Changes in Consumer Purchasing Behavior of Cultural and Creative Products During the COVID-19 Pandemic

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Abstract
The COVID-19 pandemic that began in 2020 has led the changes of many business models, including rapid growth in e-commerce that had made the change of consumers’ shopping behavior from physical to online shopping. This study takes Taiwan’s cultural and creative industry as an example to understand the relationship between the development of e-commerce and the design of commodity packaging during COVID-19, as well as the changes in consumer consumption patterns during the epidemic period. After exploring more than a dozen cultural and creative brand operators in the target research area using qualitative research methods, this study found that the epidemic has indeed affected the sales of some cultural and creative brands, but through the change of packaging design, consumers’ visual perception stimulates the sales of goods and re-established pay attention to the cultural and creative brands when add some new packaging designs, and bring positive effects on e-commerce sales to the brand. Also, the good packaging design brought some more attention and procurement of goods, and also brings the effect of quality improvement.

Keywords E-commerce · COVID-19 · Cultural and creative industries · Packaging design

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1 Introduction

The COVID-19 pandemic significantly changed global human behavior, especially in business transactions. When physical sales operators experienced a decrease in sales during the pandemic in Taiwan, many began moving from offline to online transactions. This change greatly impacted consumer purchasing behavior. For example, when shopping in a store, consumers can access the actual goods. However, when shopping online, they can only evaluate the goods in a “long-distance” way. Nevertheless, digital technologies have increased the ease of online shopping, resulting in the subsequent development of e-commerce (electronic commerce) and making online transactions quite prosperous. Cultural and creative products could now be sold using new packaging designs. Indeed, from Europe to America to Asia, cultural and creative industries have gained global value, becoming a major force in business operations and turning into the main force of e-commerce.

2 Literature Review

From the beginning of 2020, COVID-19 began causing major transitions in economic and social activities. People were forced into lockdowns, quarantines, working from home, and engaging in redefined social distancing. Even human consumption activities changed. This situation pushed consumers into a gradual adoption of long-distance shopping, modifying their consumption behavior regarding cultural and creative goods.

2.1 Cultural and Creative Industries

The earliest discussions of cultural and creative industries can be found in the proposed British government policies in the 1990s. They defined that the creative industries include design, architecture, music and movies, etc. These cultural and creative industries have attracted significant attention with globalization’s growth. Such sectors in Asia have entered various countries with numerous audio-visual works. Countries such as Japan and South Korea developed the film and television industry relatively early and now enjoy vigorous film and television industries. They have spread their cultural and creative sectors to surrounding countries, bringing a wide range of market benefits.

2.1.1 Difference Between Cultural and Creative Products from Common Goods

Cultural and creative businesses differ from ordinary enterprises primarily due to the dynamic correlation between government policies and the economic environment [7]. The integration of Taiwan’s cultural and creative industries and policies was first established in 2002, and a large budget was prepared to foster cultural and creative undertakings. As the objectives of these policies became clearer, many Taiwanese
colleges and universities began to establish cultural and creative departments, and a variety of cultural and creative consumption behaviors gradually appeared in the market. In particular, historical, cultural, and creative parks began to receive public attention and were established throughout Taiwan. These cultural and creative parks replaced old factories, gradually left behind as abandoned spaces. The Taiwanese government converted these sites into alternative areas for the new cultural and creative sectors. Its goal was to transform these old factories into valuable places, making them “industrial museums” for the public.

2.1.2 Cultural and Creative Industries Based on History

These industrial museums included sugar mills and other types of abandoned factories. Some of these old factories combined with the real estate industry. Such entities included the tea, agricultural, fishery, and railway industries. Some old buildings came from dormitories belonging to former state-run enterprises. By renovating and transforming the energy of these old places, they became young again. These abandoned spaces became important locations for the cultural and creative industries. These new locations required many brand operators interested in starting businesses there, so a phenomenon of mutual benefit and symbiosis was proposed between the business owners [6]. In other words, the cultural and creative economy increased the organization’s productivity and the overall market demand of the cluster.

