



Compulsive Shoppers Flourish on Amazon during COVID-19 Pandemic

Authors

Richard E. Hunter¹, Richard A. Nida²

¹Ph.D., Communication Department, Maryville University, Missouri, USA

²Ph.D., Public Relations, Authentic Strategic Partners, North Carolina, USA

Abstract

The purpose of this study was to explore the mental health impacts of the online shopping behavior of a wide-range of U.S. based Amazon.com Inc. (Amazon) customers during the COVID-19 pandemic. Since customer access to traditional retail outlets during the 2020 year was significantly reduced by government restrictions and face-to-face shopper trepidations, online shopping flourished. Prior to the pandemic, compulsive online shopping had been identified as contributing to not only adverse financial and relationship consequences, but also potentially resulting in a possible serious addiction not unlike those of alcohol, drug, gambling, or sexual disorders. The researchers constructed a scale, consistent with items used to assess other behavioral disorders referenced in the “Diagnostic and Statistical Manual of Mental Disorders” (DSM-5) and surveyed 600 Amazon customers using the Pollfish platform. The study was conducted in one day on Dec. 30, 2020, just after Christmas, when both the pandemic and online shopping were top of mind. Not surprisingly, results indicated that Amazon shoppers were more active than normal in their online shopping during the year-long pandemic. What’s more, a high percentage (71.3%) purchased more than they intended. There appeared to be a relatively small group of online shoppers (around 5%) that could be clearly identified as “impulsive” or “addicted,” depending upon school of thought. These people continued to purchase from Amazon even when they experienced family or legal problems because of it. Another larger group (12.2%) appeared to be “at risk” of mental health problems because they compulsively viewed the Amazon site for products to purchase and couldn’t stop, or cut-down, on their shopping at Amazon – even when they tried. The question of responsibility that Amazon might bear to any of its customers’ potential harmful excessive online shopping behavior is discussed.*

Keywords: COVID-19, Pandemic, Online Addiction, Amazon, Shopaholic, Oniomania.

Introduction

In-store retail shopping in the year 2020 was unusual in the United States because of COVID-19 and the reactions to the pandemic by various government entities. The first U.S. case of COVID-19 was detected in January⁽¹⁾, and the first deaths were recorded in February⁽²⁾. Though the U.S. federal government never issued a

national “lockdown” as seen in China or Italy or a “shelter in place” order to try to mitigate the spread of the virus, several states and localities issued a variety of orders and exhortations hoping to suppress unnecessary personal interactions like in-person retail shopping and to help control the contagion. The length and breadth of the efforts were catalogued for each state by USA Today⁽³⁾

and ranged from “mandatory lockdowns,” to “voluntary self-quarantines.” Though the total impacts of these restrictions on retail sales remain to be determined, preliminary data indicate that in-store retail sales suffered while online sales strengthened. Beyond government restrictions and admonitions, customer apprehensions about their own safety also likely reduced in-store shopping during 2020, further increasing online shopping. The U.S. Census Bureau⁽⁴⁾ reported that preliminary overall annual retail sales for 2020 were essentially flat (up .6 percent). Though there was not an annual breakout of in-store versus non-store sales in the preliminary report, for the month of December, non-store sales were up 19.2 percent. (Note: The researchers assumed that the vast majority of non-store sales were conducted online). As the largest online retailer in the U.S., Amazon reported sharply increased sales in each of the first three quarters of 2020. For the most recently reported quarter, ended Sept. 30, 2020, revenues for “first party sales,” or what Amazon defines as sales of its own products, were up 32.8 percent⁽⁵⁾.

