

COVID-19 QUARANTINE AND CONSUMER BEHAVIOR THAT CHANGE THE TRENDS OF BUSINESS SUSTAINABILITY & DEVELOPMENT

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ABSTRACT

Introduction: *The corona virus is all having an impact on all fields of life. In addition to the IT market, the manufacturing, retail and food markets, chemicals, electrical products, rubber and chemicals, and office equipment are often compromised. Many technological firms are experiencing storage and network constraints and are unable to satisfy consumer demand there now. Due to COVID-19 it is great concern for the organizations, firms to sustain their business and development is a question mark.*

Objective: *The study tries to know the COVID- 19 and quarantine has influenced the consumer behavior negatively or positively and similarly if these ultimately making the sustainability of Business Empire in Saudi Arabia go downwards or not?*

Methodology: *In this study the researchers used quantitative and qualitative method to analyze the results and the reliability of the hypothesis were utilized. The questionnaire and interviews were conducted through by using email, phones and through by using social media. The analysis was carried out along with reliability and KMO test to check the certainty of the hypothesis and its impact on business sustainability, development and consumer behavior.*

Results: *The customer behavior was found very poor towards the business development as the presumption has been believed, and this weakens the market world economy in the region. COVID-19 keeps the customers at home but the demands are continuously raising online purchasing and home delivery. Conversely Because of reduced of purchasing because of not having much experience of online shopping and home delivery. Due to COVID- 19 people were very choosy to buy products that had great impact on business sustainability and development and consumer behavior were found negative.*

Conclusion: *Despite this outbreak several imports are delayed, which has further weakened the country's economy. Here, the research paper highlights the reality that corona virus has destroyed the company. While evaluating, it is specifically known that COVID has negatively impacted Saudi Arabia's industry and customer base as a whole. Many plants became closed, which created shortages in the labor force now need to explore new trends, techniques and innovations to alive the market. So there is huge need of business to kick off again to fulfil the business requirements and cover the damages.*

Keywords: COVID- 19, Quarantine, Business Management, Business Sustainability, Consumer Behavior.

INTRODUCTION

COVID-19 has a broad-based influence on e-commerce, telecommunications, business travel and the economy. All of this has stolen several futures, and will be destroying more though. Therefore, growing community embraces the lockdown protocols as ways to deter steps and Saudi Arabia has also implemented the same. Despite of this epidemic, both the private and the public industries tend to be jacked up. The reality is that somehow the effect of the novel corona virus would have substantial influence on the world, industry and population is inevitable. This growing danger of unique corona virus has become a matter of public safety and will be negatively impacting nearly the entire business cycle. This has already shuttered the business's value chain. Further hampering is required of the growth and the distributors. China is the final assembly center for plenty of corporations internationally. The threat to Chinese efficiency will also undoubtedly have pitfalls. The Business sector finds it challenging to sell its services and very often confronts great difficulties when shipping their items from China to rest of the world.

Chinese market is the main manufacturer of technical equipment's, machinery, hardware and related products and any kind of issues that Chinese market suffers ultimately impact the overall economy. Comparably, the Saudi demand is also strong on the china sector and could have a significant effect on the Arab industry. In comparison, the lock-down has therefore hampered the nation's foreign trade infrastructure. The effect of the corona virus is everything. The automobile, services and products, plastics, electronic devices, silicone and plastics, and office machinery industries are also undermined in addition to the IT sect (Figure 1). Several tech firms are experiencing storage and network constraints and are unable to satisfy consumer demand there now. It could even raise the cost of these services in the subsequent derivatives if it all goes along. In fact, the e-commerce firms are struggling to cope with the crisis. Setting up the Amazon case not only works with one country but also with other nations as well. Amazon's majority of the sales come from China. Certain internet firms will still be feeling the burden of a production shortage.

