

CONSUMER BEHAVIORAL CHANGES IN MONTHLY BASKET PURCHASE: TRENDS AND DETERMINING FACTORS

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Abstract

In the context of economic, social and technological transformations in recent years, the purchasing habits of Romanian consumers have undergone significant changes. This study analyses consumer purchasing behaviour in relation to the monthly basket, investigating the influence of factors such as inflation, digitalization, globalization and recent crises. The research focuses on families with two children in the urban area of Dâmbovița County, providing a regional perspective on these trends.

The methodology used includes the opinion poll conducted through face-to-face and online surveys, based on a structured questionnaire. The sample, consisting of 120 families, was selected by a simple random method, ensuring representativeness for the target group. The period and context of data collection allow for an in-depth analysis of how earnings and resources influence purchasing decisions. The study results provide relevant information about the behavioural adaptations of Romanian consumers in the face of current challenges.

Keywords

behavioural changes, consumers, monthly basket, investigation.

JEL Classification

D11, M31

Introduction

The behavioural changes of Romanian consumers in the purchase of the monthly basket reflect both global trends and local socio-economic peculiarities (Băbăiță, 2010). In the current context, marked by economic, and technological factors and changes in mentality, consumer behaviour has changed significantly (Ang, Leong and Kotler, 2000; Orendorff, 2021).

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Consumer behavioural changes have become a topic of utmost importance in the context of current economic, social and cultural dynamics. In a period characterized by economic crises, inflation and accelerated technological changes, the analysis of how Romanians, especially the residents of Dâmbovița County, adjust their consumption behaviour is essential for understanding the local market. This paper aims to investigate and clarify the changes in consumer behaviour regarding the purchase of the monthly shopping basket, highlighting the current trends and the determining factors underlying these transformations.

The central question that the research answers is: What are the behavioural changes of Romanians, especially the residents of Dâmbovița, regarding the monthly shopping basket, and what are the determining factors of these changes? By addressing this issue, the paper will contribute to understanding the consumer decision-making process and to identifying the economic, social and cultural influences specific to Dâmbovița County. The relevance of this topic is underlined by its multiple practical and theoretical implications. The increase in prices of basic products, the decrease in purchasing power and the impact of recent economic crises on Romanian households analyse consumer behaviour more necessary than ever (Marder, 1997; Zaltman, 2007). Changes in consumption habits reflect how households adapt to new economic and social realities, providing essential information about the well-being of the population (Michel, Hartmann and Siegris, 2021). The digitalization of the product purchasing process and the increasingly frequent use of online platforms are radically changing consumer behaviour. This paper makes a valuable contribution to understanding consumer behaviour in a specific local context but with general implications (Cătoiș and Teodorescu, 1997; Xiang, 2021).

According to Kotler and Keller (2016), the purchase decision is influenced by internal factors (motivation, perception, attitudes) and external factors (culture, subculture, social influences). As studies by Ang, Leong and Kotler (2000) show, periods of crisis lead households to adopt more prudent behaviours, reducing discretionary spending and focusing on essential products.

1. Review of the scientific literature

Unfortunately, in Romania, we talk about the monthly consumption basket at the minimum living level, a concept that is the basis of poverty measurement. An individual need, in addition to the consumption of food, other products and services that give him fulfilment, and satisfaction and in turn provide productivity at work. The needs are cultural, educational, preserving and maintaining health, travel, food indulgence, and care of dependents (children, parents).

The Friedrich Ebert Romania Foundation and Syndex Romania, starting in 2018, annually update the value of the minimum consumption basket for a decent living, the reporting is done in September of each year. The expenditure chapter considered for establishing a correct consumption basket provides for the purchase of 11 categories of products and services: food, clothing and footwear, housing, home furnishings, housing expenses, household products and personal hygiene, services, education and culture, health care, recreation and vacation, family savings fund.

In table 1, we presented the evolution of these expenses in the period 2018-2023. The annual increase in expenses can be observed with most of the reference categories, the highest being expenses for housing, as well as food. The lowest expenses in a family's budget are health care (154 lei in 2023) and recreation and vacation (315 lei in 2023). They had the same "status" during the analysed period 2018-2023.

In total, the value of the consumption basket for a decent living for the reference family (two adults and two children) gradually increased, as follows: in 2018 it was 6762 lei, in 2019 it was 6954 lei, in 2020 – 7278 lei, in 2021 it was 7234 lei, in 2022 it was 8659 lei, and in 2023 9978.