Even during a pandemic, Americans need to shop for necessities, like food, medicine, and a host of other items of their choosing. Of course, shopping is not new to Americans. Consumer purchases drive the U.S. economy (6). The idea of a compulsive buying disorder (CBD) was first introduced clinically in the early 20th Century⁽⁷⁾. Today, a compulsive shopper may be called anything from the colloquial “shopaholic” to the more clinical “shopping addict.” The problem with the second term is that the DSM-5⁽⁸⁾ does not classify compulsive shopping as an addiction, let alone a more specific one related to online shopping. There appears to be spirited discussion by clinicians and researchers on the existence generally of “behavioral” addictions, i.e., addictions without drugs⁽⁹⁾. Therefore, an online shopping disorder might be more akin to other behavioral disorders like gambling or sex compulsive disorders. Nonetheless, respectable researchers have reported study results with

estimates that approximately 5 percent of participants exhibited serious compulsive shopping behavior⁽¹⁰⁾. A very recent study found that more than half of online shoppers indicated they shopped more during the pandemic than normal⁽¹¹⁾. With such a substantial increase in online shopping activity, the question arises concerning the potential development or worsening of compulsive online shopping behavior.

Objectives

The researchers wanted to determine the extent to which the increase in online shopping for a broad range of Amazon online customers in the U.S. during the COVID-19 pandemic impacted compulsive shopping behavior. Further, the researchers sought to identify through demography particular groups most at risk for the identified behavior amid the increased social isolation and economic trauma.

Material and Methods

The Poll

The poll consisted five Amazon online shopping related questions and a bundled series of demographic questions provided by the Pollfish sampling company. Of the Amazon online shopping related questions, a single question sought to identify the presence of known addiction symptoms and establish estimates of addiction severity.

ASP adopted well-known addiction symptom measurement items used by the most recent version of the Diagnostic and Statistical Manual (DSM-5), the industry standard for diagnosing Mental Health and Addiction-Related disorders. ASP selected those items that tended to have universal appeal across most, if not all, existing addiction categories (e.g., alcohol, drug, gambling, sex, etc.) and revised them to reflect online purchasing behavior. ASP settled on a total of eight measurement items that met the face validity requirement. They are listed below:

Selected DSM-5 Measurement Items

- Purchased more frequently from Amazon than intended.
- Spent a lot of time viewing Amazon site for things to purchase.
- Have a strong desire or craving to make Amazon purchases.
- Gave up other activities just to shop on the Amazon site.
- Purchased more from amazon to get the same effect (or feeling).
- Tried to quit or cut down on your Amazon purchasing (but couldn't).
- Continued to make Amazon purchases even though you knew it would cause problems.
- Continued Amazon purchasing has caused family or legal problems.

The remaining four Amazon online related questions focused on:

- The frequency of purchasing among Amazon respondents for both the consumer's pre-COVID-19 and COVID-19 time period.
- Establishing the prevalence of Amazon Prime credit holders among the respondents and their current their monthly Amazon credit card debt.

A national poll of 600 Amazon online shoppers was commissioned through the Pollfish polling service, administered through a myriad of mobile apps among cell phone users and stratified to assure national geographic representation. The

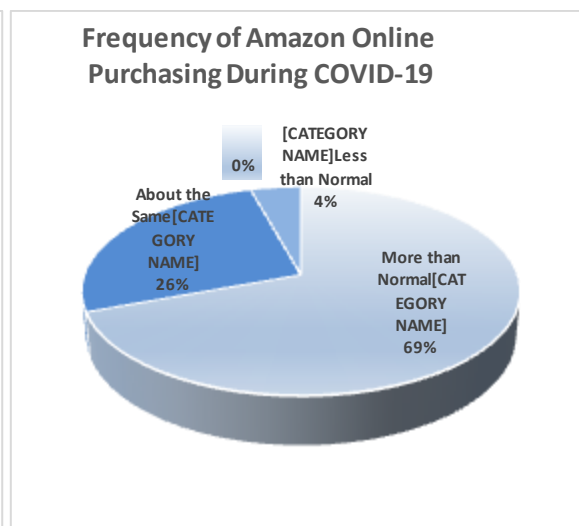
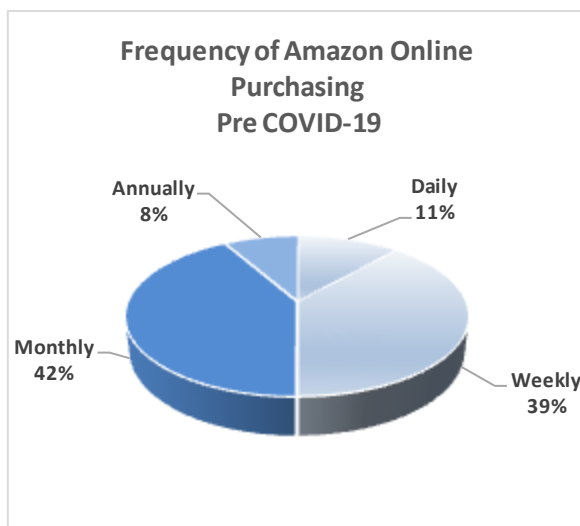
poll was deployed and completed on December 30, 2020. There was a sample error variance of +/- 4%.

