

The Impact of Working from Home on Compulsive Buying Behavior

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To cite this article:

Tuti Setyorini, Jappy Parlindungan Fanggidae, Janri Delastriani Manafe, Indawati Jauhar Nino. The Impact of Working from Home on Compulsive Buying Behavior. *Journal of Business and Economic Development*. Vol. 6, No. 4, 2021, pp. 212-216.

doi: 10.11648/j.jbed.20210604.13

Received: September 4, 2021; **Accepted:** October 30, 2021; **Published:** November 17, 2021

Abstract: This research is motivated by the working from home phenomenon which is one of the consequences of the COVID-19 pandemic. The purpose of this study is to investigate whether the work from home system affects the consumption patterns of workers. To achieve the research objectives, data were collected through questionnaires which were distributed to workers in Indonesia who implement the work from home system. Previous studies noted that working from home will increase the intensity of internet use, causing depression problems among workers which in turn affects their buying patterns. The survey participants are 145 workers who have monthly income and have worked in the current employer for minimum 6 months. Data collected were analyzed using a quantitative method, in which the relationship between two or more variables are examined. The mediating theoretical model was tested using Process Model 4. Results revealed that workers who work from home have higher tendency to involve in compulsive buying behavior than those who work onsite. We also found that the effect was mediated by the feeling of loneliness. Theoretical and practical contributions are discussed.

Keywords: Work from Home, Loneliness, Compulsive Buying Behavior, COVID-19

1. Introduction

The COVID-19 pandemic has not only caused various problems and has also changed how some organizations operate. The education sector, for example, is forced to carry out online learning (without face to face) by relying on information technology. In addition, both in the government and private sectors, working from home is becoming increasingly common in pursuit of productivity in the midst of limited physical social interactions [1]. Working from home is known to have many advantages, including increased productivity, work comfort, job satisfaction and decreased absenteeism [2]. However, some shortcomings were noted in the implementation of working from home, such as the need for a special room to work at home to make work more effective. Working at home is also difficult to do with the presence of young children because the level of distraction is relatively high [3]. We propose that working from home also has other negative impacts among workers. During the COVID-19 pandemic where most workers have to work

from home, it is very important for companies to anticipate the negative impacts of the work from home system and try to overcome them.

The negative impact of the work from home system is often suffered by the workers. For example, working from home makes it difficult for workers to divide their time between career and personal life. Toniolo-Barrios and Pitt [4] argue that working from home especially during a pandemic when schools are closed makes workers split between work and helping children with schoolwork, which can lead to depression. Working at home also makes workers tend to have difficulty communicating with fellow co-workers and superiors because working from home causes workers to feel isolated and even depressed [5]. In line with previous studies, this study argues that working from home can also cause financial losses for workers. This study argues that working from home makes it difficult for workers to try to overcome the difficulties faced by carrying out hedonic actions such as excessive shopping in the form of compulsive buying.

The purpose of this study was to find out the relationship between working from home and compulsive buying. To achieve the objectives of this study, we developed hypotheses with the support of prior literature that discusses the system of working from home, the psychological atmosphere of workers while working from home and compulsive buying patterns. This research is important because to the best of our knowledge, this has never been done before so that it can provide a new perspective on the impact of working from home on workers' purchasing patterns. Practically, this research can provide knowledge to both companies and workers in order to avoid negative consequences that may be incurred by the work from home working arrangement.

2. Theoretical Background

2.1. Work Form Home (WFH)

In the context of work and employment, social distancing policies are enforced by adopting alternative work arrangements where employees are encouraged or even forced to do their work from home (Work From Home). The practice of working from home actually has a long history. This system was first introduced since the early 1970s under the term "telecommuting" [6] and has continued to evolve under various terms, such as remote work [7], teleworking [8] and working at home [3]. While there is no agreed-upon term, working from home is a term that is frequently used universally.

It is generally accepted that work from home system has a positive impact on society. Working from home reduces physical transportation from one place to another so as to reduce air pollution caused by motorized vehicles [3]. Working from home can also save energy and financial costs compared to working at a physical workplace. Crosbie and Moore [9] explain that working from home is a form of flexible working hours initiative that provides flexibility to employees. They emphasize that working from home must have guidelines in which there are clear processes, systems, and policies, so that working from home can be beneficial not only for companies but also for employees.

