

The impact of social media on personal shopper phenomenon in the covid-19 era

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ABSTRACT:

Since the COVID-19 outbreak, there are many sectors are depending on the internet, such as the marketing. Nowadays, Indonesia becomes the highest number of online shopping services in Southeast Asia, due to many sellers running an online or an e-commerce site besides the offline store. The latest trends also indicate that Southeast Asia will continue to enjoy double-digital growth in e-commerce spend well into the next decade, fueled by increasing numbers of internet users, greater familiarity with online shopping, and improved consumer spending power. This research elaborated on the phenomenon of personal shopper that significantly increases in this Covid-19 era. For this study, researcher used a series of observations, interviews, and the examination of documents and literature review to complete the data. Based on the results of interviews and participatory observations, the researcher concludes that there is an impact on changing the behavior of consumers who usually shop offline to online. According to personal shopper services, there is a dramatic increase in demand for various types of products since the implementation of social distancing regulations by the government during this pandemic.

Keywords: personal shopper, covid-19, social media, consumer behavior

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Research Background

The Covid-19 pandemic that is currently hitting the world, many countries have closed their borders, limited the movement of their citizens, and even confined citizens in quarantine within their homes for weeks. This is a rather unique occurrence, as we are used to freedom of movement, but in the midst of the pandemic outbreak, people have been fined just for being outside. Although our societies seem to be very accepting of these limitations and condemn people that do not follow the rules, but we need to ask ourselves how this will affect the views of our society¹.

According to the Worldbank, Indonesia is the largest economy in Southeast Asia, has charted impressive economic growth since overcoming the Asian financial crisis of the late 1990s. Furthermore, Indonesia is the world's fourth most populous nation, the world's 10th largest economy

in terms of purchasing power parity, and a member of the G-20. Prior to the COVID-19 crisis, Indonesia was able to maintain a consistent economic growth, recently qualifying the country to reach the upper middle income status². Although Covid-19 has certainly affected Indonesian people's lives, both in health and social and economic aspects. The current outbreak has had severe economic consequences across the globe, and it does not look like any country will be unaffected. This not only has consequences for the economy; all of society is affected, which has led to dramatic changes in how businesses act and consumers behave³.

Another consequence of the physical distance that implemented by the government, is the extreme increase in the usage of Internet and social media. Previous research has indicated that humans who feel lonely tend to use social media more and, in

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<https://www.worldbank.org/en/country/indonesia/overview>

³ Donthu and Gustafsson.

¹ Naveen Donthu and Anders Gustafsson, 'Effects of COVID-19 on Business and Research', *Journal of Business Research*, 117 (2020), 284.

some cases, even prefer social media over physical interaction⁴. Furthermore, the COVID-19 outbreak is likely to cause bankruptcy for many well-known brands in many industries as consumers stay at home and economies are shut down⁵. There are many industries are affected such as the travel industry, airlines and tourism destination which is deeply affected and in United States, 80% of hotel rooms are empty⁶.

While some businesses are struggling, some businesses are thriving. Such as in Indonesia, there is one of the interesting things for further review is the change in consumer behavior. According to a survey conducted by one of the leading marketing research bureaus in Indonesia (MarkPlus, Inc), online shopping activity has increased from 4.7% to 28.9% after the Covid-19. Moreover, the report provided by the Ministry of Communication and Information (Kemenkominfo) noted that online shopping activities increased by 400 percent during the Covid-19 pandemic.. This is true for a number of Internet-based businesses, such as those related to online entertainment, food delivery, online shopping, online education, and solutions for remote work are seeing unprecedented growth recently

The Indonesian government supports this online shopping as new phenomenon, due to the COVID-19 pandemic outbreak has forced many businesses to close, leading to an unprecedented disruption of commerce in most industry sectors. The reason is because online transactions could reduce crowds or carry out physical distancing, online shopping can also minimize cash transactions. As known,

cash transaction is one of the transmissions for the spread of Covid-19. The federal bank of Indonesia has urged the public to use the invented of financial technology rather than traditional payment. This massive change in consumer behavior has also attracted many companies to involve in data and artificial intelligence (AI) and conduct survey current behavior changes.