ASP examined the frequency counts of each DSM-5 revised measurement item and then explored their potential relationship with each of the other DSM-5 items and the demographic data with cross tabulation analyses. Hierarchical cluster analysis was employed to identify potential subgroups that could prove meaningful.

ASP then adopted the DSM-5 scoring process for identifying addiction behavior from the completed poll data. The scoring process, consistent with that of the DSM-5, is a simple symptom counting process – the more symptoms selected, the greater likelihood that an Amazon online customer was exhibiting addiction behaviors.

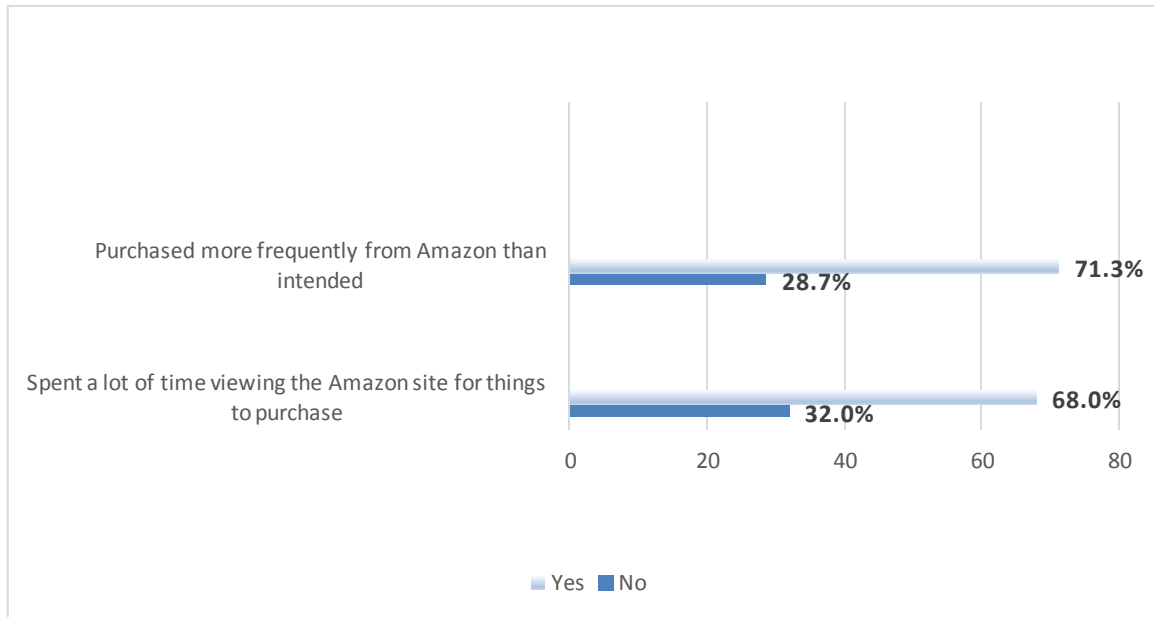
Conclusion

The degree of Amazon online purchasing among its customers appears to be staggering. Amazon respondents reported that half of them (50%) shopped “*weekly or daily*” on the Amazon online shopping website *prior* to the COVID-19 pandemic. A greater number of them, nearly 7 in 10 (69%) indicated that since COVID-19, they have been purchasing “*more than normal,*” suggesting a substantial increase in purchasing and consistent with Amazon public quarterly earnings reports.



