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Study of Impulse Buying Behavior of Consumers

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Abstract: Impulse buying is a behavior which has been portrayed by all of us one or the other time. Impulse buying is an unplanned purchase by the consumer which is an important part of the buying behavior. At many times our inner urge or temptation to purchase a particular thing intensifies to such an extent that without a degree of planning we jump into purchase. It is not only the kids who resort to impulse behavior but many times the adults of rational mind displays the impulsive. There are lots of factors that influence the rash decision of impulse buying of an individual such as- discount offers, behavior of the sales person, display of the product, nature of the product, situation of the customer, personal characteristics of the shopper, etc. In brick and mortar retailing, impulse behavior has become an important source of revenue for the business. The marketers attempt to practice all the tactics to tap the impulsive behavior of the consumer.

The present research is a conceptual study which focuses on understanding the impulse buying behavior of the cusotomers, as well as the factors responsible for that.

Key Words- Consumers, Impulse buying, Temptation, Unplanned purchase.

I. INTRODUCTION

Consumer Behavior

Consumer behavior refers to the evaluation of the decision of a person regarding `when, how, why & where` purchasing or not purchasing a product. It aims at analyzing the decision making process of a consumer whether in group or individually. Consumer behavior assesses the behavioral & demographic variables in order to develop understandability of buyers need. There are many factors including family, friends, society that influences consumers. Marketing tactics & strategies of any organization to a great extent depend on consumer buying trend. Based on consumer behavior, companies plan their production. While making purchasing decision consumer considers satisfaction & value addition. Say for example when a person goes for purchasing a mobile he consider various features like applications it supports, inbuilt & expandable memory, sound & picture quality, camera pixels & resolutions, single SIM or dual etc. He also compares the product with its competitor company`s product. In order to crack the sales it is very important for the companies to focus on consumer behavior.

Impulsive Buying

An impulsive buying refers to purchasing or acquisition of goods on impulse rather than from premeditation. In other words impulsive purchasing means an unplanned decision to purchase any service or merchandise. With the help of various in-store influencers retailers are attempting to convert browsers into spenders. Since 1950s research has been undertaken in the field of consumer research to understand the concept of impulsive buying. Impulsive buying is unplanned shopping done in reaction to an external trigger like on seeing the desired product in the shop. Internal motivation triggers impulsive shopping. Highly impulsive buyers are likely to be unreflective in their thinking, to be emotionally attracted to the object, and to desire immediate gratification (Hoch & Loewenstein, 1991; Thompson et al., 1990). These consumers often pay little attention to potential negative consequences that may result from their actions (Hoch & Loewenstein, 1991; Rook, 1987; O`Guinn & Faber, 1989).

With reference to impulse buying one of the earliest studies was DuPont Consumer Habits Studies in 1940s to 1960s & by Patterson in the period 1960s whose sponsor was Point-of-Purchase Advertising Institute. Different countries were covered in these studies & it was found that shoppers in U.S are more impulsive as compared to other nations. Approx 80% of the population in certain categories are impulsive buyers. With the growth of new technologies like television shopping chains & innovations in the field of marketing like 24 hrs convenience stores will help in potential growth of impulsive purchasing. The amount of convenience & easy accessibility of these technologies further adds to the growth of impulsive buying.

What Motivates Impulsive Buying

Impulsive buying is a psychological phenomenon & the culture of consumption trigger buyers to succumb to temptation resulting them to buy anything without consideration of its consequences. Impulsive buying can be correlated to unhappiness & anxiety & is required to be controlled from psychological perspective. Impulsive buying tendency can be linked to personality trait which triggers a person making impulsive purchase a habit. Impulsive buyers are mainly social beings who are very much concerned about their social image & status. In order to impress others & to look good so that others feel positive about them they opt impulsive buying. Many a times to lighten their mood buyers buy in a impulsive manner. Impulsive buyers are not much concerned about the results of their spending pattern.

Apart from all these price also is a contributing factor. A number of people go for impulsive purchasing just due to the reason it was on discount. Temptations like stock clearances or offers for premium customers also promote impulsive buying.

Difference between Impulsive & Compulsive Shopping

Shopping can be broadly classified as compulsive shopping & Impulsive shopping. These two type of shopping can be termed as behavioral pattern controlled by brain. The difference between two are as follows:

Impulsive buying refers to the purchasing which is poorly conceived & prematurely expressed while in contrast compulsive shopping is repetitive in nature which is performed as per certain rules & more of a stereotype. However impulsive buying may not always be unintentional, say for example some gamblers plan beforehand to pursue their impulsive behavior.

Compulsive shopping is a tendency that is repetitive in nature; it is performed as per certain rules & in more of a stereotype. Compulsive shopping is motivated from inward while external factors triggers impulsive shopping.

Impulsive behaviors can be referred as the nucleus symptoms of a wide range of psychiatric disorders that are often related with one another such as cluster B personality disorders, impulse control disorders & bipolar problem. Compulsiveness may sometime result in negative consequences like shortage of funds, having arguments with members in family & undergoing experiencing emotional confusion. Compulsiveness appears to be more linked with increased frontal lobe activity while in case of impulsiveness it can be said to be more associated with reduced frontal lobe activity.

Initially impulsive buyers experience pleasure which lose quality with passage of time. It can be said that impulsive shopping is mostly performed to obtain pleasure or satisfaction while in case of compulsive buying it is conducted to alleviate nervousness or soreness.

