

Changes in Taiwan's Economy and Consumption After the End of the Epidemic

Li-Wei Lin *

School of Information, Zhejiang University of Finance and Economics Dongfang College, Zhejiang, China
Email: linlw1982@gmail.com

Shih-Yung Wei

Yulin Normal University, China

Zhu-Ji

School of Information, Zhejiang University of Finance and Economics Dongfang College, Zhejiang, China

Yun-Han Zhang

School of Information, Zhejiang University of Finance and Economics Dongfang College, Zhejiang, China

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Abstract

This article examines the impact of 19-COVID-19 on Taiwan's economy from the end of 2019 to June 2020. The epidemic has caused a huge impact on the sales of brick-and-mortar stores. Consumers are reluctant to buy products and consume abroad, including catering industry, tourism industry and transportation industry. We mainly investigated consumers' purchase of physical stores and virtual stores, and found that consumers liked to sell and buy in virtual stores and platforms during the outbreak of the epidemic. In Taiwan, when the epidemic was about to end in late May and early June, consumers gradually changed from virtual stores to physical stores. Such a change can be seen that consumers have gradually changed from virtual stores to physical stores. This study mainly investigates the relevant factors such as consumers' buying behavior, government policy incentives to stimulate consumption, and impulsive buying behavior change. We surveyed consumers with a sample size of 150 and recycled 123 copies. The main purpose is to investigate whether the difference in consumer satisfaction is caused by the epidemic. This study finds that the overall epidemic situation has a positive relationship with consumers' buying behaviors, including online shopping during the epidemic and offline buying after the epidemic, which has a certain impact on consumers' buying behaviors.

Keywords: Consumer buying behavior; Incentive consumption; Stimulate consumption; Impulsive buying behavior change.

1. Introduction

Covid-19 has caused loss to many people around the world and has a significant impact. We mainly conducted a survey on the consumers in Taiwan, and we could see the changes of the whole Economy and consumption power in Taiwan if the consumers encountered such an emergency. The epidemic caused consumers to stay at home, and the outbreak led to the emergence of consumers' impulsive buying behavior. This research combines marketing, economics, psychology and other disciplines to write this article. We mainly want to investigate consumers' satisfaction through the simulation of online shopping before the epidemic, impulsive purchase in physical stores after the epidemic, government policies to stimulate consumers to purchase and other related factors. We illustrate the theoretical support of the whole paper through social support theory. Barger and Grandey (2006), mentioned emotional factors, including product brand and consumer satisfaction. Oliver (2010), pointed out that consumer satisfaction is the judgment and service of goods, and behind consumer satisfaction is the happiness of shopping. Whether all online and offline products and services are provided with the same products and services as before the outbreak. We conducted a survey based on the market in Taiwan and tracked consumers' shopping habits and patterns during and after the outbreak. We found that consumers shopped in physical stores as normal before the outbreak. While consumers began to shop online after the outbreak. There are interesting economic consumption phenomena between them, which are worth discussing and recording. Customer satisfaction needs to be standardized and investigated, which can be provided to businesses and governments as reference materials on policies. After all, 19-COVID is an emergent emergency, which will have a significant economic impact on any country or region. This incident will also change people's life and buying habits.

First of all, let's talk about the consumer shopping mode during the outbreak of the epidemic. During the outbreak of the epidemic, consumers like to shop online. Due to the transmission force of the virus, human-to-human transmission will occur, and many consumers will buy the goods they want online. During the epidemic, Liang *et al.* (2011) could only share many consumers' information online or participate in the whole shopping mode because many consumers could not buy in physical stores. Phang *et al.* (2013), pointed out that consumers can further enjoy the whole fun and pleasure of shopping because of the pleasure and interest of shopping. After the end of the epidemic, consumers began to shop and purchase in physical stores according to the overall situation. By purchasing in such actual stores, consumers were allowed to stay at home for too long due to the epidemic, resulting in

*Corresponding Author

impulsive purchase in physical stores. This study combines psychology, marketing, economics and other related disciplines, and has a certain contribution and value in the whole article. Our research is considered from the perspective of consumers, including consumers' shopping habits and overall consumption process, which has a certain influence on the research value. The change of coVID-19 to the living habits of people around the world is worth studying.