2.2 Product Packaging Design

Consumers get their first impression of a product from its packaging design as they look for product information. Product packaging design is considered essential to product marketing work in industrialized societies [8]. One study proposed that modern technology, offering increasing amounts of information in new media forms, presents a big challenge to knowing how to attract consumers and influence their purchasing behaviors [11]. Another study found that packaging design strongly relates to social form, such as those products that consumers get used to [5]. Some studies found that in addition to promoting purchases, packaging design also impacts consumer evaluations of the quality of goods [10]. When analyzing cultural and creative goods, it has been proposed that packaging design can expand a product’s “narrative function.” Producers aim to make the product’s history part of an impactful marketing story for consumers.

2.3 E-commerce

E-commerce—internet platforms and digital technology that enterprises employ to trade goods—is a model that uses the internet to share corporate information, maintain corporate relationships, and conduct corporate transactions [7]. Some studies have divided e-commerce into several major functions (i.e., shares, communication, process, service, and connection).
Studies have also classified business models as business-to-business (B2B) and business-to-consumer (B2C) [3, 4]. When discussing e-commerce, it is believed that the exchange of electronic information between enterprises and high internet use will become the main factors in e-commerce perfection [12].

2.3.1 The Period of E-commerce

There have been different historical periods of e-commerce applications. E-commerce was not widespread until online financial security problems were solved. Nowadays, e-commerce has gradually transformed from the early years of exchanging simple texts and photos. It now uses audio-visual and multimedia content applications and will employ virtual and expanded reality in the future. In the case of current audio-visual and multimedia content, the presentation of images can strengthen consumers’ understanding of goods.

2.3.2 E-commerce During the Pandemic

One study showed that the global COVID-19 pandemic would change the e-commerce model and create new ways to make purchases [1]. From a practical point of view, the e-commerce model has allowed consumers to understand the online characteristics and nature of goods. This was especially important during the COVID-19 pandemic because of the need to maintain social distancing. E-commerce closed the social distancing gap and maintained normal purchasing behavior during the COVID-19 pandemic [2, 9].

3 Research Methodology

This study used the qualitative approach, which includes the observation and the in-depth interview methods. The observation method, the most primitive, is a widely used scientific method. Almost every study uses the observation method, which relies on the human senses to directly explore some behavior or matter and undertake continuous inquiries into social phenomena. It systematically analyzes the observation and explains its meaning to obtain certain inferences. Some researchers believe that observation is one of the earliest techniques used in social research. The observation method adopts an accepting attitude towards those observed to understand the structure and function of phenomena.

There were 10 brand owners in this study. Most of them have engaged to manage the brand for over 2 decades, and employed 5 to 10 people in their company. They include 7 male and 3 female brand owners. Some of them have strong ambition to make their business bigger and bigger. This study conducted in-depth interviews with 10 brand operators to better understand their ideas and attitudes and how product sales totals altered after changing packaging designs. Such products included traditional agricultural processed products and health products. These interviews revealed the main points of view about cultural and creative industries from the
The brand operators of this study had been selling goods for decades, so we can say that their products were popular in the real market. Obviously, fame and popularity can help brand owners sell their products. However, product history can also negatively affect sales. The products in this study had followed the old packaging design for more than 10 years. Their packaging designs neither reflected their original positioning of the goods nor connected with customer target groups. On-site observations revealed that the packaging designs of these products, which had been sold for a long period of time, did not attract offline shop consumers. It is also difficult to attract consumers in e-commerce. Many brands struggle to attract online consumers with old school packaging designs. These outdated packaging designs, used online, result in less consumer traffic. Companies are still using old types of packaging that could not make good business. Those companies have gradually entered a situation that sales are declining. Therefore, this study followed a participatory field observation method to understand the packaging design problems that brand operators faced due to the COVID-19 pandemic and proposes some solutions to e-commerce branding.

In this study, the brand owners and managers created over 10 product packaging designs to increase consumer reception. To reveal these new designs, they held an exhibition and a press conference to inform more customers about them (see Figs. 1 and 2 below).
This study’s research questions are the following:

1. Do new packaging designs impact the sales of cultural and creative products?
2. What is the e-commerce platform’s impact on selling cultural and creative products with new packaging designs?
3. What factors could affect e-commerce platforms when selling cultural and creative products?

