked to the study's objectives • Only part of the article is accessible

A total of 17 articles that were eligible for inclusion in the study were identified. The initial 50 articles returned by the Google Scholar search and the initial 50 articles returned by the Ebscohost search were screened for eligibility to be included in the study. 30 of the articles were literature reviews and therefore were not eligible for consideration. 17 out of the remaining 70 articles were duplicates. 9 out of the remaining 53 articles were not published in peer review journals and were therefore not eligible for inclusion in the study. 15 of the remaining articles were not focusing on issues linked to the study's objectives and were therefore not considered

further for inclusion in the review. The full articles of 12 out of the remaining 29 articles were not accessible. The twelve articles were therefore not considered further for review. The search process is showed by the flow chart below



3.5. Data analysis

The articles considered for review were reviewed through thematic content analysis. This approach to analysis involved the coding of the information presented in the articles and identifying emerging themes linked to the study topic (Vaismoradi & Snelgrove, 2019). This

approach facilitated a more in-depth review and exploration of information presented in the articles.

4-Results

A total of 13 articles were considered for review in addressing the research objectives. All the articles considered were published in either 2020 or 2021. Their publication therefore coincided with the timeline of all the critical phases of the pandemic. 10 out of the 13 articles were either publications of primary quantitative studies or expert opinion articles with 6 out of the 13 articles being publications of primary quantitative studies and 4 of the articles were expert opinion articles. The main emergent themes linked to the study's objectives were; impact of Covid-19 on online shopping habits, panic buying and hoarding of essential products during the initial phase of the pandemic, consumer avoidance of physical retail stores, impact of changes in consumer behaviour and government interventions in response to the Covid-19 pandemic on businesses in the UK and digital strategies adopted by firms in response to the Covid-19 pandemic. The table below shows the different studies considered, methodology design from each study and emergent themes from different studies.

Article	Design	Emergent themes
Abdulmuhsin et al. (2021).	Primary Quantitative	Consumer avoidance of physical retail stores
Akhtar et al. (2020)	Primary Quantitative	Consumer avoidance of physical retail stores
Bental et al. (2021)	Psychometric modelling	Panic buying and hoarding of essential products during the initial phase of the pandemic
Chauhan and Shah (2020).	Primary Quantitative	Impact of Covid-19 on online shopping habits
Cowling et al. (2020)	Expert opinion	Impact of changes in consumer behaviour and government interventions in response to the pandemic on businesses in the UK
He and Haris (2020)	Expert opinion	Digital strategies adopted by firms in response to the pandemic
Juergensen et al. (2020).	Expert opinion	Impact of changes in consumer behaviour and government interventions in response to the pandemic on businesses in the UK
Keane and Neal (2021)	Econometric modelling	Panic buying and hoarding of essential products during the initial phase of the pandemic
Laato et al. (2020)	Primary Quantitative	Panic buying and hoarding of essential products during the initial phase of the pandemic
Papadoulous et al. (2020).	Expert opinion	Impact of changes in consumer behaviour and government interventions in response to the pandemic on businesses in the UK

Prioyono et al. (2020)	Multiple Case Study with qualitative analysis	Digital strategies adopted by firms in response to the Covid-19 pandemic
Sayyida et al. (2021)	Primary Quantitative	Impact of Covid-19 on online shopping habits
Syaifullah et al. (2021).	Primary quantitative	Digital strategies adopted by firms in response to the pandemic

5- Discussion

By making reference to the secondary sources that were selected for this study, this section discusses the impacts of Covid-19. It provides critical insights regarding; the impact of the covid-19 pandemic on consumer behaviour, impact of changes in consumer behaviour on UK businesses and adoption of digital technologies by firms in the UK to counter the effects of the pandemic.

5.1 Impact of Covid 19 on consumer behaviour

The Covid-19 pandemic has significantly affected the behaviour of consumers across the globe. The main themes linked to the impact of Covid-19 on consumer behaviour that emerged were; panic buying and hoarding of essentials due to the pandemic, consumer avoidance of physical retail stores and impact of covid-19 on online shopping behaviour.

