

The Effect of the Covid-19 Pandemic on Gift-Giving

Soha Rahman

The Shared Secrets Lab

GiftAFeeling Inc.

May 29th, 2022

The sudden emergence of the Covid-19 virus in the beginning of 2020 changed the landscape of the human lifestyle. It has drastically changed so many different aspects of life that society was so accustomed to. Arguably, one of the most major impacts was on human interaction and relationships. Human connection being such an important part of survival, our ability to build and maintain connections had to be severely adjusted, especially with the lockdown and increased social distancing rules. For a couple years following that, special occasions that required giving gifts, such as holidays, birthdays, weddings and numerous more, all were impacted in a way that the whole procedure needed to be changed. This paper will explore the different ways in which society adjusted to giving gifts in compliance with the restrictions of the Covid-19 pandemic.

Gift-giving is a vital part of maintaining relationships, it is one of many ways to show the value of the relationship and express care. However, during the pandemic, with stores being closed or having limited hours of operation or going out of business during lockdowns. People in North America started cutting back on what they are purchasing and for whom. Several families were forced to re-examine traditional gift exchange practices because of the pandemic (Bhattarai, 2021). The shifting consumer market has been accelerated by the rising cost of goods as well as supply chain disruptions which have resulted in low product inventory. In these past few holiday seasons, consumers have purchased and given cash or gift cards as an alternative means of gift giving compared to tangible items (Bhattarai, 2021). Additionally, many consumers relied on Amazon solely for all their presents as Covid-19 restrictions made it near impossible to physically purchase items in store.

Furthermore, as the global economy slowed down in February of 2020, supply disruptions that began in China and spread worldwide, preceding a subsequent surge in demand

leaving companies worldwide vulnerable to supply chain and production strategy mistakes (Shih, 2020). As the manufacturing process slowed down, it resulted in the gift-giving industry and likewise consumers dealing with substantial collateral damage. In response, consumers needed to get creative with their gift-giving ideas, with some people starting personal businesses making homemade, personalized products for others to purchase, such as customized masks and other personal protective equipment, amongst many other uncommon items for gifting. This led to increased traffic to Etsy's website, resulting in an increased number of Etsy businesses and sales, when compared to other more reputable companies. Several companies also reported being sold out of items for an extended period of time yielding in low inventory stock, leaving consumers scrambling to find alternative gifts in time for their loved ones on special occasions. Due to international border closures, products were not able to be shipped out to customers in a timely manner, leading to a shift in the products that used to be traditionally given as gifts.

Moreover, the nature of the products that were now being given as gifts was modified to fit the current pandemic situation. People started opting for more practical and logical gifts for their loved ones, instead of flashy and eye-catching presents. During these unprecedented times, there was an increased focus on caring for family and relationships, people preferred to give gifts that would be more meaningful and could be utilized in a practical manner during the pandemic. Products such as protective gear, gift cards to grocery stores and gas stations, as well as office equipment for those that were working remotely from home are just a small representation of possible gifts that became popular. Therefore, consumers preferred to buy helpful gifts that the recipients considered necessities (Marinho, 2021). Seeing fellow citizens and those less privileged, many people felt the urge to help out in any way that was possible. Furthering the intent of giving practical and useful presents to relieve some stress during difficult times and

express their care in a new way. In addition to that, since the employment rate was on a steep decline and several paychecks were cut, people gave more thought about what their limited financial resources were allocated to.

Online shopping became an increased societal norm, which led to consumers flocking to online retailers. In response, many companies started to replicate the Amazon business and delivery model, such as Walmart and Target. Sales for such companies started to sky-rocket as consumers now had several options to make purchases from within their homes, alleviating the strain and confusion that came with locating products during the pandemic. Subsequently, people strayed away from customary gift-giving etiquette of the recipient receiving the gift personally from the giver. Instead, consumers opted to have items shipped and delivered to the recipients' doorstep. Thus, dwindling the emotional connection between loved ones when exchanging presents on momentous occasions.

Given the remarks mentioned previously, it is apparent that the Covid-19 pandemic drastically altered the course of consumer behaviors and the manufacturing industry alike. Even as the severity of the pandemic protocols lessens, the impact that it has had on society still consistently persists and has become the new "norm". Regardless, people will always value the importance of relationships and want to continue to maintain them. Even though the physical aspects of human interaction may have been replaced, people proceed with inventive gift-giving behaviors that are in regards with the ever-changing Covid-19 restrictions. Regardless of whichever method, it is done, whether traditionally or untraditionally, gift giving will forever play an important role in our society and within our relationships with others.

References

- Bhattarai, A. (2021, December 22). *The pandemic ended big gift exchanges. here's what we're doing instead*. The Washington Post. Retrieved May 28, 2022, from <https://www.washingtonpost.com/business/2021/12/20/holiday-gifts-pandemic-practical/>
- Shih, W. C. (2020). *Global supply chains in a post-pandemic world*. Harvard Business Review. Retrieved May 28, 2022, from <https://hbr.org/2020/09/global-supply-chains-in-a-post-pandemic-world>
- Marinho, M. H. (2021, March). *Gift giving in a pandemic: 3 ways giving has changed over the last year*. Google. Retrieved May 29, 2022, from <https://www.thinkwithgoogle.com/intl/en-ca/consumer-insights/consumer-trends/pandemic-gift-giving-behavior/>