In the writing process, we also include the situational factors of consumers, and consumers will decide whether to buy those products or not in the situational process. These situational factors include the shopping environment of the whole virtual store and whether different commodities attract the attention of consumers. These include whether consumers are stimulated and perceived by the eyes in the process of purchase. These series of studies are really worth observing and studying.

Impulsive buying is mainly a situation that occurs after the outbreak of the epidemic. Consumers turn to impulsive buying in the process of purchase. The main reason is that during the outbreak, many consumers had to go to virtual stores. For consumers, virtual stores can only be purchased online with VR or AR glasses. For some consumers unable to meet their shopping desires and needs, such a way is worth discussing one of the factors.

From the end of 2019 to June 2020, the epidemic in Taiwan is gradually slowing down, so the government's policy has gradually opened up to consumers to shop in brick-and-mortar stores. In order to stimulate the economic loss of the whole physical stores in the past six months, Taiwan's government launched the consumption coupons for consumers to spend. These measures are mainly in the hope of saving Taiwan's physical stores from the epidemic and stimulating the economy.

2. Literature Review

2.1. Consumer Satisfaction

Customer satisfaction is one of the key factors for both physical stores and virtual stores. [Nicholls and Gilbert \(1998\)](#) Consumer satisfaction can be viewed as the overall consumer satisfaction through a questionnaire ranging from very satisfied to very dissatisfied. Consumer satisfaction is mainly to measure its reliability and validity. The overall consumer satisfaction can be measured and analyzed based on its reliability and validity. [Peter \(1979\)](#) pointed out that satisfaction is a measure of psychological factors. Consumer satisfaction is one of the important conceptual factors for both online consumption during the epidemic and offline consumption after the epidemic.

This study applies the concept of consumer experience to think about consumer satisfaction. Will consumers feel it worthwhile to buy products in the process of shopping? Or a sense of pleasure in the process of shopping, a series of processes belong to consumer satisfaction. [Brakus et al. \(2009\)](#); [Lemon et al. \(2016\)](#) proposed that consumer value experience can awaken many consumers' memories and information. [Wang et al. \(2007\)](#), proposed that sensory attraction should be combined with social support and emotional factors. [Bart et al. \(2005\)](#), proposed that consumers would have some uncertain factors in the online shopping process, so some online platforms would provide some experience tools for consumers to shop online. The factor of customer satisfaction can affect the whole shopping process, and it is worth considering one of the factors in designing the whole article.

2.2. Buying Situation

Will the consumer be influenced by the whole situation to decide whether to buy the product or not? These situational factors will directly or indirectly affect consumers' shopping factors. These expected factors depend on one of the psychological factors of the consumer's purchase. Many stores also want to know which factors influence the decisions consumers make during the purchase process. [Hansen \(1972\)](#), pointed out that the situation has a prediction process for consumers, and many marketers will apply the situation to the consumer process to observe and predict. Regardless of the platform or the actual physical store, the overall service quality of the store can be seen. The main key is the interaction and actual experience process. [Thorndike and Robert \(1947\)](#), pointed out that individual characteristics can cause some consumer feedback factors, which can be one of the factors that influence any decision an individual makes. We take situational factors into account, and the main thing to look at is under what circumstances will consumers make decisions? In previous studies, many scholars have incorporated VR and AR factors into the whole online buying context process. Some situational factors may cause consumers to be influenced by their preferences in the process of purchasing. What products consumers like has a very important influence factor on consumers.

2.3. Impulse Buying

Impulse buying has certain appeal and influence on consumers. And some of the previous studies have looked at what are the circumstances that lead to impulsive buying? [Lin \(2020\)](#), mentioned that consumers' purchase behaviors may be caused by advertisements or some information they see. [\(Lin, 2020\)](#) points out that the latest 5G technology equipment in 2020 will accelerate consumers' rapid purchase in the purchase process, which is called impulse purchase. Impulse buying is a variable worth studying, in which the whole purchasing behavior and motivation of consumers can be understood. It's interesting to see how consumers' overall consumption patterns change before and after the epidemic. A lot of news mentioned whether consumers would make retaliatory purchases after the epidemic. That is to say, during the epidemic, consumers were not allowed to go out to buy things, and then switched from virtual platforms to physical stores after the epidemic.

