

A Study on Impulse Buying and its Determinants: A Literature Review

Pooja Luniya

Assistant Professor,
Department of Management in
Rungta Group of Colleges, Bhilai (C.G.),
India

Dr. Manoj Verghese

Associate Professor & Head
Department of Management
Studies, RCET, Bhilai (C.G.),
India

Abstract

This paper tries to know how consumer's traditional planned shopping behaviour is shifting to impulse behaviour. Through this study we tried to find what impulse buying is, its types and various factors influencing impulse buying behaviour. For this we have reviewed the literature to gain insights of impulse buying behaviour. Findings show that there are various determinants which compel or force a consumer to act in an impulsive manner.

Keywords:

Consumers, Determinants, Impulse buying, Shopping

Introduction

Consumer behaviour is nowadays gaining much importance for retailers. Due to expansion of organised retail in India, retailers are trying to understand the behaviour of consumers that what product the consumer seeks for, why they need a particular product, when they need it and how they are going to purchase a product. Earlier there was a traditional buying behaviour of consumer in which they make a list for purchasing a product and they went to a particular store and purchase it. But now the whole buying behaviour is changing due to rise in the income level, i.e. increase in purchasing power of consumer, change in the sociocultural environment, change in lifestyle and consumption pattern of consumers etc. This influences the consumer to act in irrational manner which is known as unplanned buying. So the present study will aim to know about impulse buying, its types and various factors influencing impulse buying.

Impulse Buying

Stern (1962), in his studies refers the term "Impulse buying" as "unplanned buying"-that is, it describes any purchase which a shopper makes but has not planned in advance. He further identified "mix" of four different kinds of impulse buying viz. pure, reminder, suggestion & planned impulse buying. Pure Impulse Buying is a purchase that happens impulsively and does not follow a usual buying pattern. Reminder impulse buying occurs when a shopper sees an item and remembers that the stock at home is exhausted or low, or recalls an advertisement or other information about the item and a previous decision to buy. Suggestion buying occurs when a shopper sees a product for the first time and visualizes a need for it, even though she

has no previous knowledge of the item. Planned impulse buying occurs when the shopper enters the store with some specific purchases in mind, but with the expectation and intention to make other purchases that depend on price specials, coupon offers, and the like. Weinberg & Gottwald (1982), in their studies refer impulse buying as “spontaneous and sudden response to a desire, incorporating affective, cognitive and reactive factors.” Piron (1991) in his study refer the term Impulse buying as “a purchase that is unplanned, the result of an exposure to a stimulus, and decided on-the-spot.” After the purchase, the customer experiences emotional and/or cognitive reactions. Rook & Fisher (1995), in their studies explained as impulsive purchases are made “spontaneously, unreflectively, immediately, and kinetically” and that the thinking is “prompted by physical proximity to a desired product” and disregards future consequences.

Beatty & Ferrell (1998) in their studies refer impulse buying as “a sudden and immediate purchase with no pre-shopping intentions either to buy the specific product category or to fulfil a specific buying task.” He further describes impulse buying as instantaneous purchase having no previous aim or objective to purchase the commodity. This behaviour occurs after experiencing an urge to buy and tends to be Spontaneous. Wood (1998), in his study refer impulse buying as unplanned, lacks thought and is accompanied by intense emotion. Jones et al. (2003), in his study found three features to characterize impulse purchases. When buying on impulse, the consumer makes an Unintended, Unreflective, Immediate purchase.

Determinants of Impulse Buying

These factors are personal variables, product, price, promotional variables, and demographic, environmental factors and so on.

Demographics: This includes Age, gender and income of the consumers which are vital for retailers to study. We had tried to find out how these influences impulse buying decision of consumers.

Age: Various researchers had tried to establish the relationship between age and impulse buying behavior. Some researcher found that there is a negative relation between age and impulse buying behavior. They found that younger the consumer is more they are impulse buyer. This shows that young consumer have less self-control on purchasing behavior as compared to older ones. Rawlings (1995), Bellenger(1978), Mai et al.(2003) & Ghani et al. (2011) in their research found that age has negative relationship with the impulse buying tendency of consumers.

Gender: Several studies examined the role of gender in impulse buying behaviour. It has been generally observed

that females are more inclined towards shopping. Many of the researchers found that females are more impulse buyer as compared to male. Kollat & Willett (1967), Bellenger(1978), Dittmar & Drurry (2000) & Wood (1998), also found similar results. However, Mai et al.(2003) and Cobb & Hoyer (1986) found the opposite relationship. They found that men were more likely to do impulse purchases than female.

Dittmar & Drurry (2000), in their studies found that females purchases the product which represents them in society as identity as they are more emotional as compared to men who generally practical in nature. They use to analyse and evaluate more before the purchase.

Income: Impulse buying is mostly influenced by income of the consumer. Many researchers examined the relation between income and impulse buying behavior. They found that consumer with higher income have usually have a habit to spend more which influences their purchase decision. Lin & Lin (2005), in their studies measured income as another variable which influences impulse buying behaviour. He found a positive relationship between the adolescents' pocket money and their impulse behaviour. The impulse purchases of adolescents increased with the increase in their pocket money.