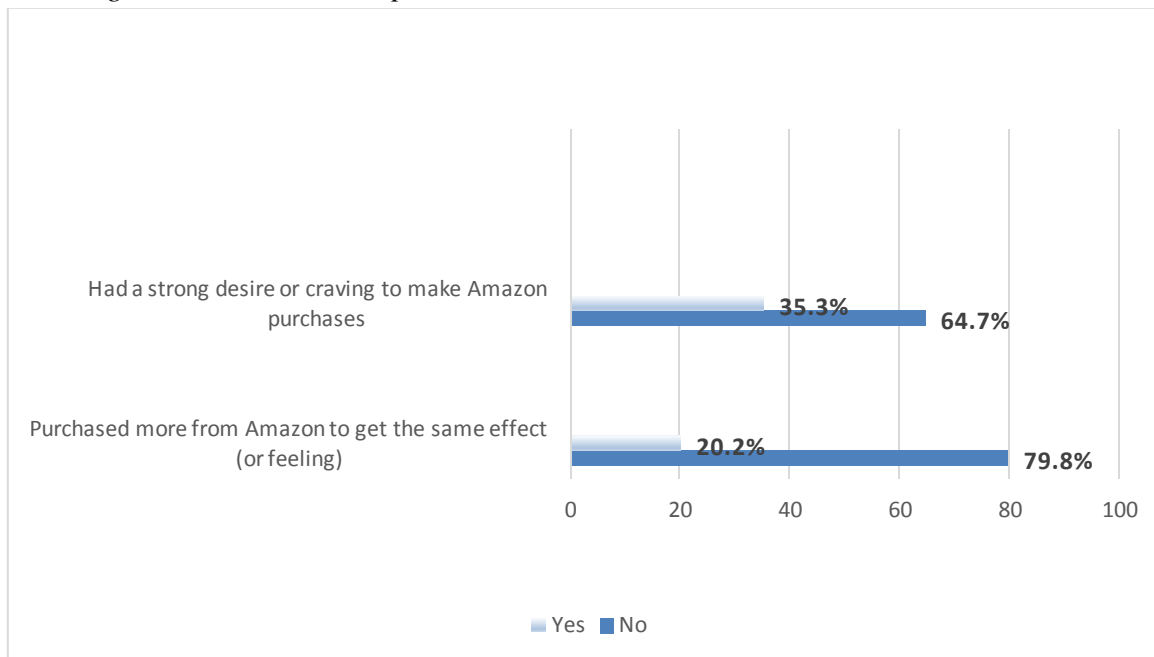
Nearly half of the respondents (46%) identified themselves as Amazon Prime Credit Card holders, and among those answering the question (less than half of the respondents), revealed that they carried a monthly balance of between \$1,000 and \$3,000. A significant swath of the Amazon respondents (71.3%) revealed that they had purchased, at times, “...more than they intended.” Nearly the same number of Amazon respondents (68%)

indicated that they “spent a lot of time viewing the Amazon website for things to purchase.” Even, when taken together, without the presence of additional addiction related items suggestive of addiction, this customer group can be largely viewed as America struggling to combat all the restrictions and limitations imposed by COVID-19, both financial and psychological.



There appears to be a resistant group of Amazon customers who will admit that they “have a strong desire or craving to make Amazon purchases”

(35.3%), or “purchased more from Amazon to get the same effect (or feeling)” (20.2%), yet, fail to succumb to more addictive behaviors.