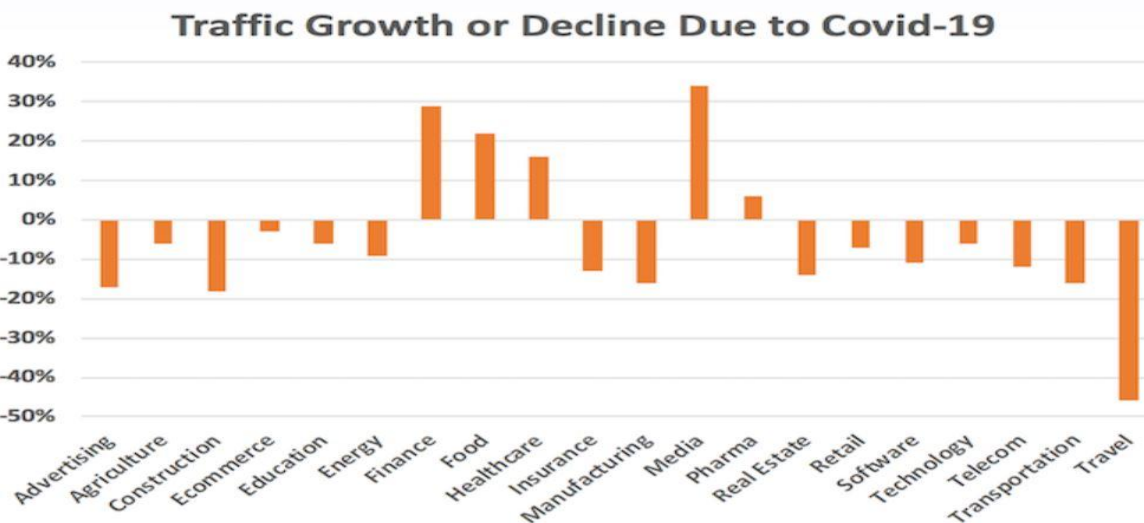


FIGURE 1
OVERALL IMPACT ON BUSINESS/CATEGORY WISE

As businesses like Apple close down their stores to help lower the price, it means less sales and less income. Yes, after their brief suspension, they will compensate their workers, although not all businesses include a financial account so others would not be prepared to do so as well.

Background of Study

The world is witness that all countries are suffering due to COVID- 19 and their GDP are downfalls. The International Labor Organization reports that 1,25 billion workers are working in sectors where the likelihood of lay-offs or pay cuts is high. That removal from the curfews would be shaky yet delaying. And even the upheaval would have enduring consequences, hiking up recent trends: rapid introduction of unproven technology; a reassessing of corporate markets; or the creation with well-connected conglomerates. According to (Tanveer & Hassan, 2020) Creativity serves as the core pillar for achieving best results in any industry so there is strong need of ideas, creativity to maintain the customers during COVID- 19.

Large companies are in a stronger shape to not only withstand the recession, but to target policymakers for funding. At least banks join this recession in much stronger condition than even the previous one. Others can however fail. Friday's March Unemployment Data should be the first to show the effect of company closures to deter the dissemination of corona virus, although the numbers - mostly focused on week ended March 14-probably followed the worse effects, or even what's expected Thursday in the unemployment claims study. Even though, that may be the first month drop in wages after 2010. It is specifically suggested that COVID has negatively impacted Saudi Arabia's industry and customer base as a whole. Without the need to waste resources on screening devices, tech applications and other ERP because the consumer's TA are cut off. There is talk of the agricultural field, no application of fertilizers, no planting and no laser and leveler system. It is plagued by textiles, ecommerce and all other sectors. Due to unseen circumstances and suddenly appears this pandemic have shaken the world and Saudi Arabian markets is having no exceptions but due to strong government policies the damage has been done very minor because of on spot decision and implementations were very strong but still the businesses are effected.

Many plants are closed and many are near to close, which created shortages in the labor force. The company owners are uncertain whether or not they would be able to maintain the firms' profitability. There are lots of forecasts that if the crisis ends right now, the deficit would take at least half a year to clean up and efficiency and survival will be in the latter stage. Customer base downsizing would inevitably impact distributors and vendors. The market is unstable. Because of the recession many people are hand-to-mouth. For an unknown and unpredictable period, much of the mill and plant owners shut down their plants. Also the smaller party is in poor condition.