Compulsive buying can be positively related with offline shopping while impulsive buying is positively related to online shopping.

Personal Characteristics Contributing To Impulsive Buying

All individual vary from each other in ways of shopping. But there are some psychological elements which are responsible for impulsive buying & are common to all. These psychological factors can be listed as following:

Emotions: Emotions play a vital role in impulsive shopping. Shopkeepers are very well aware of this thing & they hit on this sensitive point. Children are very soft target & can be attracted very easily. Shopping helps buyer in fighting insecurity & give them feeling of completeness.

Addiction: With the changing social scenario shopping is developing as an addiction. People want latest stuff for themselves & family. Social media is encouraging shopping by making people aware of the latest trend & various offers thus evolving shopping as an addiction.

Stress: Many people feel that by doing shopping, they will feel happy but they are not aware of the fact that this pleasure is timely & will lose quality with time. By doing impulsive shopping consumers carry illusion that it will be a stress buster but after reaching home they feel guilty & start thinking that they should not have done particular shopping.

Age: Age is one of the imperative factors that influence impulsive shopping. It has been observed that younger shoppers are more impulsive as compared to elder ones. However in developing countries like Pakistan where younger generation due to lack of independent source of income is very much dependent on their family no such trend can be observed.

Gender: Gender is another important cause for impulse buying behavior (Chien-Wen, 2010; Lai, 2010; Pentecost & Andrews, 2010; Chavosha, 2011; Bashir, 2013). Some studies declare women as more impulsive as compared to men in buying (Priyanka & Rooble, 2012; Kollat & Willett, 1967; Dittmar, 1995; Melnikas & Smaliukiene, 2007; Jalees, 2009; Virvilaite, 2009). While some other studies find men to be more impulsive than women as females carefully plan their purchases (Cobb & Hoyer, 1986; Mai et al., 2003).

Income: People belonging to high income group having high disposable income can be assumed to be more impulsive buyer as compared to people with low disposable income. However no significant relationship between impulsive buying & income was found by Ghani et al. (2011), Yang et al. (2011), Woods (1998) and Gutierrez (2004)

Culture: The individualism-collectivism dimension of culture is the most imperative cultural factors concerning the issue of impulse buying behavior (Hofstede, 1980; Triandis et al., 1988). In collectivism model individuals consider themselves as a part of group while in individualism, person consider him / her as autonomous. In case where the individual consider oneself independent there exist greater level of freedom & liberty which may influence impulsive buying as compared to one who is bounded by some group may be friends or family.

Drawbacks of Impulsive Shopping

No control on budget: Impulsive shopping is done without prior thought & without planning. Acting on impulse many people do shopping but afterwards regret doing so. Impulsive shopping spoils budget & divert funds to none or less utility items.

Wrong decisions: In normal shopping any goods or product is purchased after proper evaluation of its quality & features, while in case of impulsive buying no pre thought is done. Many a times shoppers purchase goods or products without bargaining or evaluating & later regret for non-utilization of funds.

Hampers rational thinking: Impulsive shopping makes buyer behave irrational. Impulsive shopping gradually hampers rational thinking & reasoning capabilities which is expected from every buyer. As a result of impulsive thinking shoppers gradually start trusting people easily & are often cheated by others.

Wastage: Impulsive buying is mainly based on visual appeal. For impulsive buyers seeing is buying. Even though they have not much utility for the product still they buy it, say for example even though a person has crockery at home but on seeing an attractive one he/she buys it.

How to Avoid Impulsive Shopping

- One shall plan his/her shopping to make shopping economic & budget friendly.
- List of necessary item shall be made & buyer shall stick to that only.
- Visual displays at the shops are too tempting, one shall avoid such temptations.
- Children who are the soft target shall be avoided to be accompanied during shopping.

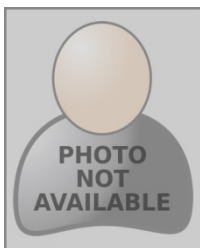
II. CONCLUSION

At present India has got the largest young population in the whole world. As per the statistics published by the Population Reference Bureau (2011) more than 50% of Indian population belongs to age group below 25 years and more than 65% below the age of 35. It is predicted that by 2020 the average age in India will be 29. As per a report by Ac Nielsen customers spend 42 per cent of their monthly expenditure on products in the grocery category (Peter, 2007) According to Sinha (2003) Indian Customers is orientated towards shopping because of the entertainment that can be derived out of it. He further added that the majority of the Indian population can be featured as young & working class having higher purchasing power. In his studies Bajaj et al (2005, p. 25) stated that more than 60 per cent of purchases in an organized retail outlet are unplanned i.e. impulsive.

From the above studies it can be concluded that Indian customers are most of the time emotionally driven to any product & it has pave the way for retailers to take on various promotional tactics for attracting general mass & converting them in customers. Impulsive buying can be referred as deeply rooted phenomenon in the individual trait of the consumers.

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AUTHOR PROFILE

Dr. Shweta Choudhary did her M.B.A. from D.A.V.V., Indore (M.P.) in 2005. There after having industry exposure with a multinational company for 1 year she taught in D.A.V.V. as a Management Faculty –Marketing, for more than 3 years. Presently she is associated with Shri G.S.I.T.S, Indore (M.P.) in Management Department as Assistant Professor- Marketing.