The survey results concluded that two consumer behaviors that risen, namely The Adaptive Shopper and the Working-from-Home Professional. This change in behavior which is said to be The Adaptive Shopper occurred because since the distance limitation was announced, the use of shopping applications has increased by up to 300 percent. Applications that are widely used are shopping applications that sell various kinds of daily necessities, as well as special applications for buying and selling used goods. The consumers in Indonesia, especially the middle and upper class, have adapted to this new world, they are turning to new ways to fulfill their needs and desires. Whereas Working-from-home Professional can be said for most workers in Indonesia, working-from-home is the same as working in normal situations, they continue to do work, collaboration, communication, and meetings as usual.

In this study, the internet will facilitate the buyer to have the products they want through a personal shopper. It shows that consumers need more connections with the seller than with the retailer⁷, thus it creates business opportunities for a personal shopper⁸. A personal shopper is a job where people help others in shopping, Personal shoppers are considered as a very helpful service since it helps saving time, money, and energy. Customers can easily browse the products needed,

⁴ Rebecca Nowland, Elizabeth A Necka, and John T Cacioppo, 'Loneliness and Social Internet Use: Pathways to Reconnection in a Digital World?', *Perspectives on Psychological Science*, 13.1 (2018), 70–87.

⁵ Hank Tucker, 'Coronavirus Bankruptcy Tracker: These Major Companies Are Failing amid the Shutdown', *Forbes*, 2020.

⁶ L Asmelash and A Cooper, 'Nearly 80% of Hotel Rooms in the US Are Empty, According to New Data', *CNN* <https://edition.cnn.com/2020/04/08/us/hotel-rooms-industry-coronavirus-trnd/index.htm>, 2020.

⁷ Nadine Budd and others, 'Store-Directed Price Promotions and Communications Strategies Improve Healthier Food Supply and Demand: Impact Results from a Randomized Controlled, Baltimore City Store-Intervention Trial', *Public Health Nutrition*, 20.18 (2017), 3349–59.

⁸ Nuning Kurniasih, 'Customers Information Behavior of Indonesian Personal Shopper on Instagram', *Humanities & Social Sciences Reviews*, 7.4 (2019), 237–44.

contacting personal shopper services, transfer the money, and wait for the products arriving home. This study aims to investigate the impact of social media and customer behavior form the phenomenon of shopping entrusted goods services in the Covid-19 era. The research questions are :

1)How long have you been working in this personal shopper business?. 2).How many days in a month do you do this business? 3)How do you make a profit in this business? 4)How to find people who need your services as a personal shopper?. 5)What types of goods are often ordered by consumers and use your services? 6) Are there any regular customers who are loyal to your services? 7) How do you maintain a commitment so that customers remain loyal to use your services? 8) Are there any terms in ordering goods with your services? 9) During the Covid-19 pandemic, is there an increasing number in your services? 10) Are there differences in the use of media when providing your services before the Covid-19 pandemic era and recently? 11) How do you maintain your business to continue and grow, especially amid the current Covid-19 pandemic

The results of this study are expected to contribute to the development of online business in Indonesia, including information on the impact of social media and consumer behavior.

Literature Review

The impact of the Covid-19 on marketing has drawn the attention of many researcher, and marketing around the world. Although it's too early to comment on the how consumer and organization⁹. According to Thurlow "New communications technology has been developed that allows people to communicate almost instantly across great distances, in effect shrinking the world faster and further than ever before. A worldwide communications network whose cables

spanned continents and oceans, it has revolutionized business practice" ¹⁰.

The COVID-19 epidemic shows the critical impact of this new information environment. The information spreading can strongly influence people's behavior and alter the effectiveness of the countermeasures deployed by governments¹¹. Moreover, social media is a very easy and cost effective way to reach out to current and potential customers¹². Based on the above opinion regarding the development of communication technology, everyone can establish communication without limits, faster than before, so that this opportunity is used by some people as a business opportunity, and participates in changing people's lifestyle in shopping, an application that can establish communication quickly and can be used as a business opportunity. Furthermore, Hagel explained that by adapting to the culture of these networks, however, and by giving customers the ability to interact with each other as well as with the company itself, businesses can build new and deeper relationships with customers¹³. To be able to succeed in the world of online business, trust is needed by consumers so consumers decide to buy products at online stores. Trust is one of the most important factors that must be invested and given by the seller to the consumer so that the consumer trusts the online store and decides to buy the product¹⁴.

A commercial success in the on-line arena will belong to those who organize virtual communities

¹⁰ Crispin Thurlow, Laura Lengel, and Alice Tomic, *Computer Mediated Communication* (Sage, 2004).