LITERATURE REVIEW

COVID-19 infections have risen to 859,000 globally, and as of the morning of April 1, 42,000 deaths were due to the infection. Even so, comparatively fewer illnesses have happened in Saudi Arabia, including 1563 instances reported and 10 casualties so far (Business Matters, 2020). On March 2, the Kingdom reported their first case of COVID-19, and on March 23, the first virus-related fatality – a 51-year-old Afghani citizen in the region. While policymakers undertake major changes in reaction to the corona virus, companies are responding quickly to the

rising demands of their employees, business consumers and vendors thus addressing the strategic and administrative problems they encounter (Accenture, 2020). The use “digital services to guarantee that participants, including likely most staff, faculty have homework assignments, recordings, demonstrations and many other available information” to increase to increase the clients or customers (Tanveer et al., 2020).

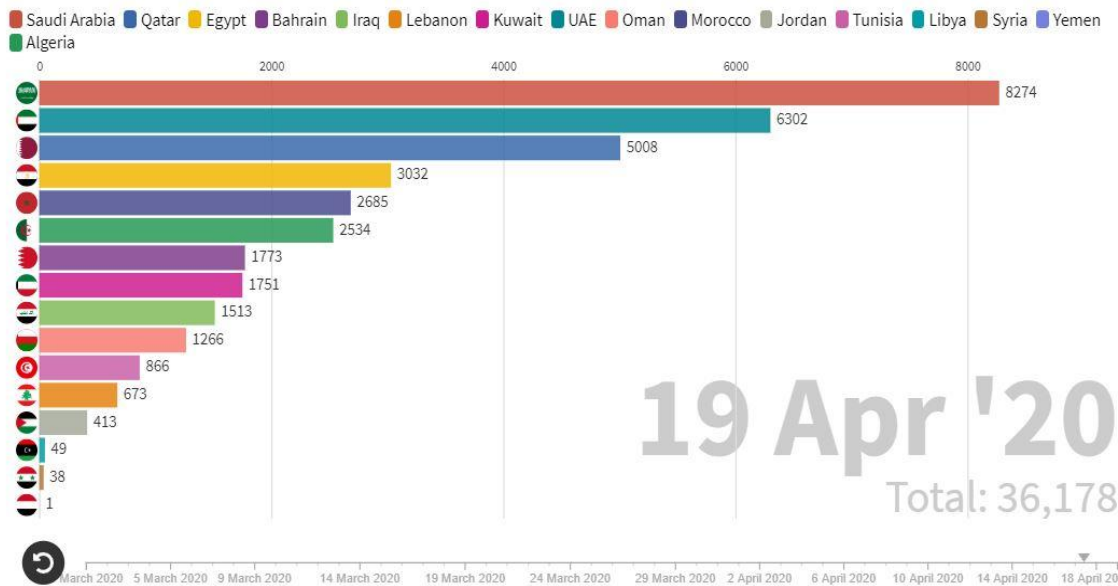
The Bain Macro Trends Group's Situational Threat Report Index integrates actual data through our own data analysis (Figure 2) to measure the adverse impact of the COVID-19 epidemic on corporate business (Harris, 2020).



FIGURE 2
BAIN MACRO TRENDS GROUP ANALYSIS, 2020

Concern is rising about the scope and effect of the COVID-19 pandemic, causing companies to evaluate their answer and the steps they need to take now to keep their company running. In this critical time the C-level executives have very critical role because they have to safeguard the productivity and ensure that the organization will work when pandemic control steps are placed into action (CIO/CISO Guide, 2020). They are trying hard to sustain the business productivity and carry on the pending tasks. The coordination is critical though. Gulf Cooperation Council (GCC) trade ministers organized a simulated conference to address the economic consequences of corona virus outbreak (COVID-19). Gulf Cooperation Council (GCC) trade ministers organized a simulated conference to address the economic consequences of corona virus outbreak (COVID-19) (Arab News, 2020). One of the main functions of the ministries was to supervise the supply and seamless distribution of essential basic goods to residents of their states. Each discussed the importance of retaining product traffic and providing airports, port facilities and land path accessible through customer transportation across GCC governments, while at the same time upholding the requirements of protective steps taken to stop the virus from spreading. The Saudi Arabian' Monetary Authority (SAMA) plans in seeing institutions rapidly introduce a loan system to “assist in sustaining rates of jobs” for a period of half a year, according to a plan seen by the press (PYMNTS, 2020). Although, further reaction to COVID-19, SAMA also suspended implementation of unfinished Basel III requirements in order to support financial institutions act. Globally, private banks have placed out immediate assistance programs even though the corona virus is forcing countries to restrict overseas travel and trigger absolute quarantine. The outbreak of Corona virus has influenced economies, lifestyles and lives. Knowing how the views and attitudes of people and customers change in this period of confusion

is critical to being able to handle and implement the correct answer successfully (The Economist, 2020). Nonetheless, for all the expenditure reductions and financial challenges that the nation faces, the government must spare no expenses in delivering health facilities for corona virus diagnosis, recovery and prevention, and has infected 238 citizens living in the kingdom to date (Mehio, 2020).