Table no. 1. The consumption basket for a decent living for the reference family (two adults and two children) in the period September 2018-September 2023

- lei-

Expenditure chapter	2018	2019	2020	2021	2022	2023
Food	1405	1459	1532	1598	1898	2090
Clothing and footwear	651	670	686	706	853	949
Residence	1781	1822	1982	1732	2273	2894
Home equipment	220	225	229	234	246	263
Housing expenses	477	483	484	552	739	764
Household and personal hygiene products	238	243	250	256	274	316
Services	488	507	518	533	563	604
Education and culture	546	562	574	592	641	722
Health care	107	111	116	121	132	154
Recreation and vacation	234	240	246	251	253	315
The family savings fund	615	632	662	658	787	907
TOTAL	6762	6954	7278	7234	8659	9978

Source: Syndex Romania - The minimum monthly consumption basket for a decent living for the population of Romania in the period 2018-2022, links presented on the previous page and in the bibliography

Table 2 reflects steady growth in spending on food and clothing through 2020, followed by an explosion in 2021 and 2022, driven by inflation and the impact of the pandemic on prices. Housing costs fluctuated significantly, falling -12.6% in 2020, but skyrocketed in 2021 (+31.2%) and 2022 (+27.4%), indicating an increase in costs of maintenance and utilities. The home furnishing sector had a more stable evolution, with moderate increases between 1.8% and 7% annually. Spending on health and personal hygiene showed an accelerated growth trend, with a significant jump in 2022, when they increased by +16.8% and +15.4%, respectively. Recreation and vacations saw minimal growth in 2021, but grew massively in 2022 (+24.6%), reflecting a post-

pandemic tourism rebound. Total household spending has fluctuated, but the overall trend in 2021 and 2022 shows a general rise in prices across all sectors.

Table no. 2. Variations of the consumption basket for a decent living for the reference family (two adults and two children) in the period September 2018-September 2023 -percentages-

Expenditure chapter	2019/2018	2020/2019	2021/2020	2022/2021	2023/2022
Food	+3,8	+5,0	+4,3	+18,8	+10.1
Clothing and footwear	+2,9	+2,4	+3,0	+20,9	+11.2
Residence	+2,3	+8,8	-12,6	+31,2	+27.4
Home equipment	+1,9	+1,8	+2,5	+5,1	+7.0
Housing expenses	+1,2	+0,2	+14,5	+34,0	+3.3
Household and personal hygiene products	+2,4	+2,2	+2,5	+6,7	+15.4
Services	+3,8	+2,3	+2,9	+5,5	+7.4
Education and culture	+3,0	+2,1	+3,1	+8,4	+12.6
Health care	+3,6	+4,2	+4,3	+9,1	+16.8
Recreation and vacation	+2,5	+2,3	+2,2	+0,7	+24.6
The family savings fund	+2,8	+4,7	-0,6	+19,7	+15.2
TOTAL	+2,8	+4,7	-0,6	+19,7	+15.2

Source: Syndex Romania - The minimum monthly consumption basket for a decent living for the population of Romania in the period 2018-2022, links presented on the previous page and in the bibliography

2. Research methodology

The purpose of the opinion poll is to determine the behavioural changes of Romanians, especially of Dâmbovița residents, regarding the monthly shopping basket. The survey results are correlated with statistical research, conducted by the author based on data provided by the National Institute of Statistics, to see if the expenses of Dâmbovița residents or the expenses proposed by Syndex Romania are real regarding the monthly shopping basket. The survey unit is made up of families with two children from the urban area of Dâmbovița County.

The data collection process was carried out through the opinion poll method, face-to-face and online survey, based on the questionnaire model. The sample included 120 families with two children from the urban area, and the number of validated questionnaires was 120, which represents a 100% response rate. The sample size was intended to be sufficient to obtain statistically significant results, by standard survey

methods. The authors of the research considered that Dâmbovița provided a manageable setting for conducting the research, facilitating efficient data collection. Data collection took place between 20.04.2024 and 20.08.2024.

The research is based on four hypotheses. Thus, to achieve the established objectives, the following hypotheses were formulated (table 3.):

Table no. 3. Research objectives and hypotheses

Objection	Assumptions
O1: Identifying the behavioural changes of Dambovi residents in buying the monthly basket	H1: There are other unforeseen expenses in buying the monthly basket. H2: Dambovi residents exceed the shopping list. H3: Respondents take bank loans to supplement the amount needed for monthly expenses.
O2: Establishing the amounts spent monthly in the household	H4: Even the amounts proposed by Syndex do not cover the monthly expenses of Dambovi residents.

