Online Shopping Behavior of Health Products During Pandemic Related to Public Education by Indonesian FDA

Elsadora Reapina Malthaputri¹, Yos Sunitiyoso²

School of Business and Management, Institut Teknologi Bandung^{1,2} TK Low Center for Executive Education, Graha Irama (Indorama) 12th floor JI. HR. Rasuna Said Kav 1-2 Jakarta, 12950, Indonesia Correspondence Email: elsadora_malthaputri@sbm-itb.ac.id ORCID ID: https://orcid.org/0000-0002-1633-8220

ARTICLE INFORMATION

ABSTRACT

Publication Information

Research Article

HOW TO CITE

Malthaputri, E. R., & Sunitiyoso, Y. (2021). Online Shopping Behavioral Insight of Health Products During Pandemic. *Journal of International Conference Proceedings*, 4(3), 185-192.

DOI:

https://doi.org/xxxxx/jicp.v4i3.1309

Copyright@ year owned by Author(s). Published by JICP



This is an open-access article. License: Attribution-Noncommercial-Share Alike (CC BY-NC-SA)

Received: 22 November 2021 Accepted: 5 December Published: 11 December 2021

The COVID-19 pandemic has changed many things in people's lives, including people's behavior in shopping. Previous findings that showed an increase in a transaction in the online market during the pandemic indicated a change in consumer behavior shifting to online shopping. One of them is in the product category of health products. This study seeks to see these effects and to find things that are of concern to the public when shopping for health products online by exploring several aspects: 1) Consumer's insight on online shopping for health products, 2) Perception on pandemic effect on shopping frequency, 3) Behavior of online shopping for health products, and 4) Perception on online shopping for health products experience. The methodology was quantitative, data collection was carried out by survey and descriptive data processing. Findings of this study show there has been an increase in online shopping for health products during the pandemic, especially for products. supplement/ vitamin The shopping behavior found to have been good indicates that Indonesian FDA public education to the community runs well, while on other hand still faces several concerns. Most agreed that the COVID-19 pandemic made online shopping more frequent than before.

Keywords: Customer Behavioral, Health Products, Indonesian FDA, Online Shopping, Public Education

JEL Classification: 111, 118, P23

INTRODUCTION

The COVID-19 pandemic that has been going on since the beginning of 2020 has changed many things in people's lives and habits, including consumers' shopping behavior for drugs and food. Buying drugs and food online is an option because it is easier for consumers to access, especially during the COVID-19 pandemic, where mobility is limited. There are shop/market operational provisions to prevent crowds and maintain distance between human interactions.

Increase in online sales of health product transactions, including drug and food products that are mandatory for supervision, raising concerns to the Indonesian FDA. The change in the behavior of shopping for Drug and Food products online makes the Indonesian FDA have to anticipate this change and adjust technical strategies that are more appropriate to maintain public safety, especially when shopping online. One of the Indonesian FDA's efforts to increase community independence is providing information and public education regarding product risks and safety. With good knowledge, attitudes, and behaviors aware of product safety, people will be expected to avoid health risks. Therefore, it is essential to know the current shopping behavior of consumers for health products on the online market during a pandemic.

This study aims to provide an overview of the current conditions related to people's behavior during the pandemic, especially regarding online shopping behavior for health products. Exploration was done to get a picture of consumer behavior online shopping as an effect of the pandemic and find things of concern to the public when shopping online for health products.

LITERATURE REVIEW

The Effect of The Pandemic on The Shift in Shopping Behavior to Online Shopping A previous survey found that one in two online shoppers have shopped online more frequently since the COVID-19 pandemic. According to the BPS Big Data Review Report on the impact of COVID-19 in Indonesia, online sales during the COVID-19 period in March and April 2020 were 3.2 and 4.8 times, respectively, compared to January 2020 (BPS, 2020a). Some market research shows an increase in e-commerce transactions, such as the Redseer survey, which found 51% of respondents were first-time ecommerce users who used applications to shop during Large-Scale Social Restrictions (PSBB) (Behera et al., 2020). In 2020, eMarketer market research estimated that ecommerce growth in Southeast Asia would reach 14.3% in 2021 (Flood, 2021). The projected growth of Indonesian e-commerce is above the average for Southeast Asian countries and the most significant contributor to transaction value (Dihni V A, 2021).

