

**THE IMPACT OF CONSUMER PURCHASE BEHAVIOUR CHANGES ON THE  
BUSINESS MODEL DESIGN OF CONSUMERS SERVICE COMPANIES OVER THE  
COURSE OF COVID-19**

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**ABSTRACT**

Customers are being thriftier as a result of the downturn, therefore businesses need to provide excellent value while maintaining their typical quality of service. To be successful, businesses

must adapt to the ever-shifting preferences of their target demographic. Customers are more concerned about their health and the health of the environment, and businesses need to cater to this trend by offering suitable products and services. The strategy behind developing products and services aimed at the general public is discussed in depth in this seminal work, which examines the impact of digital technological advancements, economic factors and market trends, and shifting consumer preferences. Study will discuss how businesses may adapt their methods of service delivery to the ever-changing demands of their customers in today's competitive market. People may shop whenever and wherever they choose thanks to the portability of gadgets like smartphones and tablets. Businesses are increasingly turning to mobile applications as a means of communicating with their customers due to the ease of push alerts and location-based offers. Social media is another aspect of digital technology that has influenced changes in consumer behaviour. As social media has grown in popularity, it has been easier for firms to connect with their consumers on a personal level. Expanding a business's consumer base and income through the usage of social media influencers is becoming increasingly important.

**Keywords:** Consumer, Purchase-behaviour, Service Companies, Covid-19

#### **INTRODUCTION:**

Company leaders in today's fast-paced world recognise the critical relevance of studying how shifting customer buying habits affect the creation of consumer-facing business models. Inventions in digital technology, shifts in the economy and the market, and evolving consumer tastes are just a few of the many elements influencing a dramatic shift in how and what consumers buy (Tao et al., 2022). These shifts are having an impact on how companies communicate with and serve their clientele. Changes in consumer purchasing habits are largely attributable to advancements in digital technology (Tao et al., 2022). Due to the proliferation of e-commerce sites, people may now make purchases without leaving their homes. As a result, more and more people are gravitating toward doing their shopping online, and stores have had to change to accommodate this trend. Consumer buying habits are heavily influenced by the economy and market trends (DANG et al., 2023). Customers are becoming more frugal than usual because of the economy, so businesses need to offer good value while keeping their services at a high standard. Businesses also need to think about how customers' tastes are changing as they develop new strategies. Businesses need to respond to customers' growing interest in health and environmental sustainability by providing options that meet their needs (Tao et al., 2022). This classic article delves into the ways in which developments in digital

technology, economic variables and market trends, and altering customer tastes all influence the strategy behind creating consumer-facing products and services. We'll talk about the ways in which organisations may modify their approaches to service delivery in order to keep up with the dynamic nature of today's markets and continue to satisfy their clientele.

## **PROBLEM STATEMENT**

Business models for consumer services have been profoundly influenced by developments in digital technology. As digital technology has become more widely available, customers' shopping habits have shifted, and many now prefer to make purchases online. Because of this shift, companies have been compelled to experiment with new methods of operation in order to keep up with consumer preferences (Tao et al., 2022). E-commerce is one example of how digital technology has altered the commercial environment. These days, most people would rather buy online from the convenience of their own homes than leave the house at all. With the help of e-commerce platforms, firms can more easily reach out to customers and provide them with individualised service based on their past purchases and interests (Zaoui et al. 2021). Mobile devices represent yet another advancement in digital technology that has altered shoppers' preferences. Thanks to the convenience of portable devices like smartphones and tablets, people can now purchase whenever and wherever they choose (DANG et al., 2023). As a result of the convenience of push notifications and location-based offers, mobile applications are increasingly being used by businesses to interact with their clients. Another development in digital technology that has altered consumer habits is social media. The rise of social media as a marketing tool has facilitated more intimate interactions between brands and their target audiences. The use of social media influencers has grown in importance as a means to expand a company's customer base and boost revenue (Tao et al., 2022).