2.2. Work from Home and Loneliness

Loneliness is an unpleasant emotional symptom that occurs when a person in a relationship with his community there is an acute deficiency both in quantity and quality [10]. Loneliness has become a universal humanitarian problem that occurs in various parts of the world. Although loneliness generally occurs with increasing age among the elderly [11, 12], symptoms of loneliness have recently been found even at a young age with a tendency to commit suicide [13]. It is clear that the impact of loneliness on human psychological condition can be bad both mentally and physically. Loneliness can be caused by several things, such as the rejection of a person from the surrounding environment [14] or by other causes that are directly related to the person's behavior.

Loneliness is often associated with excessive internet use by an individual. Previous research found that when a person

spends a lot of time on the internet, the person experiences symptoms of acute loneliness coupled with high levels of stress [15]. In line with the abovementioned argument, Kraut, et al. [16] found that introverted and extroverted individuals have different reactions to the internet use. An introvert will feel high loneliness and desire to stay away from the community when using the internet excessively. While an extrovert will feel the opposite. Similar results were also found in Asia where loneliness is associated with excessive internet use including social media and motivation to find social networks in cyberspace [17].

The working from home system is closely related to the use of internet facilities for a long time. In addition, that working at home reduces social interaction between the worker and other people, it can be assumed that people who work at home have a fairly high tendency to experience symptoms of loneliness. Therefore, the first hypothesis in this study is:

Hypothesis 1: WFH workers are lonelier than onsite workers.

2.3. Compulsive Buying Behavior as Consequence

Compulsive buying is defined as a chronic or repeated purchase that becomes the primary response to negative events or feelings from the buyer [18]. Compulsive consumption is described as a response to uncontrollable urges or desires to obtain, use, or experience a feeling, substance, or activity that leads the individual repeatedly. According to Schiffman and Kanuk [19] a compulsive buyer is an individual who purchases an item without considering the use of the item and only fulfills the desire to have the item. By definition, compulsive buying can harm consumers because they often do not consider the financial aspect that must be sacrificed for making these purchases.

There are several things that can trigger compulsive buying and one of them is loneliness [20]. Although often considered a nuisance in the clinical literature, compulsive buying is a self-protective measure in the face of fear and uncertainty such as those associated with COVID-19. This is consistent with a model of compulsive buying behavior which suggests that pandemic-related triggers (e.g., fear of COVID-19) can increase compulsive buying [21]. In addition, Jaspal, et al. [20] found that people who are depressed and have mental problems have a higher tendency to make compulsive buying. Therefore, we hypothesize that there is a relationship between loneliness and compulsive buying, and more broadly it can be assumed that working from home affects compulsive buying through loneliness. Formally, our hypothesis reads as below:

Hypothesis 2: Loneliness has a positive relationship with compulsive buying.

Hypothesis 3: WFH has a positive relationship with compulsive buying indirectly through loneliness.

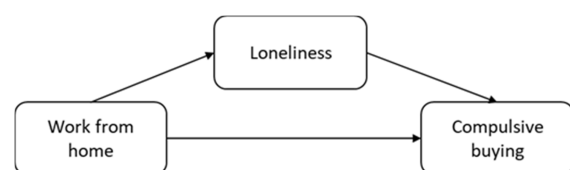


Figure 1. Theoretical Framework.

3. Methods

3.1. Samples and Data Collection

Respondents in this study were workers, both public and private employees residing in one of major cities in Indonesia. Respondents must meet several criteria, namely willing without coercion to fill out the questionnaire, have a permanent job within the last six months, and do not know the hypothesis of this study. The criteria are necessary so that the answers from respondents are not biased. The respondents were not rewarded for filling out the questionnaire and they were informed that they could stop participating at any time whenever they feel uncomfortable. The number of respondents involved in this study were 147 workers.

The respondents accepted an invitation to participate in the study. The invitation was sent via social media, and private message networks. Previously they were informed that the purpose of this scientific research was to find out the impact of working from home system on workers' behavior.

3.2. Measurement

The items in the questionnaire were adapted from previous studies that have passed validity and reliability tests. The construct of working from home was measured by a measurement scale developed by Bick, et al. [22]. It is a categorical variable where work from home is coded as 1 while other working arrangements (partial work from home and work onsite are coded as 0). The scale for measuring loneliness was adapted from research conducted by Russell, et al. [23]. Meanwhile, compulsive buying obtained from research conducted by Valence, et al. [24]. All variables were measured using a 5-point Likert scale.