The Effect of The Pandemic on The Online Selling of Health Products

The high need and demand for product sales in the marketplace, including drug and food products, is the task of INDONESIAN FDA product supervision. The Katadata Insight Center (KIC) and Sirclo survey found a shift in the favorite product category for online shopping, with the most significant increase in the health and beauty product category, which increased 40.1% during the pandemic (Jayani D H, 2021).

The COVID-19 pandemic has made most people more aware of the importance of maintaining health. One way, for example, is by taking herbal medicines and health supplements to increase body's immune. The body's immune can be maintained and improved, mainly through healthy living habits, including maintaining cleanliness, good nutrition, coupled with the use of health supplements and herbal ingredients/traditional

medicines (Indonesian FDA, 2020a). Products that are in high demand are vitamins, supplements, and honey.

BPS recorded that the pharmaceutical chemical industry has experienced accelerated growth every quarter since the 2020 pandemic, with growth in the third quarter of 2020 reaching 14.96 percent YoY (BPS, 2020b). The pharmaceutical industry has a positive contribution to Indonesia's economic growth in 2020 (Sanusi, 2021). Pharmaceutical, chemical and traditional medicine industries were the only non-oil and gas industry groups that experienced an increase in growth, reaching 14.96% YoY in the third quarter(Ministry of Industry, 2020). Large pharmaceutical industries such as Kalbe Farma and Indofarma saw sales increase by 150% and tripled compared to the previous month. The Association of Jamu Entrepreneurs (GP) noted that the turnover of herbal and herbal products skyrocketed to US\$ 138.5 billion, which was driven by high public consumption of drugs and herbal supplements. About 55% are herbal medicines, and the rest are herbal food products, supplements, and herbal beauty products(Rosana, 2020).

The high demand from consumers has also increased the interest of business actors to enter this land; this is indicated, among other things, from the number of evaluation submissions to Indonesian FDA in 2020 compared to 2019, for example, an increase in submission of permit files by 35-40% during 2020 (Indonesian FDA, 2020b). However, the Indonesian FDA also found that during the Covid-19 pandemic in 2020, 95% of the types of violations committed were including excessive claims, 34% of traditional medicine advertisement violations came from products with immune claims, and 50% of Health Supplements advertising violations came from products with immune claims (Directorate of Supervision of Traditional Medicines and Health Supplements-Indonesian FDA, 2020). Most of the advertising violations came from OT and SK products with OT and SK body resistance claims and were found on the internet media. From the results of the analysis of advertising violation data, it is known that the awareness and understanding of business actors, media, and advertising actors are still low on regulations related to advertising. This is concerning since previous findings indicate that advertising is highly persuasive, with social media the most affecting advertising channel (Gde et al., 2021).

RESEARCH METHOD

This research is quantitative, using data collection with online surveys to measure consumer behavior and perceptions of online shopping for health products. The survey uses a Non-Probability Sampling design, a combination of Convenience, Voluntary, and Snowball Sampling to get as many participation responses as possible within one week of conducting the survey.

Questionnaires were distributed with the target of survey respondents being Indonesian citizens of productive age internet users (aged 15-60 years) who have worked. The questions asked in the questionnaire were developed using a combination of questions, namely open, closed, and semi-open questions. This is intended to get as much consumer perspective and insight into consumer behavior in online shopping for health products. The questions in the questionnaire are designed to meet the information needs related to online shopping behavior for Health products during the pandemic.