Another example of how digital advances are influencing consumer behaviour is the development of artificial intelligence (AI) systems. Chatbots powered by artificial intelligence (AI) are gaining popularity in the customer service industry because they allow customers to get answers to their questions immediately through messaging platforms. Artificial intelligence algorithms are also being utilised by businesses to evaluate client data, allowing for more personalised products and services and higher levels of customer satisfaction. Innovations in digital technology have had a substantial effect on customer buying habits, necessitating new approaches to the structure of consumer service businesses (DANG et al., 2023). E-commerce sites, mobile apps, social media, and AI are just a few examples of the new technology that

businesses need to adopt swiftly. In this way, companies may anticipate and respond to their consumers' ever-changing wants and requirements.

## **LITERATURE REVIEW**

Changes in consumer buying habits are mostly determined by economic and market considerations, which in turn influence the business model development of consumer services. The buying power of individuals is profoundly affected by economic variables including inflation, interest rates, and unemployment. Consumers' purchasing power may be diminished as a result of price hikes brought on by inflation. In a similar vein, high interest rates increase the cost of borrowing money, leaving customers with less money to spend on discretionary purchases. Especially now in the digital age, shifting consumer behaviours are influenced by market trends. Customers' habits for buying products and services have been revolutionised by the emergence of e-commerce (Zaoui et al. 2021). Online shopping has given consumers access to a diverse selection of goods, and the ability to quickly and easily compare costs across several retailers before making a final decision. Customers are now more price-conscious than ever, meaning they may go around for a better deal if they discover it elsewhere. In addition, companies may now effectively market their goods and services to a wide audience via social media. Dissatisfied clients now have a platform to rapidly and publicly air their grievances to a large audience. Since negative feedback may damage a company's reputation, it's important for them to maintain a high standard of customer service at all times (Zaoui et al. 2021).

Additionally, shifting demographics have a substantial effect in determining shifts in consumer behaviour. For instance, younger generations are more inclined to value environmental friendliness while buying purchases than older generations, who may place a higher value on convenience or low prices. Changes in consumer purchasing behaviour have been strongly influenced by economic issues like inflation and interest rates and market movements like digitization and social media (DANG et al., 2023). To be competitive in today's market, businesses must keep up with these shifts by adjusting their business strategies accordingly. Business models for consumer services should also include how customers' behaviour and decisions are influenced by factors like environmental concerns or shifting demographics. Businesses that recognise these shifts and make necessary adjustments will be better positioned for the future.

## **SHIFTING CONSUMER PREFERENCES**

Changing customer tastes are a major challenge for companies providing services to the general public. Today's consumers have higher standards since they can choose from a wider variety of high-quality options. These days, customers expect and value individualised services, and they're ready to pay more for them. Companies have had to modify their operations in response to a change in customer tastes. The food business is one sector where we can observe this transformation taking place. More health-conscious customers have increased the demand for nutritious food products. Because of this shift in consumer preferences, McDonald's and Burger King now have salads and grilled chicken sandwiches on their menus. Reusable cups have been introduced by businesses like Starbucks in response to customer demand for more eco-friendly packaging. The retail sector is another area that has felt the effects of consumers' changing tastes. Customers have higher expectations for shipment speed and ease of return due to the success of online retailers like Amazon. Others stores that can't give what customers want will lose out to those who do. Consumers are increasingly turning to e-commerce as a result of lockdowns and social distancing measures instituted in response to the COVID-19 epidemic. Companies who were hesitant or delayed adopting digital transformation were eventually forced to adapt or perish (DANG et al., 2023).

Business models in the service sector have been drastically altered as a result of changing consumer tastes. Companies that wish to stay competitive must learn to foresee these shifts and make necessary adjustments fast. As customers of all stripes look for more ease and better returns from the businesses they patronise, the capacity to give individualised service will grow in significance. Therefore, businesses need to be adaptable by providing a wide range of services while maintaining the core principles that have made them successful among their core customers.

