



Factors that influence level of impulse buying

Jay Wani, Hyder Syed, Harsh Bayanwala

Student, Pursuing BBA Hons. Department of Business Studies, Christ Deemed to be University, Bangalore, Karnataka, India

Abstract

The purpose of this paper is for analysing various elements which are accountable for influencing the degree of impulsive buying behaviour of customers. The analysis also determines the several aspects which induces impulsive buying behaviour, which is a result of general psychological traits or instincts in addition to certain external factors is created by marketers. A better understanding of this subject is gained through the review of the literature provided in this paper. The insights of this literature review forms on the basis of various demographic factors and the combination of internal, external and sub factors of a consumer as well as various psychological drivers and situational variables which tends a consumer to buy impulsively. Moreover, artificial factors created by marketers such as- in-store promotions, store environment, staff attribute, the incentive to purchase, act as a catalyst to the natural tendency of customers to buy impulsively. In the present market scenario where competition is very high, the retailers to malls and to E-Commerce websites all of them use natural factors which create an urge for spontaneous buying and convert this urge of the customer into an actual unprompted buying of a product or service.

Different types of impulsive buying behaviour are observed in the markets of undeveloped countries than that of developing the concept of spontaneous buying in untapped markets of the rural population is realised to be different from the urban population and marketer's effort in converting the natural urge of customers to buy also varies.

Keywords: factors, impulse buying, environment, spontaneous

Introduction

The various behavioural studies of consumer buying have failed to give a proper definition of impulsive buying behaviour of customers, "unintentional" and no buying plan of the customer is the basic definition of impulsive buying behaviour, which also includes making decisions without the full evaluation the product. From this study we identified various factors responsible for impulsive buying and further on we categorise them into two groups based on their nature. The factors categorised into two groups are dependent factors and independent factors. Dependent factors include impulsive buying behaviour of customers and independent factors include in-store promotional approaches, store environment, staff attributes and merchandise attractiveness. The factors classified as internal and external links the source of origin of the natural psychological traits responsible for impulsive buying with the artificial factors created by the marketers. The inclusion of all these factors has proven for the success of affiliation between customers and the marketers and this study makes it easier to create effective strategies which would promote impulsive buying behaviour in customers.

If proper research would be conducted in the field of "Factors influencing impulse buying" and understanding them in all perspectives can lead to a significant increase in the revenue even if the increase in sales is as low as 1%. For online oriented business, its website plays an important role in inducing customers for impulsive buying with the inclusion ease of use of the website, the brand image of the company, the trust associated with the company, the attractiveness of the merchandise available and its pricing policy. Whereas while

talking about the factors inducing impulse buying behaviour in customers in case of physical stores includes the physical attributes of the product, its store environment, friendly staff service and incentive to purchase.

Review of literature

1. Sangalang R. A, Siochi J., & Plaza M. (June 2017) [1]

Impulsive buying behaviour has become a very common phenomenon & got so imbibed into the lives of the customer as a purchasing behaviour that most of them do not even realise. Impulsive buying has become one of the important sources to improve profits & gain a competitive advantage in the retail industry. This study identifies various internal, external elements and their sub factors impacting in the impulse behaviour. Demographic features of the participants such as sex, age, marital status, occupation, Net monthly Income and other external elements such as joy in the shopping, In-store atmosphere, In-store browsing, salespersons and personal approach were identified a few elements affecting impulsive purchases in the consumers.

2. Taushif M. R & Gupta M. (2013) [2]

DuPont customer habit studies(1940-1960) founds that eighty percent of American purchases the product classification of candy and magazines are made instinctively and accounts to \$ 4.2 billion sales, various technological advancements such as the internet, teleshopping and 24 hours convenience stores lead to increased impulsive buying. In the Indian scenario with the entry of the transactional business leaders into the Indian retail industry has made a difference in the

customer behavioural patterns. India with a more number of youth populations is driven by impulsive buying through elements like entertainment, shopping experience, emotional drive towards the products. Indian youth customer seeks more of emotional value from shopping than the functional value.