In the early stages of this research, validation tests and instrument reliability tests have also been carried out before distributing the questionnaire. Processing of data in the form of categorical values into numbers or discrete forms and a combination with a Likert

scale that is processed descriptively to provide core information from the existing data set.

RESULTS

Respondents (N=447) are Indonesian citizens of productive age internet users (aged 15-60 years) who have worked, with the majority (>80%) being in the age range of 25-44 years, 69% women, >50% coming from Greater Jakarta and the rest are from Banten, Yogyakarta, West Java, Central Java, East Java, Sumatra, etc., 40% are private employees, and the rest are other professions, namely civil servants (ASN), BUMN employees, entrepreneurs, housewives, freelancers and other types of people. Other jobs. As many as >60% earn in the range of 3-10 million/month, with 50% of them spending 100-500 thousand for online shopping every month. Some of the findings from the survey are presented below.

Consumers Insight on Online Shopping for Health Products

As many as 31% of respondents stated that they had never had a personal experience with COVID-19 infection, 33% had been infected with COVID-19, and 36% had had someone close infected with COVID-19. It was found that the profile of the types of health products purchased online by respondents who had personal experience with COVID-19 was different from respondents who did not have personal experience with COVID-19. Respondents who have personal experience with COVID-19. Respondents who have personal experience with COVID-19, either themselves or someone close, buy more medicinal products because they treat illness. Especially for respondents who have someone close infected by COVID-19, they seem to buy more energy drink products/health drinks/honey that aim to maintain body immune and fitness while treating infected patients.





The similarity in the profile of the types of products purchased by both respondents who have personal experience with COVID-19 and respondents who do not have personal experience with COVID-19 is that all respondents stated that the most health products were supplements/vitamins (Figure 1). This is in line with the findings that most respondents, as much as 78%, stated that the reason for buying these health products was to increase their immune system, and 63% stated that they should maintain their health/keep the body in shape.

Perception on Pandemic Effect on Shopping Frequency

As many as 63% of respondents stated that the COVID-19 pandemic affects social life, 45% affects the economy, 28% affects mental health, and 26% affects physical health.

Only 13% of respondents stated that the COVID-19 pandemic did not affect their lives. It was found that respondents who stated that the COVID-19 pandemic affected their lives both socially, economically, mental health, or physical health, the majority agreed and strongly agreed that the COVID-19 pandemic made online shopping more frequent than before (Figure 2).



Figure 2. Perception on pandemic effect on shopping frequency

As many as 60% of respondents shop online once a month or less, 14% shop twice a month, 13% shop twice or more in a week, and 11% of respondents shop once a week. As many as 50% spend 100-500 thousand rupiahs every month, and 26% spend between 500 thousand to 2 million each month for online shopping. A total of 54% of respondents have a pretty long experience in online shopping and have been shopping since before the pandemic, which is known as 20% of respondents have shopped online for >5 years, and 34% of respondents have shopped online for 2-5 years. While 46% of respondents are new consumers who have started shopping online since the pandemic, it was found that 30% of respondents had shopped online for 6 months – 2 years and 16% of respondents had just started shopping online since then <6 months. It was found that for all categories of online shopping experiences, most respondents agreed and strongly agreed that the COVID-19 pandemic made online shopping more frequent than before.

Moreover, the cause of spending more often as a pandemic effect is explained further by the respondent's perception towards online shopping such as 1) 89% stated online shopping was more comfortable during a pandemic, 2) 93% care about the government's recommendation to maintain social distance, 3) 78% feel expected to shop online due to social distancing, and 4) 94% stated online shopping is easy. This can be a social and psychological factor that makes consumers switch and shop online more often than before.

The Behavior of Online Shopping for Health Products

Factors influencing consumer behavior need to be found for management to learn and identify what affects consumers' choices (Gde et al., 2020). As many as 64% of respondents always check the product information and expiration dates before buying, 58% always read/ask how to use health products before buying, and 81% state that they have never bought health products without a distribution permit from the Indonesian FDA. This shows that respondents' level of awareness and behavior in online shopping for health products is good (Figure 3). The behavior of respondents in online shopping

for health products is good, with the highest being in the 45-55 age group. Still need awareness improvement, especially for those 18-24 and 25-35 age group.