Environmental Factors

Hausman (2000), explained that there are some situations and retail atmosphere which influence both in store responses and future store choice decisions of the consumers because of the changing and dynamic nature of expectations, preferences, and behavior. Environment of the store is also a major factor that influences impulse buying behavior of consumers. So the retailer plan to create an environment which boost the buying spirit of consumers and tries to impart positive effect on the buying behavior of consumers. Retailers are nowadays mostly involved in creating an artificial environment for the consumers which will influence them to visit a particular store which ultimately leads to impulse buying. These environmental variables are as follows:

Merchandising: It can be regarded as retail function that help the retailer create a visually appealing or pleasing shopping environment, which will in turn increases the sales. This is also referred as point of purchase display (POP). Visual merchandising, or visual presentation, is the means through which retailers can communicate a store /company's fashion value and quality image to prospective customers. Han et al. (1991), found that the greater the store stimuli, such as visual merchandising, which serves as a shopping aid, the more will be the possibility of a desire or need a rising and finally creating an impulse purchase.

In-Store Promotions: Gutierrez (2004) identified, retailers'

must improve the shopping environment through attractive store displays and in-store advertisements, and makes it enjoyable to trigger impulse buying among consumers. Retailers should make a mix that includes in it both the atmospheric and promotional/economic factors to increase sales through impulse buying.

Lighting: Nowadays retailers are using vibrant lighting to highlight the product and attract the consumer. Sometimes retailer overlook the impact of lighting in the store. Through it has been proved that lighting can increase the sales. Areni & Kim (1994) & Summers & Hebert (2001) in their studies found that under 'bright lighting' conditions products are more often examined and touched than under 'dim lighting' conditions. Magnum (1998), in his research found that lighting influences the attractiveness of products in a store which ultimately leads to impulse buying.

Other environmental factors: Other factors like music, fragrance, colors etc. are also seen to be an important aspect which influences impulse buying behavior. Some of the researcher had conducted several experiments which were done in a store to find out the impact of music on purchase decision. They did it by changing the tempo of music and scent in the store and found the significant relation with impulse buying.

Individual Determinant

Apart from external factors there are some internal determinants which influence the consumer buying decision. These are the stimulus that compels the individual to act in a particular manner.

Moods: Individual's inner state of mind influences him to react to a particular situation which is known as mood. Some of the researchers found that there is a negative relation between mood and impulse buying behaviour. Individual with a bad mood loses their self-control in a shopping environment and purchases impulsively.

Emotions: Emotion can be considered to be an important variable to understand impulse buying. Watson & Tellegen (1985), in their studies found a positive relationship of positive emotions with the overall impulse buying behaviour of the consumers. The researchers, Beatty & Ferrell (1998), Hausman (2000), Rook et al. (1993), & Youn & Faber (2000) found that emotions are the major determinant which influences buying behavior, which result into consumer impulse buying.

Self-Image: Self-image is a set of knowledge and beliefs about one self that is stored in memory. Each person has a believed self-image as a certain kind of person with certain habits, relationship to claim that consumer; self-perception can have a strong influence on their behaviour in the market place. Sirgy (1982), in his study defined self-concept as the

totality of how the individual's thought and feelings having reference to him as an object.

Culture: Cultural factors significantly influence consumers' impulsive buying behaviour. People from collectivist cultures are seen to be on a more interdependent self-concept and people from individualist cultures are seen to be relying on a more independent self-concept in any given situation

Regret: Sometimes an individual regret for his/her decision. This means that individual who does impulse buying without thinking can be dissatisfied with the decision he has taken in the store. Piron (1991), in his study found that impulse purchase would result in dissatisfaction and regret.

Shopping Enjoyment: Beatty & Ferrell (1998), in their research defined shopping enjoyment as "the pleasure one obtains in the shopping process." Some people enjoy shopping than others. Some consumers sees shopping as a fun seeking activity and they enjoy shopping with some of their reference group. So Shopping enjoyment is another determinant which influences impulse buying among consumers.

Product

Stern (1962), in their research explained that Product characteristics can also influence consumer's impulsive buying behaviour. Some Variables such as the appearance of products, product life, product size & some of the product features have been suggested to be effective on consumer impulse buying behaviour. Product's design & packaging can affect consumers buying. Retailers can influence impulse buying decision by making attractive design and packaging of the product. Jones et al. (2003), in their studies found that contemporary marketing innovations (e.g., 24-hour convenience stores, television shopping channels, and internet shopping) also influence buying decision.

Price

Price is another important factor which influences the impulse buying, Stern (1962), in his studies realized that the products which are purchased in an impulsive manner often have a cheap price. Some researcher showed that a reverse relation exists between the level of products price and rate of the impulse purchases. Some of the researcher found that there is no relation between price of the product and impulse buying behaviour of consumers.

Promotion

Promotion has become an important tool of marketing and retailers are using it to increase the sales of product. Youn & Faber (2000), in their research showed that people are buying more impulsively, more react to the promotional gifts (such as free gifts, discounts, free samples, etc.).

Scope of the Study

In the current scenario of retail marketing, marketers are still concentrating on traditional promotion strategies which target consumers to plan their purchase decision. But to gain a competitive advantage and sustain market competition marketers must focus on influencing unplanned buying decisions. Therefore it's the time for markers to turn on such variables that leads to impulse buying decision. A future study can be done to study the impact and effectiveness of those variables which ultimately leads to impulse buying.

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