3. Khuong, M. N., & Tran, T. B. (august 2015) [3]

Many of the researchers relating to the various aspects of impulsive buying behaviour were centred on the developing countries; the paper tries to explain the impulsive buying behaviour of customers towards fashion products in developing country like Vietnam. Ho Chi Minh City with retail sales up to the US \$ 28.9 billion in 2013 was chosen as a sampling place aimed to find out the causal relationship between consumer needs for originality and the control on self-spending, Novelty fashions, hedonic purchases, optimum stimulation level on impulse buying.

4. Sun T. R., & Yazdanifard R. (september, 2015) [4]

In the century of online shopping and E-commerce the physical stores face a lot of competition and to survive in the competition requires certain competencies, few qualities of these physical stores serve as unique strengths to these physical stores making them unique and preferable over the online stores. This study focuses on the various factors those result in the impulsive behaviour in a physical store scenario. Various factors such as store features, store surroundings, store design factors- store layout, sales person's effect on customers impulsive buying behaviour are known as determinants of impulse buying.

5. Amandeep K. & Megha. (2016) [5]

The untapped markets in the rural region of India are getting a lot of business potentials doesn't abide with the general hypothesis developed earlier about impulse buying, the rural customer is very different than that of the urban customer and the clever advertisements does not work with them. The study has figured out various factors which resulted in an impulsive buying behaviour in a rural consumer. Many of the identified factors which resulted in impulsive buying behaviour were low pricing, opinion leaders, store display, sales promotion schemes, if a marketer wants to increase buying behaviour which is unplanned they should try various promotional activities highlighting the positive effects of impulsive buying.

6. Kathleen D. & Ronald J. (march 2007) [6]

This article focuses on how much control do people have in case of impulsive buying, to what extent they can resist from spontaneous buying. It mainly depends on the availability of the self-regulatory resource. The author concluded that there is no product which could be classified as "Impulsive" it is the individual who makes a powerful and sudden urge to buy a product immediately. The self-regulatory spending says that if the person has recently exerted self-control and due to it, is unable to reach of predetermined goal will immediately start to spend optimally. Three experiments were conducted which concluded that unprompted buying is affected by the level of resources you have for the achievement of goals.

7. Badgaiyan A. J., & Verma A. (October 2014) [7]

In this article, the author conducted the study to assess the role of situational variables which has an impact on impulsive buying behaviour. This study was conducted by analysing data from 508 people visiting malls by categorising the impact of 9 situational factors which were time availability, in-store promotions, economic well-being, and friendly employees in the store, family influence, shop environment, personal urge to buy impulsively and spontaneous buying behaviour. It was found that music in store and gender did not have any significance in impulsive buying. It provided insights by which the urge for impulsive buying can be converted into actual impulse buying.

8. Raheem a., & parmar v. (may 2013) [8].

This study has been conducted in Pakistan to know the factors influencing impulsive buying of fast moving consumer goods. Here the authors have majorly divided these factors into the Independent variable and Dependent variable. The dependent being the impulsive behaviour of consumer and independent being the shop environment, in-store promotions, etc. It has been observed that elements like free products and offers and discounts have a great effect on the mind of customers which heavily promotes impulsive buying. A great visual design with calm and pleasant environment helps in impulsive buying. The presentation of the store i.e. the packaging or display or proper placement of products acts as a positive motivation for impulse buying.

9. S-W Chang, G. Loukides, & S. Ahmed. (June 2016) [9]

In this article, the survey of 310 potential online buyers was taken which targeted their past six months impulse buying. This survey majorly focused on psychological drivers of impulse buying online. The following hypothesis was taken into consideration by analysing the data collected-

1. The consumer is deprived of physical attributes of the product having physical attributes provides a positive impact on impulsive buying.
2. Easy accessibility has a positive effect on impulsive buying.
3. Online trust is the biggest driver for the customer for impulsive buying.
4. Brand image creates the value of a product for the customer.