Figure 3. Health product shopping online behavior

Perception on Online Shopping for Health Products Experience

Respondents' perception of the online shopping experience is quite good, with 69% of respondents having perception and agreeing that online shopping provides a satisfying experience. However, this still needs to be improved, by paying more attention to the consumer's concerns, such as unclear product information and pictures of health products, not checking the product directly before buying, and fears that health product fraud may occur and the associated adverse health risks. As many as 87% stated bothered by unclear product picture, 85% were bothered by unclear product information, 61% bothered by not being able to examine products before purchasing, and 88% were bothered by fraud product and health risk. These findings align with previous studies that found that most online shopping users face the risk of meeting fraud products and damaged items, so that online customers still also shop directly or offline to the location (Aryani et al., 2021).

DISCUSSION

Type of Health Product

Analysis of the data from this survey shows that there has been an increase in online shopping for health products during the pandemic, especially for supplement/vitamin products following the mandate of Presidential Regulation Number 80 of 2017 about Indonesian Food and Drug Agency (Ministry of Sate Secretariat Republic of Indonesia, 2017), which states that the Indonesian FDA Agency carries out government duties in the field of drug and food supervision following laws and regulations, namely carrying out drug and food supervision from upstream to downstream, including product distribution online. Indonesian FDA needs to anticipate these external changes so that online monitoring can be targeted and more effective.

Indonesian FDA Public Education to The Community

One of the future challenges in product safety supervision by the Indonesian FDA is the unknown when the pandemic will end and the emergence of a new normal and new habits. Behavior that is more aware of the importance of health and immunity and the pandemic shifts shopping for public health products to online shopping.

For this reason, public awareness must be strengthened. One of the purposes of providing information and public education to the public by the Indonesian FDA is to increase knowledge, which is expected to increase attitudes and behaviors awareness of the safety of Drug and Food products.

The behavior found to have been good indicates that the Indonesian FDA's provision of information and public education to the community has been going well. But on the other hand, there are concerns about fraud and the health risks it may pose. So that the provision of information and public education to the public by the Indonesian FDA needs to be carried out regularly and moderately to maintain good knowledge in the community.

Indonesian FDA Public Education to Business Actors

There are three pillars of supervision in a comprehensive product supervision system, namely the community, business actors, and government institutions themselves. Suppose public behavior and awareness about product safety are good. In that case, the Indonesian FDA's provision of information and public education can be directed more to other pillars, namely business actors involved in the supply chain of Health products in the online market. Materials that can be strengthened are awareness of the importance of providing clear product information and pictures and providing original products, having an Indonesian FDA license, and ensuring quality and safety.

Behavior awareness of security also reduces the gaps in the entry of inappropriate products because people do not become consumers of these products. So that good online shopping behavior is also in line with the decreasing incidence of finding inappropriate products in the monitoring system carried out by the Indonesian FDA in the online market.

CONCLUSION

Based on the analysis and discussion of the research conducted, it was concluded that the Covid 19 pandemic in Indonesia influenced online shopping behavior for health products. Findings that indicate an increase in online shopping for health products must be anticipated by making efforts to increase consumer/community awareness and business actors and accompanied by better supervision of the sale of health products in the online market.

LIMITATION

The scope of the research is the behavior of shopping for health products online. The health products in question are medicines, traditional medicines/herbs/herbs, supplements/vitamins, and energy drinks/health drinks/honey. The resulting analysis is a picture of individuals who voluntarily participated in the survey and did not represent the condition of the entire Indonesian society.

ACKNOWLEDGMENT

We acknowledge the support received from the Head of Research and Study Center of Drug and Food – Indonesian FDA. We also thank the School of Business and Management, Institut Teknologi Bandung.