**FIGURE 3
WHO MIDDLE EAST REPORT**

King Salman supports a set of new support steps, involving SR50bn to speed up the purchase of corporate sector duties; a 30 per cent cut in power bills for households in either the business, automotive and farming sectors during April and May, with that of the potential of escalation if possible; plus SR47bn in potential medical aid financing (Universal, 2020). Certain policies involve raising the minimum wages of individual employees in the public transport industry licensed with the Public Transport Authority and forcing businesses through which the state controls more than 51% of the shares to target the local economy and channel their offerings and transactions for the advantage of SMEs (Ozili & Arun, 2020).

Objective

The study tries to know the COVID-19 and quarantine has influenced the industrial sector, production and consumer behavior negatively or positively and similarly if these ultimately making the sustainability of Business Empire in Saudi Arabia go downwards or not?

Research Questions

The study revolves around the following questions to justify the objectives of the study. The research questions are extracted from secondary research and modified for the purpose of study. They are given as under;

- Has COVID-19 affected the Saudi businesses adversely?
- How has the COVID-19 outbreak impacted the consumer's behavior?
- Is COVID-19 going to have any impact on business development and sustainability in Saudi Arabia?

Classification of Variables

COVID-19

Corona Virus happened to be a novel disease that is one of its own kinds. No one is safe, be that any gender, race or sect. It has caused a lot of deaths within one week of its occurrence. It causes acute respiratory problem and the person is no more normal. Several days of self isolation is not even a good remedy. With a lot of other industries, its impact on digital industry is ever increasing. Most of the policy makers have announced self isolating and avoiding social interaction. When the customers are locked down, there is no one to spend money on scanning systems, software solutions and any ERP. Talking about the agriculture sector, no fertilizer application, no farming and no installation of lasers and levelers is taking place. Textile, Ecommerce and all other industries are hampered.

The founders of the business are unsure if they will be able to sustain the competitiveness of the businesses or not. There are lots of estimates that if the recession begins right away, the debt would require at least half a year to clear up, so there will be productivity so sustainability in the latter. Still there is no logical explanation that can be understood but the only one that keeping away from each other can keep you safe. Many institutions are trying to remodel the concept of financial services but the consumers are not coming out to spend. Similarly the employees are homing ridden and are achieving their duties staying home. No matter how much effort they put on their task, the productivity can never be the same.

The customers that are sole beneficiary to manage the revenue of the business are considered as major key player whereas COVID-19 is considered as Independent variable. Based on the current scenario business, leader, policy makers and revenue of the business, everything is in limited state. This virus has given a sharp threshold to Saudi Arabia business industry. Keeping this in mind, the study is assuming Corona Virus as Independent Variable because it is hitting the well being of the individual and businesses around the country.

Business Industry

The overall market is experiencing severe pressure due to corona and can create a big hole in the economy. As Customers and this pandemic ultimately impact the business this is why we are considering Business economy as Dependent Variable.

Consumer Behavior

The attitude of the consumer in response to the outbreak is also considered as Independent Variable. The main reason to keep this as independent variable is that the population of the nation with reacts to this outbreak in the similar way. The customers will impact the need and supply of the services. If they are not ready to afford/purchase the services/goods the business will experience a downfall and vice versa. The purchase behavior of the customers will affect the quantity of good in store because they will try to stock most of the things. This will create huge supply demand gap and the price of the good can be expected to go up. Further, when the employees and laborers are not working in the factories, most of the

products will not be readily available in the market of Saudi Arabia. This might cause exports or imports. The overall economy can shift to either way due to customer behavior.