4 Research Results and Findings

This study used the observation and in-depth interview methods to understand how brands in the cultural and creative industries attracted consumer attention with new packaging designs during the COVID-19 pandemic. When social distancing restrictions encouraged people to shop online, new e-commerce business combined with innovative packaging designs produced increased sales.

We first addressed Research Question 1: Do new packaging designs impact the sales of cultural and creative products? In this section, Respondent B agreed that new packaging designs could help their products attract more consumers:

“My own products have not been updated for more than a decade, and all these years, because the packaging has not been updated, we are worried about launching new styles of products, afraid that consumers will not be able to identify with our products.” (Respondent B).

In addition to the products that had not been updated for a long time, some respondents were not very confident about trying new packaging because their operating processes were based on the old packaging:

“We’ve been researching this packaging design for nearly a decade, and in the past decade, we’ve worked hard to communicate between brands and consumers, but we’ve ignored packaging changes, and more importantly, once the changes caused delays on the production line. This is an important factor that makes us deeply afraid of updating packaging.” (Respondent E).

After packaging design renewals, our participant brand operators experienced increased sales. While interacting with consumers, they discovered that creative packaging designs were the main reasons driving repurchases of cultural and creative products.

Next, we addressed Research Question 2: What is the e-commerce platform’s impact on selling cultural and creative products with new packaging designs? Most of this study’s respondents seemed to agree that e-commerce was an important factor in the continuous growth of cultural and creative products during the COVID-19 pandemic. Here is an example:

“In my opinion, I think that packaging re-design is not enough. These months of sales success, we believe that it is related to e-commerce. After all, the new corona pneumonia pandemic made everyone have to observe social distancing, and e-commerce made up for these distances so that our brand has once again attracted consumer attention.” (Respondent F).
Finally, we addressed Research Question 3: what factors could affect e-commerce platforms when selling cultural and creative products? The delivery business has continued to grow in recent years, which is a factor contributing to the increased sales of cultural and creative products. Some brand operators said that part of the current vigorous development of e-commerce comes from the growth of the logistics industry:

“In fact, logistics and delivery are very important things, because in recent years many people have become accustomed to using online clicks to complete procurement, so it has brought great help to the goods of the cultural and creative industries.” (Respondent H).

In addition to the above, excellent graphics and highly interactive photography are factors that must accompany good packaging design. Some study participants stated that product success relies on good photography:

“In fact, photography is a very important factor. Good photography skills not only can make a good display on the e-commerce platform, but also can attract customer attention.” (Respondent G).

“I think consumer demand is actually getting more and more stringent, from having photos at first, then needing good photos, and now needing professional VIDEO to help sales.” (Respondent B).

Some brand operators stated that packaging design should reflect brand management and determine how consumers evaluate products:

“In fact, packaging design is very intuitive and personal. Some designs will attract people, and good packaging designs connect consumers emotionally, helping the sale of cultural and creative products on e-commerce platforms.” (Respondent A).

In summary, this study found that one factor key to an enterprise’s e-platform growth is a thriving logistics industry. Other key factors involved in compelling product presentation are use of high-quality audio/video, photography, and graphics in product packaging designs. Clearly, how a product is presented in this space is crucial to its success or failure.

5 Conclusions and Recommendations

Effective packaging designs can add value to products. The COVID-19 pandemic made it difficult for consumers to shop in offline stores where they could recognize the excellent quality of packaging design. Before embracing new product designs, e-commerce platforms had to address the shopping-at-a-distance issue with top-quality images, pictures, or videos to maintain or increase sales of cultural and creative products during the COVID-19 pandemic.

But all the brand owners have something to overcome, such as:

- Fear that updated designs might lose customers
- Fear that updated designs would cause delays in the production line
Also, regarding factors involved in a product’s success, the study found that a thriving logistics industry was important as well as excellent product design graphics/photo/audio/video components.

Future research could analyze how e-commerce platforms can utilize excellent-quality pictures or videos to attract potential consumers. Such research could also investigate how e-commerce sales can cultivate the trust value of a brand through images and packaging design, thus attracting more customers. Such research would deepen the discussion of the aspects involved in increasing sales of cultural and creative products on e-commerce platforms.

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