¹¹ Matteo Cinelli and others, 'The Covid-19 Social Media Infodemic', *ArXiv Preprint ArXiv:2003.05004*, 2020.

¹² Eman Wally and Swapna Koshy, 'The Use of Instagram as a Marketing Tool by Emirati Female Entrepreneurs: An Exploratory Study', 2014.

¹³ Arthur Armstrong and John Hagel, *Net Gain: Expanding Markets through Virtual Communities* (Harvard Business School, 1997).

¹⁴ Ayuningtyas Y Hapsari and Mohd Haizam Mohd Saudi, 'The Importance of Personal Shopper's Services to Support Consumer Mobility', *International Journal of Engineering & Technology*, 7.4.34 (2018), 327–30.

⁹ Jitendra Patel and Ajay Malpani, 'Impact of Covid19 on E-Marketing: An Early Stage Review', *International Journal of Advanced Science and Technology*, 29.12 (2020), 1774–79.

to meet multiple social and commercial needs. By creating strong virtual communities, businesses will be able to build membership audiences and use those audiences to bring in revenues in the form of advertising, transaction fees, and membership fees. Once they are satisfied with their experience, they will have greater intentions to purchase¹⁵.

Moreover, according to Medrano in his research of consumer behavior in shopping streets, service quality, and personal attention are important factors in the dimensions of customer behavior¹⁶. Ultimately, technological developments and globalization have implications for the transformation of consumer behavior both at the macro level and at the micro-level¹⁷. The development of online business is influenced by the value offered by digital media, namely speed, relevance, and reach of campaigns¹⁸. As a consequence of the values expected by the customer as the outcomes that include value, brand, a new mode, balanced relationships, customer satisfaction, leadership spending opinions, confidence, acquisition, retention, and profitability¹⁹.

However, purchases of goods or services are not always planned. There are times when consumers decide to buy goods or services spontaneously or unplanned. This behavior is called impulse buying. Impulse buying theories were developed by Hawkins Stern. Impulse buying is characterized by a quick purchase decision when

consumers see or get a quote on goods or services and want to have it immediately, without thinking of the consequences²⁰. More over, online shopping behaviors include browsing, comparing, evaluating, and decision-making²¹ and online purchasing behaviors are the acts in which consumers actually pay for goods over the Internet²².

According to Muchtar, personal shopper can be interpreted generally as an opportunity or business service to buy ordered goods requested by service users by utilizing technology or social media for marketing. The social media applications that are often used are Instagram and WhatsApp²³.

Methodology

This research study uses virtual ethnography as a research method. Virtual ethnography refers to an ethnographic research approach that is carried out in the online setting (the Internet). Ethnographers, who are interested in studying culture often engage in fieldwork to immerse themselves in the culture they are studying. In the same way, virtual ethnographers study online communities and culture. They conduct their research on the World Wide Web.

Virtual Ethnography has been termed differently by various researchers and different disciplines. One term that has become particularly popular was coined by Robert Kozinets. He combined the words 'internet' and 'ethnography' to come up with

¹⁵ Hairong Li, Terry Daugherty, and Frank Biocca, 'Characteristics of Virtual Experience in Electronic Commerce: A Protocol Analysis', *Journal of Interactive Marketing*, 15.3 (2001), 13–30.

¹⁶ Natalia Medrano and others, 'Consumer Behavior in Shopping Streets: The Importance of the Salesperson's Professional Personal Attention', *Frontiers in Psychology*, 7 (2016), 125.

¹⁷ Americus Reed II and others, 'Identity-Based Consumer Behavior', *International Journal of Research in Marketing*, 29.4 (2012), 310–21.

¹⁸ David Benady, 'How Technology Is Changing Marketing', *The Guardian on Monday September*, 2014.

¹⁹ P K Kannan, 'Digital Marketing: A Framework, Review and Research Agenda', *International Journal of Research in Marketing*, 34.1 (2017), 22–45.

²⁰ Jacqueline J Kacen and Julie Anne Lee, 'The Influence of Culture on Consumer Impulsive Buying Behavior', *Journal of Consumer Psychology*, 12.2 (2002), 163–76.

²¹ Heejin Lim and Alan J Dubinsky, 'Consumers' Perceptions of E-shopping Characteristics: An Expectancy-value Approach', *Journal of Services Marketing*, 2004.