### **ROLE OF COVID-19 ON PURCHASE BEHAVIOUR**

The economic climate is just one area that has been profoundly altered by the global epidemic of Covid-19. The purchasing habits of consumers are only one sector that has changed drastically because of the epidemic. As a result of the epidemic, people's tastes and priorities have shifted, and they are shopping differently than before. This seminal article aims to investigate the effects of Covid-19 on consumers' purchasing habits and the service industry as a whole. The methods for adapting to online business are one sector that has undergone radical transformation. With social distance precautions in place, customers have flocked to the

convenience of internet buying. Therefore, firms have adjusted their strategy by putting more effort into developing powerful e-commerce platforms. The effects of consumers' reliance on technology are also discussed. Consumers have grown increasingly reliant on technology for activities like shopping as a result of the rise of the freelance economy and the popularity of online communication and entertainment. For companies that can make good use of these innovations, the market has opened up. Finally, this study considers how Covid-19 has altered consumers' priorities while making purchases. Consumers are preferring necessities above luxuries as a result of widespread economic anxiety. In order to survive in these trying times, businesses need to adjust their products and services properly. The overarching goal of this paper is to provide light on how Covid-19 has altered consumers' spending habits and how companies can adapt to these shifting market conditions.

### **E-COMMERCE ADAPTATION TECHNIQUES**

Businesses have had to adjust to the new normal as the globe tries to recover from the effects of the Covid-19 asteroid. One of the most noticeable trends is the rise of online shopping. Now that people can take precautions to keep a safe distance from each other, they choose to do their shopping online rather than at a store (Akter & Sultana, 2020). Businesses have responded to this shift by adopting a variety of strategies for adapting to the rise of online shopping. One method is to put money into digital marketing and online community building. Businesses that were once only available in brick-and-mortar locations have had to swiftly establish an online presence. To do this, you need to provide a platform where people can shop for goods without leaving their houses or offices (Wu & Zhu, 2021). The importance of digital marketing to reach customers who now spend more time online has also increased dramatically. Enhanced logistics and distribution are yet another method of adaptation. Businesses have had to improve their game to meet the expectations of online buyers for quick and dependable shipping. If you don't want to wait for shipping, several businesses now offer same-day delivery or click-and-collect. To better understand how customers are behaving during the epidemic, businesses are also embracing data analytics technologies. Companies can use this data to better target customers with relevant products and services (Wu & Zhu, 2021). A company may, for instance, modify its product offering in response to data showing an uptick in demand for health-related items within its customer base as a result of the pandemic. Finally, several businesses are investigating new payment methods to facilitate client online purchases. Providing cashless

payment options like Apple Pay and Google Wallet helps keep customers and salespeople at a physical distance (Wu & Zhu, 2021).

The release of Covid-19 has caused a global shift in shoppers' habits. E-commerce has become an integral part of many firms' survival strategies as customers continue to practise socially distancing methods and avoid congested venues like shopping malls. Companies need to leverage data analytics to better understand consumer behaviour patterns, invest in digital marketing tools and platforms to reach customers, and provide new payment alternatives to make it easier for customers to complete purchases online. As a result, companies will be better prepared to meet the needs of their customers in the post-pandemic era (Wu & Zhu, 2021).

### **IMPACT ON CUSTOMER DEPENDENCY ON TECHNOLOGY**

Customers' interactions with enterprises have been profoundly altered by the COVID-19 epidemic, and their reliance on technology has grown as a result. Consumers have been forced to rely on digital channels as a result of social distancing techniques. As a result, companies have had to swiftly adjust by introducing contactless payment and delivery choices and online purchasing systems. Because of this change in consumer habits, technological dependency has grown (Akteer & Sultana, 2020). Customers today want hassle-free digital interactions throughout the whole product life cycle, from initial discovery to final delivery. Online ordering and delivery services have become mission-critical in many businesses, but never more so than in the retail and food service sectors. Furthermore, consumers are increasingly relying on technology to help them with mundane activities like grocery shopping and banking. Technology like chatbots and virtual assistants that may give fast service to clients without the need for human interaction have seen rapid acceptance since the epidemic began (Akteer & Sultana, 2020).