5.1.1 Panic buying and hoarding of essential products due to the covid-19 pandemic

The initial phase of the covid-19 pandemic was characterized by panic buying and hoarding of essential products. As a result of unusual purchasing behaviour exhibited by consumers during the initial phase of the pandemic, grocery stores in a number of countries reported running out of essential items such as; toilet paper, hand sanitizer and canned food products (Miri et al. 2020). Bentall et al. 2021, Laato et al. 2020, Kean and Neal (2021) and Leung et al. (2020) provide critical insights on the main causal factors of panic buying and hoarding of essential products during the initial phase of the pandemic. Bentall et al. 2021 evaluates psychological factors that contributed to panic buying and hoarding of essential products by consumers in the UK and Ireland. The results of the study indicated that the pandemic resulted in scarcity cues such as potential loss of income in the future and psychological distress which resulted in consumers purchasing excess products across a wide range of product categories. The likelihood of consumers to engage in panic buying and hoarding of essential products was positively predicted by; household income stability, psychological distress due to depression or death anxiety, threat sensitivity to the threat posed by the pandemic and mistrust of others (Bentall et al. 2021). The study by Columbus (2020) also links hoarding of essential products during the Covid-19 pandemic to psychological reactions to the perceived threat posed by the pandemic. The findings of Laato et al. (2020) highlight a strong link between the intention of consumers to self-isolate and the likelihood of consumers making unusual purchases. The findings provided empirical evidence linking panic buying and hoarding of essential products during the initial phase of the pandemic to the amount of time consumers

expected to spend in isolation. Consumers engaged in panic buying and hoarding of essential products as they expected to spend a considerable amount of time in isolation. The findings of Laato et al. (2020) suggest that information overload and cyberchondria also contributed significantly to consumers making unusual purchases during the initial phase of the pandemic. Cyberchondria is a compulsive desire to seek information about a medical condition due to distress and anxiety (Starcevic and Berle, 2013). Exposure to online information about the pandemic and its potential adverse effects led to information overload and cyberchondria among many consumers which in turn led to panic buying (Laato et al. 2020). The perception of consumers regarding the severity of the pandemic had a significant impact on their intention to self-isolate which in turn influenced their decision to over-purchase essential products (Laato et al. 2020). According to Leung et al. (2020), panic buying during the initial phase of the pandemic was caused by a sudden environmental change that overwhelmed the ability of most consumers to handle the situation which led to predominantly emotion-led responses. The study by Keane and Neal (2021) investigated the impact of government policy on consumer panic buying. The findings of the study showed that consumers react to not only domestic policy change but also react overseas policy change. Consumer panic in the UK peaked at about the same time as in France and Italy even though domestic restrictions in the UK were introduced later than they were introduced in France and Italy. The Covid-19 virus started spreading much later in the UK than it did in France and Italy. The peak of consumer panic in the UK therefore preceded the announcement of domestic restrictions. Announcement of domestic restrictions in France and Italy resulted in consumers in the UK anticipating local domestic restrictions.

5.1.2 Consumer avoidance of physical retail stores and online shopping behaviour

The covid-19 pandemic resulted in consumer avoidance of physical retail stores and increased online shopping among consumers. Abdulmuhsin et al. (2021), Chauhan and Shah (2020) and Akhtar et al. (2020) provide critical insights on factors that have contributed to consumer avoidance of physical retail stores. According to Abdulmuhsin et al. (2021), consumer perceptions of the threat posed by Covid-19 affects the intention of consumers to avoid physical retail stores. The findings of Abdulmuhsin et al. (2021) indicated that the gender of consumers may moderate consumer perception of the threat posed by Covid-19 with women being more sensitive to the threat posed by covid-19 to health than men. According to Chauhan and Shah (2020), about 6 in 10 consumers avoid physical retail stores as a result of the fear of being infected with the Covid-19 virus. As a result of the Covid-19 outbreak, at least 50 % of consumers have purchased products online that they would have purchased at physical retail stores (Chauhan and Shah, 2020). Sayyida et al. (2020) highlights the significant increase in online shopping during the pandemic. The findings of the study indicated that despite the significant increase in online retail sales during the pandemic, retail sales from physical retail stores still constitute 70 % of total retail sales (Sayyida et al. 2020). Abdulmuhsin et al. (2021) highlights potential impacts of the covid-19 pandemic on consumer shopping habits after the pandemic. According to the study, consumer avoidance of physical retail stores during the pandemic will result in permanent behavioural changes in consumers in the post-pandemic

period. In the post-pandemic period, there is a high likelihood that people will continue avoiding shopping in crowded places and will make most of their purchases through online shopping platforms (Abdulmuhsin et al. 2021). Akhtar et al. (2020) contradicts the propositions by Abdulmuhsin et al. (2021) and argues that as a result of Covid 19 restricting the freedom of choice of consumers to select online and offline shopping options, the post pandemic period is likely to be characterized by consumer reaction to restoration of their freedom of choice. Consequently, consumers who prefer shopping in physical retail outlets but have been forced to make their purchases online as a result of the pandemic are likely to revert to their old shopping habits in the post-pandemic period (Akhtar et al. 2020).