10. Verhagen, T., & Dolen, W. V. (2011) [10]

The study includes a response from 532 customers which majorly focuses on the relationship between online impulsive buying behaviour of customer and online store beliefs. It showed how factors like the merchandise attractiveness, ease of use, representational delight, the etc induced behaviour of impulsive buying in the consumer. The major findings in this article are about how online store beliefs function as cognitive determinants of online impulsive buying. It was also found that factors like 'ease of use' did not have any important contribution for creating emotion for the customer. To encourage impulse buying within the customers, online giants should create an informative, exciting, positive, calm and user-friendly website with an attractive assortment.

11. Muruganatham & Bhakat S. (2013) ^[11]

With the rapidly increasing numbers of mega marts, multiplexes, malls, supermarkets, etc., Customers In India are mainly by marketers in various innovative ways. These strategies not only attract the customers but also trigger the impulse in them to buy the survive or product even if they hadn't planned to do so. Unprompted buying behaviour be in customers are regulated by various elements. Some of these elements include the store size, positioning of the products, ambience of the place, appearance, etc. various personal traits and living behaviour traits are also main factors that influence the impulse purchasing behaviour of buyers. Impulse purchasing behaviour may vary in different situations, seasons and conditions.

12. Jeffrey, S., & Hodge, R. (october 2007) ^[12].

In today's world we see a great boom in the e-commerce sector, their offerings and attractive websites. All this has stimulated the impulse buying behaviour of customers who spend significant amount of time on sites like Amazon, Flipkart, Snapdeal, Myntra, etc. Attractive offers, heavy discounts, predatory pricing, etc. are some of the crucial elements that determine the impulse purchasing behaviour. Social media marketing through sites like Facebook, Twitter, Instagram, etc. also play a key role in influencing the customers to buy the products or avail for the services.

13. Mattila & Wirtz, J. (2008) ^[13]

Social factors and store environment also plays an important role in the stimulation of impulse purchase. Studies show that perceived over-stimulation has impacted impulse buying in a very positive manner. Shop keepers or salespersons can consider various environmental design variables to increase stimulation in their shops. Perceived crowding and employee friendliness puts a significant impact on unplanned purchases. Culture followed by the customers is also a crucial factor that influences the impulse buying behaviour. Tastes and preferences of the customers and what could attract them should also be considered while positioning the products.

14. Bhojak, K., & Gangani, C. (april 2014) ^[14]

When we analyse, we see that a rational "Indian Consumer" is very typical when it comes to his/his buying behaviour. They are not only concerned about the price and quality but also of the quantity. So it is really important for the marketers to provide them with good overall shopping experience and render them best in class services. The products provided should be placed in such a way that the customer can buy it just at one go. There are various retail formats in India like departmental stores, malls, supermarkets, etc. Each of these has variant ways of attracting customers in increase impulse buying. Praise from people like salesmen, friends during the shopping also might increase the chances of impulse buying.

15. Hodge, R. (2004) ^[15]

Marketers and retailers had understood the importance of impulse purchase many years ago. They started displaying products at the point of sale. They also understood how to bundle up products which the customers might find appealing. Even McDonalds has been giving attractive offers like

"Happy Meals" with which they give free toys. This was a strategy mainly used to attract kid who loves to play with toys. This stimulated them to buy a meal just for the greed of a toy. Even Kinder Joy adopted a similar strategy to capture the market by giving toys witch their chocolate balls.

Conclusion

In this study by analysing the information gathered, the influence of various factors, Dependent or Independent, Internal or External, Situational or Motivational on the impulsive buying behaviour of customers has been recorded. Factors like attractive merchandise and store environments have been observed to contribute significantly towards such behaviour of customers. While on the other hand factors such as in-store music and friendly staff does not have a very significant shaping of customers mind which could induce them for impulse buying. Finance also has an impact on impulse buying through the observations made by factors such as economic well-being and personal income level. These findings not only add on to the existing research but also can be used as a reliable source of information by marketers who want to frame suitable strategies and policies to fortify the impact of these factors so that they are optimally used and can create an impact in impulsive purchase.

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