However, there are problems that arise as a result of being so dependent on technology. It's possible that some customers will have trouble using modern digital services or would be wary of providing their personal information over the internet. Companies need to make sure their consumers feel safe and secure while interacting with them through digital channels by offering proper assistance and education (Kusz et al., 2023). Additionally, there is a possibility that customers' reliance on technology will result in less personable encounters with customer support representatives. As social isolation strategies and telecommuting make face-to-face encounters with company representatives less common, it is essential that companies find other

means of staying connected with their clientele (Akter & Sultana, 2020). As a direct result of the COVID-19 epidemic, consumers have become increasingly reliant on technological means for gaining access to goods and services. This shift has numerous potential upsides for both customers and businesses, such as increased efficiency and convenience, but it also comes with some potential downsides, such as a less personal approach to customer care. As a result, in these exceptional times, businesses need to find a way to effectively leverage new technology while still fostering real ties with their consumers.

### **CHANGE IN CONSUMER SPENDING PRIORITIES**

As a result of the Covid-19 outbreak, shoppers have shifted their focus. Consumers have had to reevaluate their spending patterns and set new priorities since the virus's breakout. Many individuals now avoid going out in public for fear of catching the virus, changing the traditional consumer behaviour. As a result, fewer people are making their way to stores and more people are purchasing online. One of the most noticeable shifts in consumer purchasing is the increased value placed on necessities. People are putting food, medication, and PPE (personal protective equipment) ahead of frills and other unnecessary purchases (Luo, 2021). Companies providing these necessities have experienced a rise in sales, while those selling luxuries have seen a decline. The importance of health and wellness items in consumers' budgets has also shifted. Consumers are more interested in buying health and immunity-boosting products now that they are more aware of health risks as a result of the epidemic. Demand for health and wellness products including vitamins, supplements, nutritious meals, and exercise machinery is on the rise (Luo, 2021).

Consumers' perspectives on their houses have also shifted as a result of the epidemic. There has been a rise in the popularity of home remodelling projects due to the fact that many individuals now work from home and spend more time indoors as a result of lockdowns and social distancing tactics (Luo, 2021). Consumers are spending more money than ever before on enhancing the comfort of their homes by purchasing new furniture and decorative accessories. As more and more individuals do their jobs from home, there has been a rise in the demand for technological goods like laptops and tablets. Internet connectivity has become critical not just for business but also for leisure activities like streaming video (Kusz et al., 2023).



There is little doubt that Covid-19 has had a major effect on people's budgeting priorities. How drastically this epidemic has altered our everyday life is reflected in the new emphasis on necessities and investments in health promotion. In response to these shifts in customer preferences, companies will need to revise their operational models to better serve their clientele (AL-Hawari et al, 2021).

Companies need to be flexible in order to survive in today's dynamic business environment, especially in light of the fast development of new technologies. In order to meet the evolving requirements of its clientele, businesses must adapt to the shifting patterns of consumer behaviour. In this seminal article, we will discuss the implications of anticipated shifts in consumer buying habits for the strategic development of consumer service businesses (Luo, 2021). The impact of social media on consumers is substantial. Businesses can reach a massive audience and market their goods and services thanks to social media sites like Facebook, Twitter, and Instagram (Kusz et al., 2023). This paper will investigate the impact of social media on consumers' purchasing decisions and the steps businesses may take to capitalise on this phenomenon. The patterns of digital transformation are another major focus of this paper. To keep up with the competition as more customers abandon brick-and-mortar stores in favour of online marketplaces, businesses must quickly adapt to new technology (AL-Hawari et al, 2021).

Finally, we'll talk about how individualised service is a must for successful businesses today. Customers these days want services that may be tailored to their own tastes and interests. That's why it's crucial for firms to use tactics that let them deliver individualised service without sacrificing their bottom line.

In short, this seminal article intends to shed light on how companies may stay competitive by adopting new technologies and trends and adjusting their business models in response to shifting customer preferences (Kusz et al., 2023).

