Panic Buying During the Pandemic of Covid-19, a Case Study of a Shopping Center in the City of Padang

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ABSTRACT

Panic buying is one the impacts of the Covid-19 that has not been overcome. The purpose of this research is to analyze the influence of panic buying and customer behavior have on purchase decisions during the Covid-19 pandemic, at shopping center in Padang City, both simultaneously and partially. The number of samples from this study was 150 respondents. The data collection technique used is distributing questionnaires. Data analyze by descriptive and quantitative. The quantitative analysis used was multiple linear regression analysis using SPSS version 26 software. The results showed panic buying and customer behavior on buying decisions had a positive and significant effect simultaneously and partially. This study aims to determine how much influence panic buying, and customer behavior have on purchase decisions during the Covid-19 pandemic, a case study of a shopping center in Padang City, both simultaneously and partially. The number of samples taken was as many as 150 respondents with purposive sampling technique. The data collection technique used is distributing questionnaires. The data were analyzed by using descriptive analysis and multiple regression analysis. The results of multiple regression showed that the variables panic buying and customer behavior on buying decisions had a positive and significant effect simultaneously and partially.

Keywords: panic buying, costumer behaviour, buying decision

1. INTRODUCTION

The phenomenon of the corona virus or what we usually heat and also mention as covid-19, has an impact on the panic buying behavior of people in Indonesia. This increases the global crisis that affects economic conditions and business activities. An interesting social phenomenon observed during the COVID-19 pandemic is panic buying. Panic buying is one of the public's responses to the COVID-19 pandemic. This anxiety occurs not only because of the transmission of the virus but also anxiety about meeting the community's basic needs. [1]. Panic buying due to supply disruptions is a common problem in today's fast-paced environment, with causes including severe

weather conditions, strikes, natural disasters, and changes in government policies [2].

The occurrence of the paning buying has an impact on all sectors, especially the economy and social, because with this panic buying behavior, all middle and upper class people are flocking to prepare food and clothing materials for supplies during the lockdown [3]. Panic buying is a socially relevant phenomenon. Hoarding commodities can mimic scarcity and trigger price increases. This happens because the information is not comprehensive which makes people anxious. Can cause fear, anxiety, incecurty, and panic among those who are influenced to follow other is a form of instinct herding.

The economy of West Sumatra in the first quarter of 2020 grew by 3.92% on an annual basis, slowing down compared to the previous quarter, which grew at the level of 5.13% [4]. We know that during the pandemic, the economy of West Sumatra weakened. The slowdown is the result of the COVID-19 pandemic. Based on expenditure, the economic recession was driven by the slowdown in household consumption components, Gross Fixed Capital Formation, and net exports [4]. Household consumption was restrained due to reduced public income in line with the policy of restricting activities implemented, the closure of some businesses, and the decline in domestic and foreign tourist arrivals to West Sumatra.

In this study, researchers took a case study at a shopping center in the city of Padang. Some of the shopping centers in the town of Padang can be seen in Table 1 below. In 2020, the highest volume of visits was found at Transmart, with 138,996 visits. And what made the researchers consider choosing the object of research at Transmart was because this shopping center had the highest volume of visits during the covid-19 pandemic.

Table 1. List of Shopping Center Visits in Padang City

No	Shopping center	Visit 2020
1	Basko Grand Mall	52.236
2	Plaza Andalas	104.004
3	Transmart	138.996
4	Rocky Plaza	87.564

Source : Lakip City Padang 2021

To see the public's response during the COVID-19 pandemic, researchers want to look at panic buying and consumer behavior towards buying decisions at shopping centers in Padang City. Moving on from the phenomenon of this study, it will look at how the influence of PB and consumer behavior on BD. Academically, the fundamental contribution of the research is that it can contribute to the development of marketing concepts.

2. THE FOUNDATION OF THE THEORY

Panic Buying (PB)

Panic buying often occurs during a pandemic or epidemic which leads to fear of lack of resources. The characteristics of Panic buying behavior are sudden, uncontrolled behavior, carried out by many people, excessive, and baded on worries [5]. PB happens when consumers buy products in anticipate of product shortages during and after a disaster occurs [6]. Naturally, humans wil experience stress when in uncertainty so that panic buying behavior arises [7].