Since the employment contracts are suspended, most people are jobless. Consumers are not in a state of spending money. Some even are in that bad shape to spend for basic grocery items. Though government is helping them in managing their livelihood but still this step cannot come closer to the value that customers own for business.

The conceptual framework can be the following Figure 4;



FIGURE 4
CONCEPTUAL FRAMEWORK

In either case if the consumers are ready to invest in goods or products, the factories must be working to meet the demand but this COVID-19 does not allow the social interaction. So keeping the both independent variable in mind, the situation of the business sector is depending on them. The business that could get hype in this can be considered as E business because this is the only medium left to purchase goods and products.

METHODOLOGY

The researcher used both quantitative and qualitative analysis. For the quantitative analysis 80 participants who helped in filling up the survey questionnaire. These respondents are helping to conduct the analysis as to correspond on behalf of the Saudi Business sustainability. The research is being conducted by carrying out the analysis by 7 points Likert scale that will assist in gathering and compiling the data. The main purpose of the sampling data is to get to the study objectives straight to the point.

The respondents were contacted via WhatsApp first and requested to fetch some time to respond to the questionnaire. The questionnaire was emailed to them one by one and in a week's time the data was received back. It was kept considerable that every respondent took the survey with full responsibility and filled with proper knowledge and value.

It was further taken care that the policy makers are considered to be the participants who play key role in implementing the plans to the business. Similarly, they are adult and are fully aware of the business outbreak in this situation.

For the qualitative analysis the researcher used to have interviews with the managers from business industries and also researcher used self-perceptions by visiting different business sector and industries.

Procedure

To carry out the research, SPSS data analysis is being carried out. The survey questionnaire was distributed amongst 80 participants and their responses are recorded. The questions are related to the business sector impact of Corona Virus in Saudi Arabia and were responded under supervised guidance and through proper telephonic and email conversations. The following hypothesis is assumed to carry the study. This is given as;

H_1 *The outbreak is negatively impacting the Business Sustainability in Saudi economy,*

H_2 *COVID-19 is impacting the buying behaviors of Saudi Consumers.*

Data Analysis

The quantitative technique was utilized to analyze the data. The data of the responses is then calibrated in converting them in to percentages.

Demographic Variable

Table 1		
DEMOGRAPHIC VARIABLES		
Gender	Respondents	Percentage
Female	40	67
Male	20	33
Age brackets		
20-25	0	0
26-30	25	42
31-35	35	58
Monthly Income		
>15000	0	0
>15001 - 20000	5	9
>20001 - 25000	20	33
>25001 - 30000	35	58
Grade		
Junior Managers	25	42
Senior Managers	35	58

The above demographic analysis (Table 1) is mandatory to conduct the detailed analysis. The study revealed that the respondents' majority was males and maximum of them were senior managers of the different sectors of Industry. They are able to better apprehend the questions and respond them in a better way.

Reliability Test Results

The study interprets the reliability test (Table 2) to confirm the reliability of the variables that they are either reliable or not. This analysis will examine the consistency of the research.

Variable Names	Quantity	Alpha
COVID - 19	7	0.96
Business Production	7	0.94
Consumer Behavior	7	0.96
Business Sustainability	7	0.98

On the basis of the above data compilation, as seen the Cronbach's Alpha is calculated to be less than and near to 1. This reveals that the hypothesis is made and rejecting null.

Kaiser Meyer Olkin and Bartlett's Test

This study is conducted to test the data by checking the factors. The data sustainability is verified through study analysis. The sampling adequacy of each variable is tested in this model and shown in Table 3.

KMO sampling measure	0.803
Chi square approx.	1294.230
DF	81
Significance	0.001

Challenges & Results

The data analysis reveals that the Corona Virus epidemic is placing negative impact on the sustainability of the business in Saudi Arabia. Most of the businesses are experiencing low or almost no profit. The value of monthly expenditure is quite very high than the output. The customer base is continually declining since the outbreak was first revealed.

The consumer base is very low as the hypothesis was assumed and this is weakening the economy of the business world in the country. COVID-19 is keeping the consumers staying at home but the demands are continually going up. In contrast, the supply is negligible. The cost of common goods and products is increasing due to less supply and high demand and the consumer base is affected. This is ultimately creating a grey line to the Saudi business sector and this decline is predicted to go even deeper.