## **SOCIAL MEDIA INFLUENCES**

It's no secret that social media may have a significant impact on what people buy. Consumers now have access to a plethora of information about products and services because to the proliferation of social media sites like Instagram, Twitter, and Facebook. Due to their massive online followings and persuasive material, social media influencers have quickly risen to

prominence as major actors in this field. In response to this shift, companies are increasingly teaming up with popular users of social media to spread the word about their wares. Product reviews are one way that consumers' decision-making processes are impacted by social media. Reviews from previous buyers are now an integral part of the buying process for most modern consumers (Vázquez-Martínez et al., 2021). With the use of hashtags and brand mentions, reviews may be easily disseminated across social media. In addition, customers may view user reviews and discover how others have fared with the product or service. Targeted advertising is another method in which social media affects consumers' spending habits. Users' search queries and visited URLs are only two examples of the types of data collected by social networking sites. This data is then used to tailor advertisements to specific audiences depending on their characteristics. Advertisers may now tailor their messages to each individual customer. One such way in which social media influences customer behaviour is through the power of social proof. Consumers' purchase decisions might be influenced when they see other people, they follow on social media using or recommending a product or service. This is especially true among the younger generations, who prefer genuine marketing strategies (Vázquez-Martínez et al., 2021).

Last but not least, social media has opened up fresh channels for companies to have direct conversations with their target audiences. By promptly and truthfully responding to customer comments and messages, brands may strengthen their ties with these audiences on social media. They may utilise these networks to learn what consumers think of their products and services and use that information to enhance their offers. It's no secret that social media may have a significant impact on what people buy (Kusz et al., 2023). There are several ways in which social media may affect consumer behaviour, including the influence of social media influencers, product evaluations, targeted advertising, social proof, and direct connection with customers. Businesses must also analyse how their business models and service offerings must alter to satisfy the demands of today's consumers as they continue to adapt to these shifts in consumer behaviour (Vázquez-Martínez et al., 2021).

## **DIGITAL TRANSFORMATION TRENDS**

Consumers' purchasing habits will evolve in response to digital transformation trends, therefore companies must adjust to survive. M-commerce, or shopping using a mobile device, is one emerging pattern. As cell phones become more affordable and accessible, more and more

people are turning to them for online shopping. In fact, 79% of smartphone owners reported making an online purchase in the last six months through their mobile device. As more people become used to the convenience of mobile shopping, this pattern is likely to persist. The use of AI and ML to online retail is another development with far-reaching implications for consumers. With the help of AI and ML algorithms, businesses can sift through mountains of data on customer tastes and habits to tailor their products and services and launch hyper-specific advertising campaigns. Examples of the application of AI in commerce include Amazon's use of consumer browsing and purchase data to personalise product recommendations. Shoppers' habits are evolving alongside the introduction of AR and VR technology. While virtual reality (VR) delivers immersive shopping experiences that imitate real-world surroundings, augmented reality (AR) enables buyers to perceive items in real-time by layering digital information over the physical world. With the aid of these innovations, consumers will have a clearer picture of the products they are buying.

Lastly, social media has played, and will continue to play, a significant role in influencing consumer habits. Social media advertising and influencer relationships provide direct client engagement on sites like Facebook, Instagram, and Twitter. Customers can use social media to spread the word about their experiences with a particular product or service, which can sway the opinions of their friends and family. Consumer buying habits are being significantly altered by the current trends in digital transformation, and businesses must adjust their strategies to survive in the modern economy. Businesses in today's increasingly mobile market must have responsive websites or apps that make buying from a mobile device a breeze. While AI and ML algorithms may be utilised for individualization, augmented and virtual reality technologies can be employed to create more exciting and engaging purchasing environments. Finally, social media is an essential medium for communicating with and expanding your base of potential buyers. Businesses may get ahead of the curve and better serve the requirements of modern customers by adopting these trends.

### **PERSONALIZED CUSTOMER EXPERIENCE**

The evolution of the business model for consumer services will be determined by the emphasis placed on providing a unique and individualised experience for each client. Businesses need to change in order to satisfy customers' demands for individualised service. The goal of personalization is to make each client feel special by providing them with a service that is

designed specifically for them. By doing so, you may better understand your customers' habits, likes, and requirements. Targeted marketing initiatives are one manner in which companies may give customers with individualised service (AL-Hawari et al, 2021). Businesses may better appeal to the interests and preferences of their consumers by evaluating data about those customers. This method not only boosts conversion rates but also strengthens customer attachment to the brand. Customization features are another method of providing a unique encounter for each consumer. Businesses may attract and retain clients by catering to their individual tastes. Some businesses, for instance, cater to customers with special dietary needs or exercise targets by creating individualised meal plans. While others provide customizable alternatives for clients to select from when purchasing items like apparel and home décor (García-Salirrosas et al., 2022).