5.2 Impact of changes in consumer behaviour and government interventions in response to the Covid-19 pandemic on businesses in the UK

Changes in consumer behaviour as a result of the covid-19 pandemic have significantly impacted businesses in the UK. The considerable decline in physical store retail stores has resulted in cash flow challenges for businesses that rely predominantly on sales from physical retail stores (Cowling et al. 2020). The adverse impact of the Covid-19 pandemic on the macro-economic environment has negatively affected consumer purchasing power in the UK (Papadoulous et al. 2020). As a result of the Covid-19 pandemic, the Eurozone GDP declined by 3.8 % in the first four months of 2020 (Papadoulous et al. 2020; Eurostat, 2020). This was the highest decline in the Eurozone's GDP since 1994 (Papadoulous et al. 2020). In the period spanning March and April 2020, the UK's monthly GDP declined by 10.4 % (ONS, 2020; Papadoulous et al. 2020). The adverse impact of changes in consumer behaviour due to the Covid 19 pandemic on the cash flow of businesses in the UK has been exacerbated by most businesses in the country failing to bolster their cash balances in the period preceding the pandemic. According to Cowling et al. (2020), in the period preceding the Covid-19 pandemic, only 39 % of businesses were actively bolstering their cash balances. 8.6 % of businesses had no retained earnings in the period leading up to the pandemic (Cowling et al. 2020).

Government restrictions in response to the Covid-19 pandemic have affected the upstream and downstream value chain activities of businesses in the UK. According to Juergensen et al. (2020), the impacts of the restrictions on consumer demand have been more prominent. Consequently, the demand side effects of government restrictions posed a more serious threat to businesses in the UK (Juergensen et al. 2020). Government restrictions and advisories contributing to consumer avoidance of physical retail stores have resulted in a decline in consumer demand of products sold through physical retail stores.

5.3 Adoption of digital technologies by firms in the UK to counter the effects of Covid-19

The Covid-19 pandemic has resulted in sudden changes in the industry operating environments of different industries in the UK due to changes in consumer behaviour and consumer demand. These sudden changes have forced firms in different industries to incorporate digital technologies in their operations within a limited span of time as a strategy to enhance their competitiveness, sustain consumer demand and comply with government advisories and regulations (Priyono et al. 2020). Firms in the UK have adopted different strategies to digitize

their operations in the wake of government restrictions and advisories during the pandemic and the impact of the pandemic on consumer behaviour and consumer demand. The digital strategies adopted by firms in the UK to counter the effects of Covid-19 are dependent on the level of digital maturity of the firms. There is no evidence to suggest that panic buying and hoarding of essential products that was witnessed during the initial phase of the pandemic significantly influenced the adoption of digital technologies by UK firms. This can be attributed to the short period during which panic buying and hoarding of essential products were witnessed.

5.3.1 Digitization of sales and marketing functions

The Covid-19 pandemic resulted in redesigning of product distribution and sales channels from predominantly physical retail stores to a combination of physical store and online retail where a significant proportion of products are distributed through online retail. The strategic decision by firms to digitize their sales operations enabled them to continue generating revenue during the covid-19 period due to alignment of their product distribution and sales strategy with increased consumer preference for online shopping (Piroyono et al. 2020 REF 53). Firms that have a low level of digital maturity but have considerable digital literacy digitized only their sales function in response to consumer avoidance of physical retail spaces (Piroyono et al. 2020). Firms that had digital shopping platforms before the pandemic expanded the shopping platforms after the pandemic following the increased proportion of consumers who preferred to make their purchases online. On the other hand, firms had no digital shopping platforms before the pandemic developed new digital shopping platforms during the pandemic. Redesigning of product distribution and sales channels resulted in reallocation of resources and tasks to fit the new business model. For instance, employees that were previously tasked with serving customers in physical retail stores were assigned new tasks managing online sales. Digitization of sales and marketing functions not only required development of e-commerce sites but also required development of comprehensive back-office processes to ensure flexibility and efficiency of sales and marketing operations (Fletcher & Griffiths, 2020). It also required integration of social media marketing in product promotion strategies as well as ensuring there is adequate infrastructure to support logistics and supply chain operations associated with online product distribution (Berman, 2012). Syaifullah et al. (2021) highlights the important role played by social media marketing in boosting the performance of small and medium-sized firms during the Covid-19 pandemic. The study's findings suggested that social media marketing has had a predominantly positive effect on the performance of small and medium sized enterprises during the pandemic in view of its role in; boosting sales, building customer relationships, wide reach and enabling creative product marketing (Syaifullah et al. 2021). The adoption of social media marketing is influenced by a wide range of factors some of which include; compatibility, perceived utility and perceived ease of use (Syaifullah et al. 2021). Firms with robust social media marketing capabilities have been able to effectively utilize social media marketing to boost their sales after the outbreak of the Covid-19 pandemic. The efficacy of social media marketing during the Covid-19 pandemic is also underpinned by increased online communications through social media sites among consumers (He and Haris, 2020).