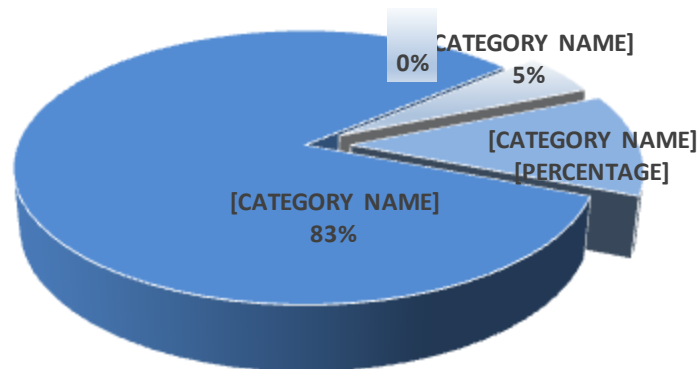


There are two core groups of Amazon online customers collectively approaching 1 in 5 Amazon online buyers reflecting a more serious set of addictive buying habits:

- The first can best be described as an Online Compulsive Buying group. They include Amazon online shoppers who spent "...a lot of time viewing the Amazon site for things to buy," AND "tried to quit, or cut down, on their Amazon purchasing, (but couldn't)." This was 12.2% of the sample and contributed nearly a third to those who reported that they had suffered from either family or legal problems from their online purchasing behavior. While 7 in 10 respondents from the total sample reported "shopping on Amazon more than normal" during the COVID-19 pandemic, this compulsive buying group approached 9 in 10 (86.3%). This group tended to be predominately female, married, more highly educated, and more likely to possess an Amazon Prime Credit Card.

- The second, smaller group, by applying both the DSM-5 scoring procedure (e.g. counting symptoms), and by examining the addiction-related item responses, one at-a-time, the results suggest that there is indeed a severe addiction group of approximately 4% to 6% of the sample. These respondents indicated that they "purchased more to get the same effect (or feeling)," "knew that continuing to purchase Amazon products would cause problems," and that they actually did "cause family problems or legal problems." This group differs from the Compulsive Buying group in that they are predominantly male (64%), age 35-44 (64%), nearly all (92%) purchasing "more often than normal" during the pandemic, with 80% revealing that they are Amazon Prime Card carrying members, half of whom (55%) reported monthly balances in excess of \$3,000.

At-Risk Addiction Groups Among Amazon Online Buyers



While the combined Amazon online "addiction risk groups" appear to rest within the 15% to 20% range, only Amazon itself can provide more conclusive information regarding this issue. ASP cannot help but believe that it's in the best interest of Amazon to identify these customers and offer ameliorative assistance either in the form of

corporate policy purchase limitations, referral or even direct help as a means maintaining an ethically sound business relationship with its customers.

This research sought to address the issue of potential online buying addiction among Amazon online shoppers, particularly during this highly

immobilized and isolated COVID-19 time-period.

The online purchase transaction offers several opportunities to psychologically escape the daily deprivation caused by the COVID-19 pandemic.

Such pleasurable activities include:

- Spending time viewing a wide selection of desirable products.
- Achieving a sense of ownership when the financial transaction has been consummated.
- Tracking the delivery process in anticipation of product arrival.
- The actual delivery and product unpacking experience.

These “*pleasure point activities*,” when taken together, frequently repeated for either essential living needs or for psychological satisfaction, in the midst of a worldwide pandemic, is suspected of being a recipe for creating problematic addictive online buyers. The results of this research support this hypothesis.

The COVID-19 pandemic time-period has increased Amazon online purchasing by a substantial number of its customers (7 in 10). This provides confirmation that Amazon online buyers are currently making these transactions more frequently and in an intensified fashion. The research also reveals an indisputable presence of a significant number of multi-symptom addicted online buyers who admit their dependency and, for many, reveal that they have experienced serious family or legal problems due to their online buying habits.

In short, online buying addiction is real and prevalent among Amazon online buyers. There is no reason to necessarily believe that this phenomenon would not be found as well among other large-scale online retailers such as Walmart and Target.

***Disclaimer**

The study and its results discussed above was not commissioned, approved or associated in any way with Amazon.com, Inc.

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