Amazon and Netflix are two examples of e-commerce sites that employ machine learning algorithms to provide suggestions to users based on their previous purchases and watching habits. By recommending items that go well together, these suggestions not only boost sales but also improve the whole shopping experience. Self-service alternatives that let clients easily manage their accounts online are another way in which businesses may increase the customization of their services. In addition to being more efficient, this method also gives buyers more say over their transactions. In today's competitive market, it's crucial for companies to provide customers with individualised service (García-Salirrosas et al., 2022). Businesses may satisfy consumers' requirements and increase brand loyalty by evaluating customer data, giving customization choices and targeted marketing campaigns, allowing customers to self-serve, and making tailored suggestions. Businesses that want to succeed in a dynamic market where customers are always searching for new and different options will need to keep their strategies flexible as technology continues to advance at a breakneck speed.

## **METHODOLOGY**

Secondary data analysis refers to the process of reviewing information that has already been made public. It explains how to conduct qualitative research by reading and evaluating a published book or diary. One example is a research article on a work of literature that makes use of established critical theory. Quantitative techniques may also be used, such as when academics evaluate past systems of accounting by looking at financial records from the past. This kind of study is often used in scholarly publications including journal articles, theses, and

dissertations due to its low cost. Visiting a library, whether at a college or in your community, may yield a wealth of information quickly. While this information is useful, some people may struggle to keep an objective perspective and stay on topic while using it.

## ANALYSIS

Social media has had an unquestionable effect on both consumer spending habits and company strategies. Social media sites like Facebook, Instagram, and Twitter have given customers instantaneous access to a variety of product and service information. Businesses may now reach a large audience, increase brand recognition, and boost revenue all through social media. The influence of online reviews has grown significantly as a result of the rise of social media on consumers' decision-making processes (García-Salirrosas et al., 2022). Reading reviews written by other customers on social media platforms or independent review sites is a simple way for consumers to do their homework before making a purchase. As a result, firms are putting more effort into ensuring their customers are happy with their products and services in order to keep their favourable online reputations. Consumers may now more easily shop around for the best offers thanks to social media (AL-Hawari et al, 2021). As a result, customers have become more price-conscious and competitive in their search for the greatest deals. Therefore, in order to distinguish themselves from rivals, organisations need to provide either competitive pricing or distinctive value propositions.

Furthermore, social media has given rise to influencer marketing, when companies collaborate with influential social media figures or bloggers to promote their products. Marketing through influential people may be quite successful since their followers tend to value their judgement and suggestions. But it also needs to be transparent about sponsored content and adhere to ethical standards. Last but not least, social media has altered the customer care process for many companies. Instead of calling or emailing consumers, many businesses now primarily communicate with them through social media channels like Twitter and Facebook Messenger. While this facilitates rapid reaction and tailored engagement with clients, it also raises the stakes for handling potential PR disasters correctly. In general, social media has had a significant effect on how consumers make purchases and how businesses operate. It will be crucial for businesses to keep abreast of current trends and best practises as they adjust their strategy to meet the demands of a more and more digital marketplace.

### **ROLE OF CUSTOMER RETENTION**

Customer loyalty is crucial in today's cutthroat marketplace. It is impossible to overestimate the importance of customer retention in limiting the impact of shifts in consumer buying behaviour on the business model design of consumer services. The expense of getting a new client is far higher than the cost of keeping an old one. Therefore, firms that prioritise client retention may save money on advertising and promotion while boosting their bottom line. The ability to keep existing customers coming back is crucial to any company's bottom line. Businesses may boost customer retention and loyalty by prioritising the needs of their current clientele. This is significant because it helps businesses keep making money despite shifts in consumer spending habits. Businesses with strong customer retention are less likely to see major drops in sales as a result of, say, an economic downturn or other external factors affecting consumer buying patterns. Keeping customers happy also aids in fostering brand loyalty and goodwill. Word-of-mouth advertising is an effective strategy for generating new business since satisfied consumers are more inclined to promote items and services to others. Customers who remain loyal over time are worth more to a business since they are more likely to make more purchases. Customer loyalty also helps organisations gain insight into how to fine-tune their offerings over time. Companies may better match the requirements and expectations of their target market by listening to and acting on the suggestions of their most loyal consumers (García-Salirrosas et al., 2022).