According to [8], panic buying was measured using several indicators, including the following:
1) anticipatory anxiety
2) contagious fear
3) herd mentality (meaning)
4) intolerance to uncertainty
5) weak control
6) misinformation or rumors

Buying Decision (BD)

According to [9], buying decision is all behavior that is intentionally based on the desire that is generated when consumers consciously choose one of the available alternative actions. While the opinion [10] that buying decision is the way consumers decide what to buy by the significance value of the purchase. The processes or indicators in the BD [11] as follows:

1. need recognition
2. information search
3. alternative evaluation
4. purchase decisions
5. post - purchase behavior.

Consumer Behavior (CB)

In opinion [10] CB is dynamic because the thoughts, feelings, actions of consumer, consumers in general are constantly changing. CB is the things that underlie consumers to make purchasing decisions. According to [12], CB in the direct actions that consumers engage in searching for, using, and evaluating for goods and services that they expect to satisfy their needs. Indicators of consumer behavior [10] are (1) cultural factors, (2) social factors, (3) psychological factors, and (4) personal factors.

Conceptual Framework

The conceptual framework is a description of how the research flow will be carried out. This conceptual framework helps researchers conduct structured and systematic analyses.
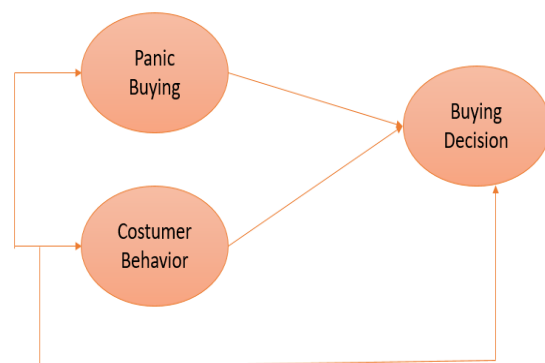
Figure 1. Conceptual Framework

Hypothesis

In accordance with the problems that have been stated above, the hypotheses of this research are:

H1   : PB has a significant effect on BD
H2   : CB has a significant effect on BD
H3   : PB and CB have a significant effect on BD

3. RESEARCH METHODS

The population in this study was people in Padang who visited the Transmart shopping center during the Covid-19 pandemic. In this study, the determination method used was purposive sampling, with the criteria of being domiciled in the city of Padang and aged over 25 years. The sample in this study amounted to 150 people. The study was conducted to obtain data by using a questionnaire. The data that has been collected will later be analyzed using data analysis methods with SPSS software version 26 with multiple linear regression analysis.

4. RESULTS

Normality test

Table 2. Normality Test Results

Total N	150
Test Statistic	62,853
Degree Of Freedom	51
Asymptotic Sig. (2-sided test)	0,123

Source: Primary Data Processed (2021)

Based on the output above, it can be seen that the value of sig. (2 sided test) of 0.123 > 0.05. This means that the standardized residual value is declared to be normally distributed.

Multiple Linear Regression Analysis Test Results

Based on the results of multiple linear regression analysis, overall of 3 variables. Used to predict the magnitude of the influence of the panic buying and customer behavior variables on the buying decision of shopping centers in Padang City, if entered into the regression equantion, the regression model is obtained as follows:

$$Y = 3{,}283 + 0{,}104\ X_1 + 1{,}063\ X_2$$

Table 3. Regression Estimation Output Results

Variables	Estimate Coefficient
Buying Decision (Y)	3,283
Panic Buying (X$_1$)	0,104
Costumer Behavior (X$_2$)	1,063

Source: Primary Data Processed (2021)

From the regression equation, it can be interpreted as follows.

1) The value of the regression constant is 3.283 and positive. This value indicates that without the panic buying and customer behavior variables, consumers still have buying decisions.

2) The panic buying variable has a regression coefficient of 0.104, which positively influences buying decisions. This means that if the panic buying variable is getting better with the assumption that other variables are constant, then it can increase buying decisions at Shopping Centers in Padang.

3) The regression coefficient of costumer behaviour (X2) is 1.063 and is positive, this indicates that the better the costumer behaviour (X2), the higher buying decision will be.

T Test Results

Furthermore, to ensure that each of the variables, namely: panic buying and customer behavior affect the buying decision partially testing. From data processing, the t_{count} value is obtained as follows.