5.3.2 Digitization of internal operations

A significant number of firms in the UK responded to the Covid-19 pandemic by digitizing most internal operations to minimize chances of physical contact in work place settings. According to Piroyono et al. (2020), firms with a high level of digital maturity responded to the effects of Covid-19 on consumer behaviour by increasing digitization of most internal operations. Akpan et al. (2020) highlights the role of digitization of internal operations and processes in enhancing business performance and reducing inefficiencies in internal operations. Digitization of internal operations following the global outbreak of Covid 19 has played a critical role in ensuring business survival during community lockdowns intended to limit the spread of the disease (Papadopoulos et al. 2020; Akpan et al. 2020). Digitization of internal operations enabled most internal communications to be done virtually (Akpan et al. 2020).

5.3.3 Forming partnerships with firms that have the required digital capabilities to digitize sales and marketing operations

Business establishments with a low level of digital maturity and very limited digital literacy responded to the pandemic by creating partnerships with organizations that possess the required digital capabilities to digitize their sales and marketing operations (Piroyono et al. 2020). By forming partnerships with organizations with the required digital capabilities, the firms did not spend a considerable amount of time developing comprehensive back office processes to support digitized sales and marketing operations (Fletcher & Griffiths, 2020). They also did not have to develop the infrastructure required to support the complex logistics and supply chain operations associated with digitized sales and marketing functions (Berman, 2012).

6- Conclusion and recommendations

The study highlighted the impact on Covid-19 on preference between physical store and online buying among UK consumers and the extent to which Covid-19 has triggered businesses in the UK to incorporate digital business strategies. It provided critical insights regarding digital business strategies that firms in the UK can adopt within and after the pandemic. The study's findings indicate that the Covid-19 pandemic has significantly impacted consumer behaviour. Based on the findings, the pandemic has resulted increased preference for online shopping over shopping in physical retail stores. Consumer sensitivity to the threat posed by the Covid-19 virus and government advisories to avoid crowded places are the main drivers of increased consumer preference for online shopping and consumer avoidance of physical retail stores. Consumer sensitivity to the threat posed by Covid-19 is dependent on consumer awareness of the adverse health effects of the virus.

The macro-economic impacts of the Covid-19 pandemic and the impacts of the pandemic on consumer behaviour have triggered the adoption of digital business strategies by firms in the UK. The pandemic has resulted in a considerable decline of GDP within the Eurozone which in turn has resulted in a decline in consumer purchasing power. The decline in consumer purchasing power has resulted in a decline in consumer demand for different products and services. Firms have been forced to adopt digital business strategies to ensure sustainable

revenue generation in the wake of reduced consumer demand. Increased consumer preference for online shopping in the wake of the pandemic has resulted in firms digitizing their sales and marketing operations to reduce reliance on sales from physical retail stores. Firms with a high level of digital maturity have digitized their internal operations to minimize human contact. The study's findings indicated that digitization of sales and marketing functions not only involves development of e-commerce sites but also involves development of comprehensive back office processes to support sales and marketing operations.

It is recommended that firms should digitize their sales and marketing functions in the wake of increased consumer preference for online shopping during the pandemic. In case they lack the digital literacy to develop and manage their own digital sales and marketing operations, they should partner with firms that have the required digital capabilities. Firms should make social media marketing an integral aspect of their digital marketing strategy in view of its proven efficacy of in improving firm performance during the pandemic.

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