Source: developed by the authors

3. Results and discussions

For question 1. "Who does most of the monthly shopping in the family?" more than half of the respondents (58%) stated that the wife and husband shop equally. 24% said the husband and 18% the wife. Considering the change in the wife's behaviour in society, employment in service activities, and obtaining a car driver's license, can also explain the high percentage of women in purchases. The details of the answers are in figure 1.

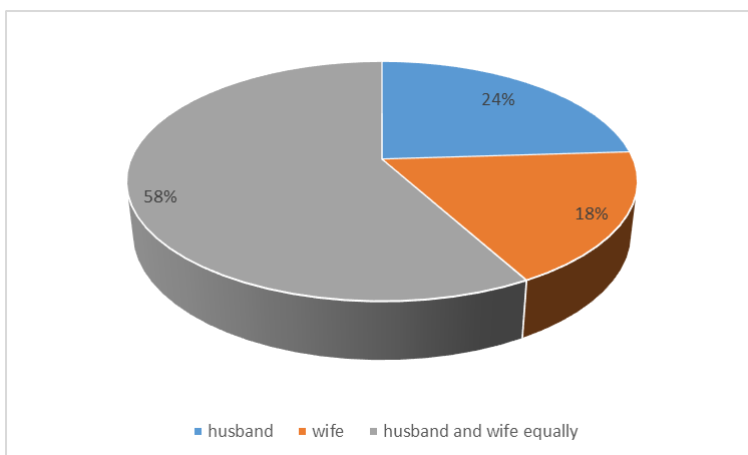


Figure no. 1. Family members in charge of monthly shopping

Source: developed by the authors

To question 2. "Do you buy more expensive products?" 73% of respondents said no, and only 27% buy more expensive because those products are of higher quality. The details of the answers are in figure 2.

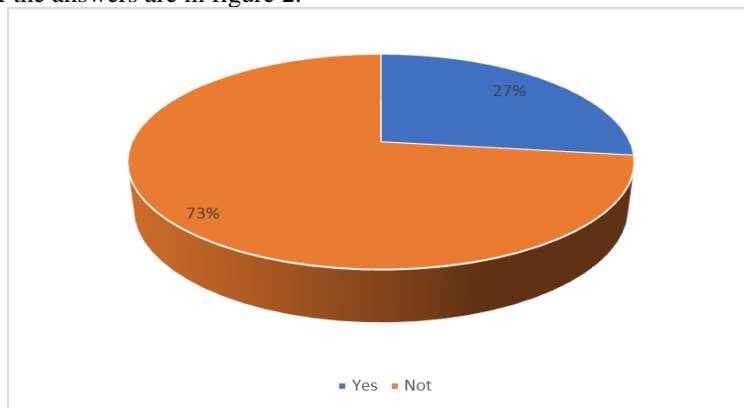


Figure no. 2. Price of purchased products

Source: developed by the authors

Unforeseen situations always arise. For these, but especially for urgent situations, such as medical problems, a savings fund was considered, but what happens when the fund does not exist or the expenses increase from one month to the next as happened recently with the bills, food prices, fuel prices, and wages have stagnated. Ask "Do you limit yourself to the same purchases each month or do you go over the list?" the highest percentage, 35% answered every 4-5 months, 21% every 2-3 months, 15% less often than once every 5 months and the same percentage every month, and 14% say they don't overspend at all which they proposed monthly. Recently, there is also a reluctance of people to spend because of the economic instability and the war in Ukraine. The results are presented in figure 3.

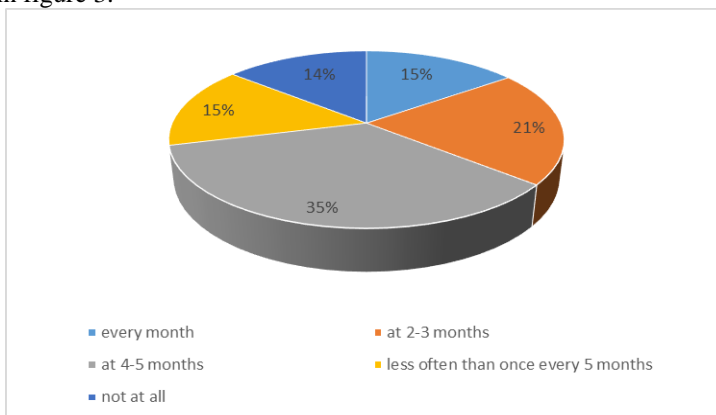


Figure no. 3. Shopping list overflow frequency

Source: developed by the authors

Considering the above, question 4 "Do you use bank loans/shopping cards because you don't have enough money for your monthly shopping basket?" is appropriate, and 94% of respondents said yes, only 4% did not borrow. The results are presented in figure 4.