When thinking about how to develop a consumer service business model within the constraints of shifting consumer purchasing habits, client retention must be a top priority. Keeping customers happy means more stable earnings, stronger brand recognition and reputation, and ongoing access to helpful customer input for product and service development. Rather of putting all of their resources on bringing in new clients, businesses should prioritise keeping their current clientele happy (García-Salirrosas et al., 2022).

### **IMPORTANCE OF CUSTOMER EXPERIENCE**

In the corporate world, nothing is more crucial than the satisfaction of one's customers. Businesses in today's market need to differentiate themselves by offering superior customer service if they want to succeed. Long-term success depends on a steady stream of returning customers, thus it's crucial that they have a good experience with your business overall. The reputation of a business is strongly affected by how they treat their customers, which is why

customer service is so important. When customers have a bad experience, they are more likely to tell others about it than when they have a good one. This may swiftly hurt a company's reputation and bottom line. Therefore, companies should put forth effort into offering first-rate customer service in order to boost public opinion of their brands. An additional justification for the importance of customer service is the role it plays in shaping consumer habits. Companies that provide a streamlined and individualised shopping experience are more likely to earn customers' business. Customers may abandon their shopping carts or decide not to return if they have a bad or subpar experience. As a result, improving the retail experience may have a substantial effect on the bottom line by increasing sales and decreasing cart abandonment (Ebrahimi et al., 2022).

Having satisfied consumers come back for more of your offerings is a certain way to keep your business afloat in the long run. If a company puts customer satisfaction at the top of its list of priorities, its consumers will develop positive feelings toward it and become brand champions who tell their friends and family about it (Ebrahimi et al., 2022). Moreover, there are several benefits beyond client retention when you spend in enhancing your customers' experiences. Customers who have a positive experience with a product or service are more likely to recommend it to others who could also benefit. The importance of customer experience (CX) to a company's survival and growth in today's cutthroat economy cannot be overstated. It has a direct impact on your brand's reputation and the actions your customers take, such as making purchases or promoting your company to others (Ebrahimi et al., 2022). For this reason, every company concerned with its long-term viability should prioritise spending money on providing excellent customer service (Pirc Barčić et al., 2021).

## RESULTS AND DISCUSSION

The success or failure of a company is ultimately determined by the buying habits of its customers. It controls the distribution, pricing, and promotion of goods and services. However, consumer behaviour is dynamic and may shift quickly in response to things like new technologies, shifting economic climates, and the pervasiveness of social media. It's crucial to pay attention to the impact that shifting customer purchasing habits have on the business model design of consumer services (Jawaid & Karim, 2021). The influence of social media on consumer behaviour is an important subtopic here. Consumers now have a potent tool in the shape of social media platforms to voice their opinions about the products and services they

have used. This has pushed up the value of managing a company's internet reputation. An additional subtopic worth investigating is how customer retention might lessen the impact of shifting consumer behaviour on company strategies. It may be less expensive in the long run to keep a current client base happy through dedicated customer service efforts than to attract new ones. Last but not least, a firm's ability to adjust its business model in response to shifting customer preferences depends in large part on its employees' grasp of the significance of the customer experience. Customers can be kept for longer if the service they receive is tailored to their own interests and preferences (Jawaid & Karim, 2021).

In conclusion, firms need to implement adaptable strategies that accommodate to growing demands because of the constraints imposed by changes in customer buying behaviour. Businesses may assure their continued viability and profitability by learning from the lessons of social media, placing a premium on client retention, and working to enhance the customer experience (Jawaid & Karim, 2021).