2.4. Government Policy Promotes Consumption

The end of 2019 to June 2020 will be an unforgettable time for the world. The global economic impact of the epidemic is enormous. Including Taiwan, due to the impact of the epidemic, the government also needs to propose a consumer stimulus package for businesses. These policies are mainly to stimulate the economic loss of the whole epidemic, including many stores and the government also jointly proposed the concept of promotional coupons. Including McDonald's, Watsons and other merchants jointly proposed the amount of full amount and the amount of rebate to consumers. Such a series of policies should mainly address the economic losses of the whole real economy in the past six months and encourage consumers to spend and shop more.

3. Research and Design

In this study, four variables are designed, which are three dependent variables and one function variable. Through the design of hypothesis testing and the investigation and explanation of operational variables, we can understand the overall causal relationship. As the objects of this study are online friends such as Rakuten shopping, PCHOME24 and Blogging.com in Taiwan, we will communicate with them on social media and fill out questionnaires to further understand their ways of paying attention to and buying Lego. This questionnaire adopts the form of online survey, which is mainly put into the fans group of Taiwan social platform and friends around, asking them to help fill in the questionnaire. In this survey, a total of 150 questionnaires were issued, and 123 were finally recovered, with a recovery rate of 77%. After incomplete filling and uninformed questionnaire items were eliminated, 114 valid questionnaires were obtained, with an effective rate of 76%.

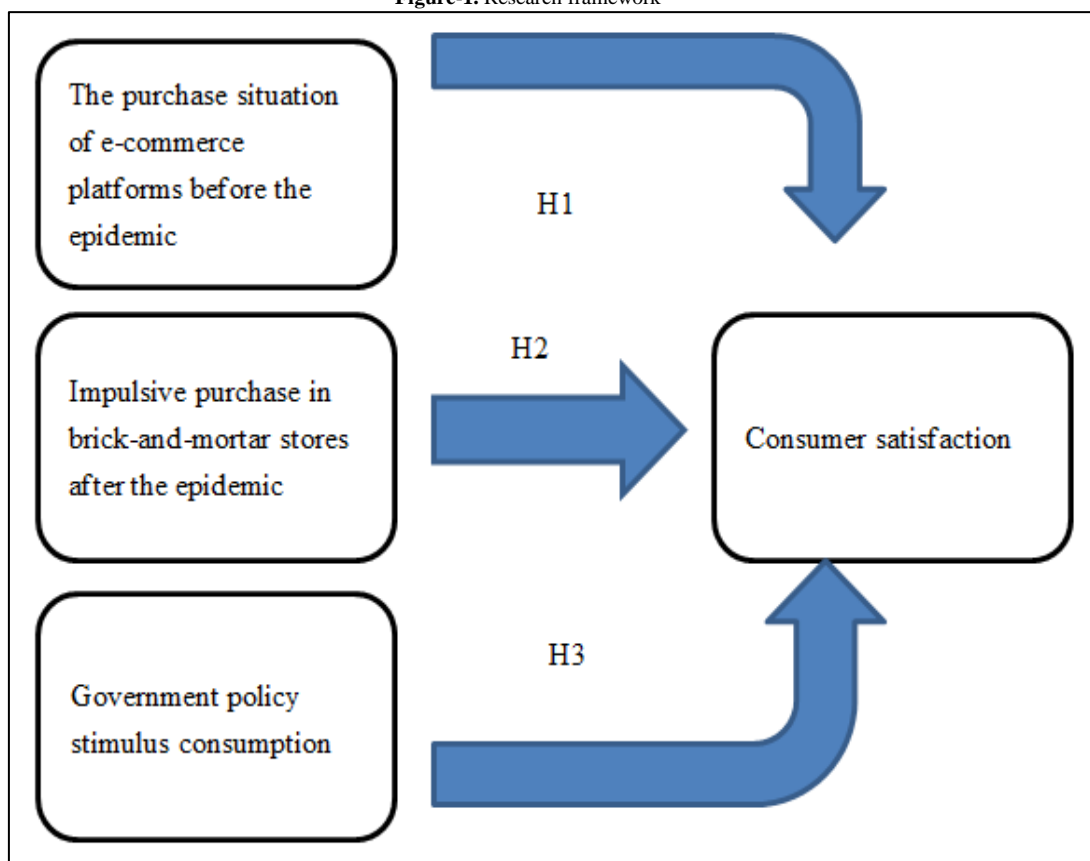
In this study, the structure of the study is designed by means of investigation. Three hypotheses are designed respectively to illustrate the following hypotheses :