Table 4. Results of Partial Analysis

Variabel	T count	T table	Prob	Sig	Information
Panic Buying	12,411	1,65521	0,000	0,05	Significantly influential
Costumer Behavior	16,532	1,65521	0,000	0,05	Significantly influential

Source: Primary Data Processed (2021)

Based on the data processing results on the panic buying variable, the value of t_{count} is 12.411 < t_{table} 1.65521. This means that the first hypothesis in the study is accepted, namely PB (X1) has a significant effect on buying decision (Y). Furthermore, the customer behavior variable t_{count} value of 16.532 > t_{table}1.65521, the conclusion from the result is a second hypothesis is accepted, which means that there is an influence of customer behavior (X2) on buying decision (Y).

F Test Results

This test is to find out the proposed hypothesis, namely that there is a significant effect between the variables of panic buying and customer behavior simultaneously on buying decisions at shopping centers in Padang City, proven true or not by using the F test.

Table 5. Multiple Test Results

Model	Sum of squares	df	Mean square	F	Sig
Regression	5977,321	2	2988,661	553,308	0,000
Residual	7994,012	147	5,401		
Total	6771,333	149			

Source: Primary Data Processed (2021)

From table 5, it can be seen that the f_{count} value is 553.308 > f_{table} of 3.06. This means that third hypothesis in this study is accepted, namely panic buying and customer behavior variables simultaneously has a significant effect on buying decisions at Shopping Centers in Padang City. By looking at the probability of sig. As much as 0.000 <0.05, CB and PB variables are feasible to explain the binding of BD variables.

Coefficient of Determination (R^2)

To see how much influence Costumer Behavior and Panic Buying on Buying Decision, it can be seen from the data analysis of the (R^2) which shows the proportion explained by the independent variable in the model to the dependent variable. The results can be seen in Table 6 below.

Table 6. Results of Determination Analysis

Model	1
R	0,940
R square	0,883
Adjusted R square	0,881

Source: Primary Data Processed (2021)

Based on the output in table 10, it can be seen that the adjusted R Square value is 0.881, which means that the influence of the panic buying and customer behavior variables on buying decisions is 88.1%.

5. DISCUSSION

Effect of PB on Buying Decision

From the analysis of the regression coefficient of the panic buying variable on the buying decision, positive and significant results were obtained. The more panic buying, the buying decision will also increase. During the COVID-19 pandemic, people made large purchases of consumer goods in preparation for the quarantine period at home. This panic buting behaviour is triggered by psychological factors which usually occur because information is not received evenly by the public, so it has an impact on the onccurrence of a shortage of goods caused by an imbalance between demand and income which leads to an increase in the price of goods [16]. Panic buying concerns about the shortage of consumer goods for necessary needs, thus recommending that policies be implemented to limit the perception of scarcity in society [17]. The public is also influenced by media information or rumors stating that products will experience lack and price increases. The COVID-19 pandemic has never happened before and has triggered uncertainty, making people make buying decisions. Several studies have shown that, the COVID-19 pandemic is associated with higher levels of pressure on panic buying in meeting the needs of buying decisions [18], [19], [20]. This shows that the desire or anxiety in panic buying affects buying decisions [21].

Influence of Customer Behavior on Buying Decision

From the regression coefficient analysis of the customer behavior variable on the decision, positive and significant results were obtained. Studies that examine customer behavior during a pandemic show unique characteristics. The results of research on consumer behavior on buying decisions are highly correlated and are the same as previous studies [22], [23], [24]. In this case it means that CB are all activities at the time before buying, when buying, using, spending the product after evaluating it [25]. Customer behavior is how buyers think, choose and feel about various alternatives; needs, brands, products, services, and so on [26].

Effect of PB and Customer Behavior Simultaneously on Buying Decision

From this research, it can bee explained there was a significant effect of the panic buying and customer behavior variables simultaneously on the buying decision. Panic buying and customer behavior can occur when people are driven by worry and fear of scarcity and availability of goods in the future by seeking functional benefits from the shopping process [27]. This excessive panic buying can lead to impulse buying. Based on customer behavior, it creates positive and negative public emotions in determining purchases [28]. Panic buying that occurs in the community can influence people to buy spontaneously. In the process of taking BD, consumers have goals or behaviors that they want to achieve or satisfy [28]. The buying decision is a decision taken by the buyer is a behavior that wants to be done to solve the problem [30].

6. CONCLUSION

The results of the study, it can be explained as follows: First, the measurement result show a significant effect between the variables PB on buying decisions at shopping centers in Padang City; Second, the measurement result show a significant effect between the variables customer behavior on buying decisions at shopping centers in Padang City; and Third, panic buying and customer behavior simultaneously have a positive and significant effect on BD at shopping centers in Padang City.

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