²² Young Ha and Leslie Stoel, 'Internet Apparel Shopping Behaviors: The Influence of General Innovativeness', *International Journal of Retail & Distribution Management*, 2004.

²³ Bela Annisa Rizqika Mufti and Trisha Gilang Saraswati, 'Analisis Faktor-Faktor Yang Mempengaruhi Keputusan Pembelian Konsumen Pada Penyedia Jasa Titip Beli@ Goodsxakha', *EProceedings of Management*, 6.1 (2019).

'netnography'²⁴. Other terms used to describe ethnographic research online are digital ethnography, online ethnography, and cyber ethnography. Kozinets provides a concise definition of netnography (or virtual ethnography). He describes it as "ethnography conducted on the Internet; a qualitative, interpretive research methodology that adapts the traditional, in-person ethnographic research techniques of anthropology to the study of online cultures and communities formed through computer-mediated communications"²⁵.

Virtual ethnography is an ethnography research within the online environment or virtual world as the research site. Ethnography on the internet (virtual) can see how the technology is used in detail²⁶. On the virtual ethnography, the ethnographer (researcher) can gather data from the online environment and using the method of data collection computer-based²⁷.

This study is based on a virtual ethnography method, in which the WhatsApp group is the research site to gain a detailed description of the personal shopper and customer of 'JastripWhatsapp members'. The data collection of virtual ethnography is online-based and from the virtual environment. The object of this study is the members of Jastrip WhatsApp group. This group has the maximum members (as much as 256 members), and it is either increasing or decreasing when there is any members left the group or deleted by the group admin. The informant chose using a purposive sampling technique. In-depth interviews are done with six active members and one admin. One of the researchers is the member and also doing observation as a participant. Triangulation is done by method and data source triangulation, by

employing participatory observation in the Jastrip WhatsApp group; researchers triangulation, by comparing the field findings of each researcher and theory triangulation, by comparing the field findings with the existing theory.

Results and Discussion

The rise of online sales businesses that use applications such as WhatsApp has also changed people's behavior in online shopping. When conducting an online survey of 6 respondents aged around 27 - 40 years and has undergone approximately 1 or even 4 years in the sales business by utilizing the WhatsApp application, it can be concluded that this personal shopper business is very profitable, how to profit from it. Some respondents even get profit by increasing the price by a percentage ranging from 10% to 30% of the price of the goods to be sold.

Consumers who need this personal shopper service usually start from a close friend then become a loyal customer. Some sellers even take advantage of social media like Instagram and make posts on Facebook to promote their services. There are many types of goods are sold, according to the orders from buyers, usually, the items that are often sold in this Whatsapp group are foods, fashion items, make-up items, medicine, and vitamins. Many various attempts have been made to increase buyer loyalty and use this service, such as providing discounts and free shipping.

When the covid-19 outbreak began in Indonesia, the government applied physical distancing rules, in this kind of situations, some people took the advantage of social media and the marketplace. This opportunity was also exploited by those who were in the personal shopper business. At the beginning of the Covid-19 pandemic, online sales and purchases were growing, and it affected the amount of the sales demand from the personal shopper business through social media. One respondent even felt that before the pandemic, she never had many customers such as recently. During this unprecedented time,

²⁴ Robert V Kozinets and Russell W Belk, 'Netnography 2.0. Handbook of Qualitative Research Methods in Marketing', Cheltenham, UN e Northampton, MA: Edward Elgar Publishing, 2006.

²⁵ Kozinets and Belk.

²⁶ Christine Hine, *Virtual Ethnography* (Sage, 2000).

²⁷ Kurniasih.

So that during the Covid-19 pandemic, many personal shoppers tried to prioritize consumers by serving consumer demand for the goods needed, as always promoting their products and services on social media to survive and grow their services.

Limitation and Further research

Our study is limited to Whatsapp social media data, which, of course, do not represent all the social media platform. Our case analysis is focusing on personal shopper by Jastrip whatsapp group. Further research is required in model development, which includes all relevant factors of consumer behavior, social media and personal shopper.

Conclusion

Based on the results of interviews and participatory observations, the researcher concludes that there is an impact on changing the behavior of consumers who usually shop offline to online. According to personal shopper services, there is a dramatic increase in demand for various types of products since the implementation of social distancing regulations by the government during this pandemic.

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