The lowering of customer base is automatically affecting the retailers and suppliers. The demand is uncertain. Due to the unemployment a lot of individuals are hand to mouth. Most of the mill and factory owners have shut down their factories for uncertain and unpredicted time. The lower class is even in bad shape.

As per the survey results are concluded, it is predicted that even after this pandemic is over, the economic downfall will go further to 5-6 months. This will decrease the revenue from the businesses and the economy will lower itself.

The policymakers have to wait for at least one year to enjoy the blooming market once again. This is what the surveys have identified. Most of the economy is based on import and export in Saudi market. Due to complete ban on external travels, by air or by roads, all of the trades are zero. The suppliers and distributors are upset and cannot seek betterment by any channel or good medium. Most of the products are being called from China, US and European market, that is even declined and thus there is high demands for a lot of things and supply is less.

On the other hands, there are some goods that are in good amount present but the demand is rare. So at both ends, the business sector is experiencing its worst decline ever.

The online deliveries even are delayed due to very less human to human interactions. The sellers have ordered in queue, if this is a case, but the riders are limited. So the orders are delayed. The above discussion and results fine proof the question and justifies the hypothesis. A similar report (Revert, 2020) shows that worldwide rates of fear are growing after the Coronavirus exploded. More than half of respondents when questioned about the expenditure on daily goods and products, (53.1 percent) claimed their rates of fear were 'higher' or 'much higher' from the epidemic - and just 3.2 percent claimed they felt less worried now that they had learned of the virus previously. Thus 80.7% of participants say they have stopped spending on leisure, fabric & electronics, 19.2% began stockpiling food or other supplies in the case of shortages, and 12.6% now consciously opt to buy digitally rather than head to a supermarket. Just 4 percent of the respondents stated that their actions in the aftermath of the virus should not have improved. COVID-19, no doubt is becoming a reason for Saudi market to hamper itself.

CONCLUSION & RECOMMENDATIONS

Corona Virus had emerged as the biggest disaster to the nation. As per the country that's the only survivors and has emerged out of this disease China, the only solution is to stay away from each other and a complete lock down. Discussing about Saudi Arabia, this pandemic is gradually bringing all of the industries to decline. This crisis had endangered both the health and socio economic wellbeing of country. The safety kits and most of the medical facilitation products are being imported from other countries but the situation is seemed to getting worse. They are in a position to sell these products at high cost and Saudi policy makers are willingly or unwillingly have to buy for the community.

COVID- 19 has been effecting all over the world and Saudi Arabian business industries are also suffering. Business Industries production is declining due to this demand and supply fluctuate. Consumer Behaviors towards purchasing and selling of goods, services are also declining so over all business sustainability is badly suffering and business development is not possible due to the pandemic and in the situations of lockdown.

With this epidemic most of the shipments are hindered that has further lowered the economy of the country. The research paper here illustrates the fact that the corona virus has shattered the business. On analyzing, it is clearly identified that COVID has negatively impacted the business and overall consumer base in Saudi Arabia. Most of the factories are closed and this caused the labor get unemployed. The business leaders are unsure that whether or not they will be able to sustain the productivity of the businesses. There are a lot of predictions that if the situation stops right here, yet the loss will take at least half a year to cover up and later stage will be productivity and sustainability.

It is highly recommended that more researches are conducted to monitor the loss rate with every passing month and a lot of policies are made to safeguard the situation. The need of time is to make sure that the coming situation is less alarming. The nation should be prepared to get ready for any kind of after math of this pandemic situation.

Moreover, the situation assured that no business group was prepared with any type of contingency plan in the nation. The business owners either are shutting off the businesses or they are taking a pause to let this outbreak pause.

There is very strong need of to explore new trends, technologies and innovations for to keep customers and for the business development. Stay home and fulfill the life requirements

through to find out new ways of online shopping, trends, techniques to produce and deliver goods and services.

There have been many case studies of the organizations that have good financial books and their business is not finished but still the staffs are suspended for uncertain time. There is only one thing that everyone can do, stay home stay home, work from the home and wait for this roar pass.

Recommendations for the business industries during COVID-19 just concentrate on to fulfil the needs, to meet the expense and later on after COVID-19 concentrate on sustainability and development of business.

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