## CONCLUSION

In conclusion, there has been a lot of interest in recent years in how shifting customer buying habits affect the business model design of consumer services. New digital technologies, economic reasons, and market trends, as well as changing customer tastes, have all been discussed in this article. Business-customer interactions have been transformed by developments in digital technology (Jawaid & Karim, 2021). To keep up with the times, businesses need to adopt cutting-edge technologies that enhance customer support and operational efficiency. Businesses are heavily influenced by the economy and market developments. For instance, businesses need to keep tabs on the economy and make necessary adjustments to their operations. Last but not least, changing customer tastes are perhaps the single most important factor influencing the corporate landscape today. More and more, shoppers prioritise unique encounters with practicality and ethical practises. Therefore, businesses need to be able to shift with consumer tastes if they wish to succeed (Pirc Barčič et al., 2021). The bottom line is that companies can no longer afford to discount the significance of shifting customer buying habits. Companies may secure their continued viability in today's dynamic economy by adopting new technology, keeping abreast of economic trends and market conditions, and swiftly adapting to shifting customer demands (Pirc Barčič et al., 2021).



As a result, the economic paradigm of the service sector has been significantly altered as a result of the Covid-19 epidemic. For companies to keep up with these shifts and maintain service to their clientele, e-commerce has become a crucial instrument. Online ordering, delivery, and curb side collection; virtual consultations and meetings; contactless payment alternatives; these are just a few of the e-commerce adaptations that businesses have had to make. As a result of the epidemic, more customers are reliant on digital platforms to meet their basic necessities (Jawaid & Karim, 2021). This change in attitude is likely to last long after the epidemic has ended, prompting companies to increase spending on technology-driven remedies. In addition, consumers are shifting their budgets to prioritise necessities like food, medicine, and home goods. The entertainment and tourism industries, in particular, have felt the effects of this change. The Covid-19 epidemic has changed consumer behaviour, and companies will need to continue to adjust their offerings to meet the needs of their customers. Those that are able to adapt to these shifting customer preferences will thrive in the years to come, while those who are unable to will struggle to stay afloat.

Changes in consumer buying behaviour in the future, and their impact on the business model design of consumer services, are, in short, a hot issue right now. Changes in how organisations function have been brought about by the rise of social media, digital transformation, and individualised customer service. In order to maintain relevance and competitiveness, businesses must adapt by integrating these shifts into their operations. Because of the impact of social media, businesses may now contact consumers all over the world. Companies may increase consumer engagement and brand loyalty by taking use of social media. Companies today use technology to simplify processes and enhance customers' experiences as a result of digital transformation trends (Gu et al., 2021). A company's service strategy should also take into account the customer's desire for a tailored experience. Customers in the modern day want services to be tailored to their own interests and requirements. The best way for businesses to understand their customers and provide better service is to employ data analytics technologies. In conclusion, in today's rapidly evolving market, companies who fail to respond to shifting customer preferences will quickly become irrelevant. Therefore, businesses must adapt their strategies to account for the increasing importance of social media, digital transformation, and individualised customer service. They can keep ahead of the competition and match the changing demands of modern customers by doing so. In conclusion, it is clear that the constraints of consumers' ability to alter their purchasing habits have a major bearing on the development of consumer service business models. The proliferation of social media has

changed the way companies communicate with their clients and given customers greater access to data about the goods and services they offer. But this also implies that companies need to pay more attention to their reviews and internet reputation (Gu et al., 2021).

In addition, keeping existing customers is crucial to any company's long-term health. Companies need to provide individualised customer experiences and implement loyalty programmes to keep their current clientele as well as attract new ones. The way a client feels is very important in determining their buying habits. Customers will pay extra for convenience and satisfaction. Therefore, companies should put resources into providing a pleasant and interesting experience for their clients (Gu et al., 2021). It is evident that the success of any business model design depends on keeping up with the shifts in customer behaviour. Companies may build loyal client bases in today's cutthroat market by focusing on customer retention techniques and improving the quality of their consumers' overall experiences on social media.

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