DECLARATION OF CONFLICTING INTERESTS

The authors claim that no conflicts of interest exist.

REFERENCES

- Aryani, D. N., Nair, R. K., Hoo, D. X. Y., Hung, D. K. M., Lim, D. H. R., Chandran, D. A. R., Chew, W. P., & Desai, A. (2021). A Study on Consumer Behaviour: Transition from Traditional Shopping to Online Shopping During the COVID-19 Pandemic. International Journal of Applied Business and International Management, 6(2), 81–95. https://doi.org/10.32535/ijabim.v6i2.1170
- Behera, R. R., Gutgutia, M., Jayaprakasan, A., Shrivastava, D., & Khanna, M. (2020). *Report On Indonesia ECommerce | Metamorphosis In A Post Covid World.* https://redseer.com/reports/indonesia-ecommerce-metamorphosis-in-a-po...
- BPS. (2020a). Big Data Review on the Impact of Covid-19 2020.
- BPS. (2020b). Community Behavior During the Covid-19 Pandemic.
- Dihni V A. (2021). Indonesia's e-commerce sales are projected to be the largest in Southeast Asia in 2021. https://databoks.katadata.co.id/datapublish/2021/09/21/penjualan-e-commerceindonesia-diproveksi-paling-besar-di-asia-tenggara-pada-2021
- Directorate of Supervision of Traditional Medicines and Health Supplements-Indonesian FDA. (2020). 2020 Annual Report of the Directorate of Supervision of Traditional Medicines and Health Supplements.
- Flood, E. C. (2021, July). Southeast Asia Ecommerce 2021 Public health uncertainty clouds outlook - Insider Intelligence Trends, Forecasts & Statistics. https://www.emarketer.com/content/southeast-asia-ecommerce-2021-publichealth-uncertainty-clouds-outlook
- Gde, A. A., Utama, S., Kumar Nair, R., Cheng, W. E., Mui, D., Kee, H., Chen, Z., Cheng, M. R., Cheng, Z., & Talesara, S. (2021). Influences of Advertisement on Buying Behaviour. *International Journal of Accounting & Finance in Asia Pasific (IJAFAP*, 4(3), 17–30. https://doi.org/10.32535/ijafap.v4i3.1202
- Gde, A. A., Utama, S., Kumar, N., Wen, S. J., Mui, D., Kee, H., Er, T. M., Xin, T. P., Yuan, Y. J., Hasifa, M., Yadav, V., Nair, R. K., Khanum, W. R., Shukla, K., & Ganatra, V. (2020). Factors Influencing Consumer Behaviour: A Case of McDonald's. *India SIES College of Management Studies*, *2*(17), 55–64.
- Indonesian FDA. (2020a). Guidelines for the Use of Herbs and Health Supplements in Facing COVID-19 in Indonesia.
- Indonesian FDA. (2020b). Yearly Report Indonesian FDA.
- Jayani D H. (2021, October). *Best Selling Health and Beauty Products during Pandemic*. https://databoks.katadata.co.id/datapublish/2021/10/27/produk-kesehatan-dankecantikan-paling-laku-saat-pandemi
- Ministry of Industry. (2020). Analysis of the Development of Indonesia's Non-Oil and Gas Processing Industry 2020- Edition IV.
- Ministry of Sate Secretariat Republic of Indonesia. (2017). Presidential Regulation Number 80 of 2017 about Indonesian Food and Drug Agency.
- Rosana, F. C. (2020, November 18). *During the Pandemic, Herbal Medicine Turnover in the Global Market Reached US\$ 138.5 B.* https://bisnis.tempo.co/read/1406289/selama-pandemi-omzet-jamu-di-pasar-global-tembus-us-1385-m
- Sanusi, D. (2021, November). *Pharmaceutical Industry Performance Amid the COVID-*19 Wave. www.pmmcnews.id