H1: The purchase situation of e-commerce platforms before the epidemic has a positive correlation with consumer satisfaction

H2: Impulsive purchase in brick-and-mortar stores after the epidemic has a positive correlation with consumer satisfaction

H3: Government policy stimulus consumption has a negative correlation with consumer satisfaction

Figure-1. Research framework



4. Data Presentation and Analysis

In this study, multivariate statistical analysis was conducted by means of statistical analysis SPSS, and four variables were used for the entire statistical analysis. Descriptive statistics were used to analyze the overall status of consumer questionnaires. Descriptive statistics such as the consumer's gender, age, education level and annual income were included for analysis. We mainly analyze the causal relationship to see whether the intensity of the overall causal relationship is positively or negatively correlated.

Table-1. Sample description analysis

		Frequency	Percentage
Gender	Male	91	80%
	Female	23	20%
Age	Under 10	9	1%
	10-19	39	32%
	20-39	48	64 %
	Above 40	18	4 %
Educational Background	Below high school	9	25%
	Junior college	39	42%
	Undergraduate	48	32%
	Master degree or above	18	1%
Annual salary (ten thousand)	Under 10	28	25%
	10-30	48	42%
	30-60	37	32%
	Above 60	1	1%

- (1) As shown in Table-1. Sample description analysis, males and females account for the majority of the surveyed population, about 80% and 20% respectively.
- (2) There is one sample of respondents under the age of 10 in this survey. There were 35 samples aged 10-19 years, accounting for about 30% of the total sample. There were 73 samples aged 20-39 years, accounting for over 64% of the total sample. There were five samples aged 40 and over, accounting for about 4% of the total sample.
- (3) In terms of education level, about 7% of the respondents had a high school degree or below, about 34% had a junior college degree, about 42% had a bachelor degree, and about 15% had a master degree or above. It can be seen that the object of this survey has a high level of education.
- (4) In this survey, 48 samples with annual income of 100,000-300,000 yuan were the most, accounting for about 42% of the total samples. The second is annual income of 300,000 to 600,000 yuan, with 37 samples, accounting for about 32% of the total sample. There were 28 samples with annual income below 100,000 yuan, accounting for about 24% of the total sample. About 0.8% of the respondents had an annual income of more than 600,000 yuan.

In general, the sample features are concentrated in men aged 20-29, with a bachelor's degree and an annual income of 100,000-300,000 yuan.

5. Summary and Conclusion

The biggest research purpose of this paper is to solve the consumption power of COVID-19 to Taiwan's overall economy in 2019. The impact of the epidemic has led to a change in the purchasing and consumption status of consumers in Taiwan. Through the observation of virtual stores and physical stores, we can learn that the consumption relationship before and after the epidemic has a certain positive relationship to develop. The following Suggestions are given by the following researchers in this study:

(1) Subjects of the questionnaire

The subjects of the questionnaire can be divided into consumers in some counties and cities, and different counties and cities or towns can be analyzed and investigated. In this way, it can be seen that the overall consumers in urban and rural areas have different consumer groups due to the epidemic. Such an economic phenomenon is worthy of further study and investigation.

(2) Research variables

This study mainly considers these variables based on some purchasing behaviors of consumers. Future researchers can design from the point of view of the manufacturer, so as to start from the point of view of the supplier to the consumer, I believe it will be helpful to the overall economy. This emergency has had a major impact on both suppliers and consumers around the world.

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