3.3. Data Analysis

This is a quantitative study that aims to examine the relationship between one variable and another. To test the mediating theoretical model, we used Process Model 4 Hayes [25]. Preliminary analysis was carried out to ensure that all measurement scales are reliable while further analysis is basically to test the hypotheses that have been built. 4. Results

4. Results

Descriptive statistics were carried out to assess the reliability and normality of the continuous variables. Cronbach alpha for all continuous variables, as demonstrated in the Table 1 indicated that all continuous variables are reliable [26]. The continuous variables were also tested for normality, which included the values of skewness and kurtosis. Shapiro-Wilk test for normality was conducted. The results showed that the variables are in between the values of -1 and 1, thus, it is concluded that no normality violations were found in the data [27].

Table 1. Descriptive Statistics, Correlations, and Cronbach alpha.

Variable	α	M	SD	1
1. Loneliness	.88	3.70	.68	-
2. Compulsive buying	.74	3.68	.63	.63**

**Correlation is significant at the 0.01 level (2-tailed)

To examine the theoretical model, WFH \rightarrow loneliness \rightarrow compulsive buying, the data were analyzed with a mediation model [25] with 5,000 resamples. WFH as a dichotomous variable was coded as 1 = Yes WFH and 0 = No WFH. All other constructs are measured with continuous variables. First, the results of an independent sample t-test demonstrated that there was a difference between respondents who work from home and those who work onsite. WFH employees reported more feelings of lonely ($M = 3.94$, $SD = .57$) than employees who work onsite ($M = 3.53$, $SD = .70$); $t(145) 3.68$, $p < .001$. These results indicate that our first hypothesis is approved.

Second, results support the second hypothesis that loneliness is positively related to compulsive buying ($b = .55$, $SE = .06$, $t = 9.01$, $p < .001$). That is, the higher participants feel lonely, they are more likely to involve in compulsive buying behavior. In contrast, when they feel less lonely, they are less likely to conduct compulsive buying.

Third, when the employees work from home, their direct relationship with compulsive buying was positive but statistically insignificant ($b = .15$, $SE = .08$, $t = 1.80$, $p = .07$). The indirect relation between WFH and compulsive buying was significant via loneliness ($b = .22$, $SE = .06$, 95% CI: 10,35). This supports our third hypothesis. The results are indicated in the Figure 2 below.

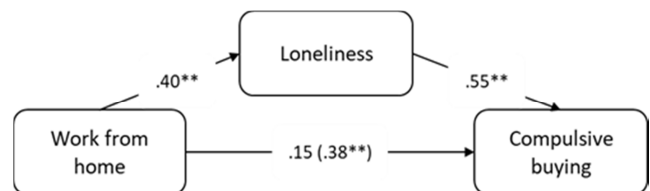


Figure 2. Hypothesis testing results.

5. Discussion

The widely use of work from home working arrangement during COVID-19 pandemic has drawn attention from both scholars and practitioners. Indeed, COVID-19 pandemic has altered conventional consumers behavior [28]. In line with that, we found that work from home affects how consumers spend their money, in particular through compulsive consumption. The results of the present study confirm that Work from Home has positive relationship with compulsive buying behavior via the feeling of lonely. That is, employees who work from home, compared with those who work onsite during the pandemic have higher tendency to exercise compulsive buying behavior. The feeling of loneliness is responsible as the mediating factor.

Both employees and employers can benefit from the practical contributions of the present study. First, since compulsive buying behavior is considered having negative

consequences for individuals [29], employees who work from home may diminish the undesirable effects by manipulating the feeling of lonely. Loneliness is deemed to have an important role in shaping compulsive buying behavior. It is crucial for employees to build intense relationship with outside world during the pandemic. Second, for employers, organizing employee-manager meeting may benefit both parties during the pandemic. Online platforms can be used for this purpose, to eliminate the feeling of loneliness among the staff.

Despite its theoretical and practical contributions, this study has limitations that can be addressed by future research in this area. First, although this study has discussed the impact of WFH on psychological state and consuming patterns, it did not focus on organizational outcome (e.g., work stress, job performance, etc.). Since organizational outcomes are considerably important and can be affected by working arrangements [30], future studies can address this. Second, social distancing and working from home only effective if the employees restrict their physical encounter with others [31]. It is possible that during the WFH policy, employees physically meet others since they are simply bored at home. This may affect how study participants respond to our measures. Future study can include other psychological constructs such as boredom, disobedience or individual reactance to gain more comprehensive picture of the influence of WFH on compulsive buying behavior.

Acknowledgements

We thank anonymous reviewers for their useful insights and suggestions. We also thank State Polytechnic Kupang for giving us opportunity to conduct the research as well as the funding support.

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