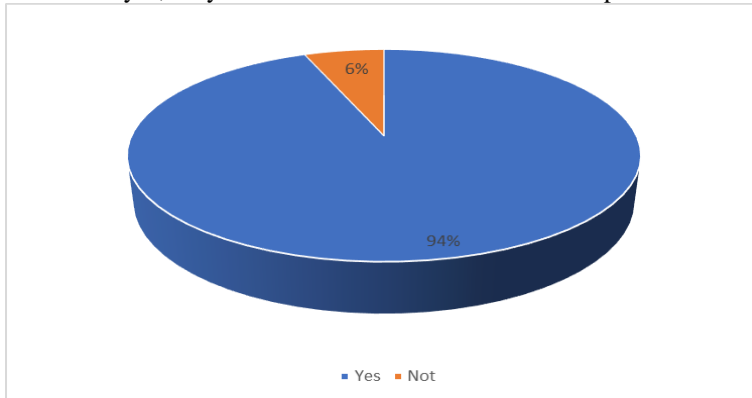


Figure no. 4. Respondent's bank loans for the monthly shopping basket

Source: developed by the authors

To cope with economic changes, question 5. "What are your future plans for the shopping cart?" 32% of the respondents considered the option of limiting consumption, 29% are thinking of getting a second job, 23% of giving up vacations, and 16% of turning to their parents'/grandparents' garden. The details of the answers are in figure 5.

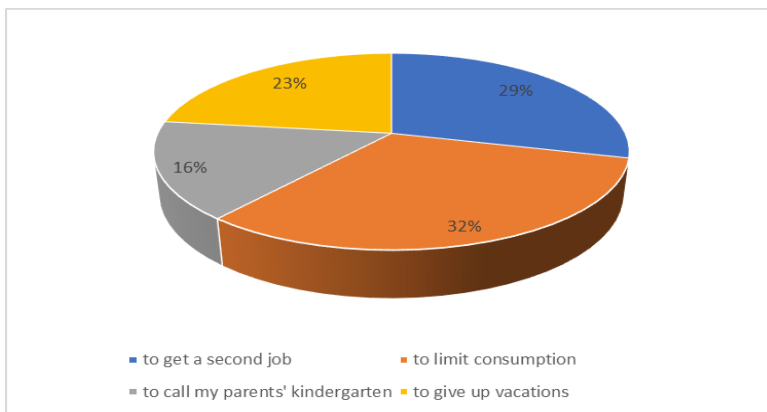


Figure no. 5. Future plans for the monthly shopping cart

Source: developed by the authors

To buy food in a month, a family consisting of two adults and two children needs more than 1,898 lei (49% of respondents), 40% needs 1,898 lei and 11% needs 1,340 lei (figure 6).

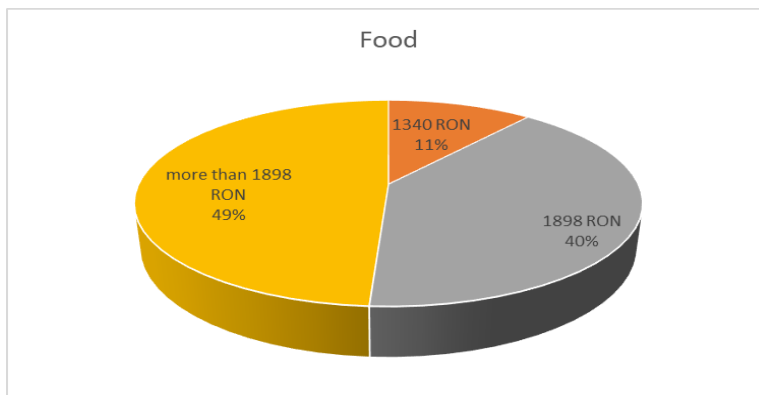


Figure no. 6. Amounts spent monthly on food

Source: developed by the authors

The budget for this category includes clothing and shoes for each season, underwear, and home clothes for each member of the family. Accessories or clothes for special occasions are not considered. 47% of the people interviewed answered that the amount spent was 853 lei, 31% spent more than that and 22% spent 176 lei. No family spends less in this category. The details of the answers are in figure 7.

