

Household Resilience in Transition: Understanding Consumption Patterns in Maharashtra Across the COVID-19 Timeline

Mrs Nandini Jagannarayan¹ and Dr Asha Prasuna²

Research Scholar, KJ Somaiya Institute of Management, Somaiya Vidyavihar University and

Assistant Professor, RJ College of Arts, Science and Commerce¹

Professor of Economics & International Finance

K. J. Somaiya Institute of Management Studies, Mumbai, Maharashtra²

Abstract: *This article presents a critical review of existing literature concerning the influence of socio-economic factors on household consumption behavior, with particular attention to the transformative impact of the COVID-19 pandemic. Drawing from an extensive range of peer-reviewed studies and empirical analyses, the review explores how variables such as income, gender, family size, educational attainment, and occupational status shape household spending patterns. The analysis distinguishes between expenditure on essential needs—such as food and healthcare—and non-essential or discretionary items, including recreation, dining out, and travel.*

Across most studies, income emerges as the most influential determinant of consumption, followed closely by household size, particularly in contexts where resource constraints are more acute. Households with higher income levels typically spend a smaller proportion on basic needs, allowing for greater flexibility in discretionary expenditure. Conversely, lower-income and larger households often allocate a significant share of their budgets to essentials, leaving limited room for non-essentials. These patterns vary notably between urban and rural settings, with urban households exhibiting more diversified spending, while rural families tend to prioritize necessities due to lower and less stable income sources.

The COVID-19 pandemic dramatically altered these dynamics. With widespread job losses, income disruptions, and heightened health risks, households were forced to reassess their financial priorities. Spending behavior shifted decisively toward core needs—especially healthcare and food—while discretionary spending plummeted, particularly in urban regions affected by lockdowns and service closures. This shift was more pronounced among vulnerable groups, including informal workers and female-headed households.

In reviewing this body of literature, the article identifies critical research gaps, particularly a lack of longitudinal and region-specific analyses in the post-pandemic context. The case of Maharashtra, a diverse and economically significant Indian state, is emphasized as an area requiring deeper investigation. The findings offer timely insights for policymakers and development practitioners aiming to address consumption disparities, promote inclusive recovery strategies, and enhance household resilience in future economic or health-related crises.

Keywords: COVID-19, Socio-Economic Variables, Household Spending, Maharashtra, Literature Review