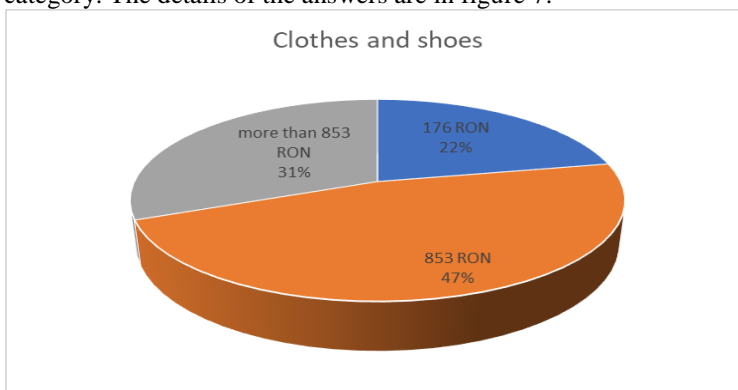


Figure no. 7. Amounts spent monthly on clothing and footwear

Source: developed by the authors

For the purchase of a home, the provision of shelter and family security, the budget allocated by 47% of the respondents is 2273 lei, 32% more than 2273 lei and 21% allocate 507 lei (figure 8).

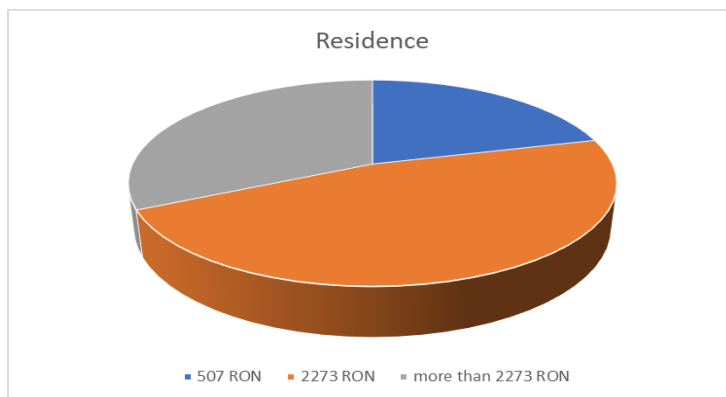


Figure no. 8. Amounts spent monthly on housing

Source: developed by the authors

Overall, the dynamics of expenses suggest a recalibration of the priorities of Romanian households, in the context of the increase in the cost of living and the need to adapt to the current economic challenges.

Conclusions

The study conducted on families with two children in urban areas in Dâmbovița County, aiming to identify their behavioural changes in purchasing the monthly shopping basket, reveals important aspects regarding the economic and social reality of Romania.

A first aspect, of considerable gravity, is the lack of an official minimum consumption basket calculated by the Romanian state. Although the legislation provides for an annual update of the value of the basket by the National Institute of Statistics, this has not happened in recent years, leaving a shadow of uncertainty over the economic reality of the population.

Given that a significant number of Romanians are at the subsistence level, the discrepancy between their incomes and the cost of a decent living is an alarm signal for the authorities. The study also emphasizes that the definition of decent living goes beyond simply covering basic needs. In addition to food, clothing and housing, a decent life also requires access to quality public services, as well as a balance between professional and personal life.

The dynamics of expenses analysed in the study reflect the increased economic pressure to which Romanian consumers are subjected. The increase in food, housing and health prices indicates a prioritization of fundamental needs, forcing families to make sacrifices in other areas. On the other hand, a return of interest in recreation and vacations is observed, with the relaxation of restrictions imposed by the pandemic. This trend suggests a desire of the population to return to normality, even in the context of a difficult economic climate.

It is important to note that, although the study provides a relevant picture of the behavioural changes of Romanian consumers, there are limitations related to the methodology used. The lack of information on how to calculate the sample size, its

selection criteria and the justification for choosing Dâmbovița County as the study area, represent weaknesses that could affect the generalizability of the results.

In conclusion, a minimum consumption basket for a decent living of Romanians includes all the expenses necessary to cover the physiological (basic) and social needs of individuals. But, a decent living is not only the minimum for survival, and the consumption basket does not include the balance between professional and personal life, public services can cover part of the needs for a decent living, but the final value of the basket is influenced by the quality of them.

The increase in expenses in most of the analysed categories reflects an increased economic pressure on Romanian consumers, influenced by inflation and the disruptions caused by the pandemic. Expenditures related to housing, health and food saw the largest increases, indicating the prioritization of these basic needs over other categories. Trends in recent years underscore consumers' adaptation to new economic conditions, with renewed interest in recreation and vacations as restrictions eased.

What we could observe from the statistical data research is that, in Romania, we talk about the monthly consumption basket at the level of the minimum living, a concept that is the basis of poverty measurement. The needs of the individual must also refer to products and services that provide him with fulfilment, and satisfaction and in turn provide productivity at work. The needs are cultural, educational, preserving and maintaining health, travel, food indulgence, and care of dependents (children, parents).

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