Influencing Factors on Impulse Buying

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Abstract

Consumer buying behavior is the sum total of a consumer's attitudes, preferences, intention and decisions regarding the consumer's behavior in the market place when purchasing a product or service. In recent years, consumers take into consideration several factors when making consumption buying decisions whether planned or unplanned, In view of this, consumers are exposed to a number of retail activities designed by shop owners to put up for sale, such as effective visual merchandising, credit sale arrangement and so on. This article addresses some of the factors that cause consumers impulsive or impulse driven behavior. The result indicates that the influencing factor score differ significantly among frequency of shopping group and the influencing factor score do not differ significantly among time spent in store group and frequency of impulse buying groups. We believe that marketers, academic and consumers could benefit from our research.

Keywords : Impulse buying, external factors, frequency, influencing factors

1. Introduction

All consumers are not same, they differ from their buying behavior but majority of the consumers are similar in some of the buying aspects. So marketers must know the external and internal factors triggers the buying behavior of the consumers. External factors are created by the marketers such as visual merchandising, store spacing, store location, ATM facilities, credit card arrangement and so on, internal factors such as happiness, emotions and so on related to the mood aspects of the consumers which can be controlled by the consumers itself. Thus marketers must create a customers comfort level on shopping that motivate them to buy impulsively

2. Research Methodology

A well structured 250 questioner was used to collect the primary data under purposive sampling techniques in Coimbatore city. The data used for the purpose of this study were collected for a period of 3 months from 1st January 2018 to 31st march 2018. The objective of the study is to findout the personal factor and purchase related factors influence on impulse buying. The techniques used for analysis are ANOVA and regression analysis.

3. Literature Review

Consumers are more likely to buy impulsively when they see free product and price discounts offers by a store, especially a well decorated, with pleasant and calm store environment along with colorful surroundings not just motivating the consumers to buy unintentionally but also build excitement inside the consumer mind. (Ahmed & Parmar 2013)

The store must have ATM in the shop and inform consumer about this. Impulse buying behavior was strongly related to emotional/affective reactions and behavior despite to the possible fact that it might have been more likely influenced by external factors. The study on the impact of perceived crowding on the unplanned purchases showed that both the spatial crowding and human crowding had a positively influence of impulse behavior. (Graa et al, 2014)

The size of the store, store location, ambience, design, food zone, toilet, security cameras (CCTV), ATM near the store can induce a positive emotion for customer's satisfaction while creating a different shopping experience at the same time. (Karbasivar & Yarahmadi, 2011)).

One factor that have an effect on buying behavior is the price of a product. The theory suggested that expensive products are often considered to be a higher quality than lower priced products Reference group influence as informational, Utilitarian and value expressive reference group. It varies across gender, women have been found to be more susceptible to reference group influence than men. (Kokai , 2011).

Advertisements are the strong means of communication media to convey the intended message to the target group of consumers and the consumers are likely to watch more of the ads which affects their opinion (Kumar & Raju ,2013)

The spendthrift attitude sometimes reaches to an extent where the person spends more than his financial aptitude. This has emerged as the major factor on the credit card usage. (Rajput et al.2016). Impulse buying is influenced by a variety of economic, personality, time, location and even cultural factors. These vary not only among different shoppers considering purchase of the same item, but also for the same shopper buying the same item but under different buying situations.(Stern, 1962)

The general interior ambience like music, light color and temperature combined in an adequate mixture create a relaxed mood that encourages the shoppers to stay longer. (Ukpabi et al 2015).

External factors of impulse buying refers to marketing cues or stimuli that are placed and controlled by marketer in attempts to lure consumers into purchase behavior (youn & faber, 2000.Once a consumer received promotion massage, they might be afraid to miss the chance of buying cheaper products and they would experience anticipated regret and finally it enhances their purchase intention (Zhou & Gu 2015).

4. Results and Discussion

4.1 Hypothesis:
The influencing factor score do not differ significantly among frequency of shopping groups.

Table 1: Frequency of shopping on impulse buying

		Influence Factor Score		
		Mean	S.D	No.
Frequency of shopping	Every day	25.90	5.88	21
	At least once in a week	28.46	4.67	52
	Once in a month	26.23	4.50	155
	More than once in a month	26.68	5.01	22
Total		26.71	4.77	250

ANOVA for Influence Factor Score

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	208.540	3	69.513	3.137	*
Within Groups	5451.144	246	22.159		
Total	5659.684	249			

Result: One way ANOVA was applied to find whether the mean influencing factor score differ significantly among Frequency of shopping groups. The ANOVA result shows that the calculated F-ratio is 3.137 which is higher than the table value 2.641 at 5% level of significance. Since the calculated value is higher than table value it is inferred that the influencing score differ significantly among frequency of shopping groups. Hence the hypothesis is rejected.

4.2 Hypothesis :
The influencing factor score do not differ significantly among Time spent in store groups.

Table 2 : Time spent in store and influencing factor score

		Influence Factor Score		
		Mean	S.D	No.
Time spent in store	Less than 1 hr	27.24	5.08	88
	1-2 hrs	25.52	4.29	48
	half a day	26.60	4.17	70
	Depends on work	27.11	5.39	44
Total		26.71	4.77	250

ANOVA for Influence Factor Score

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	100.484	3	33.495	1.482	Ns
Within Groups	5559.200	246	22.598		
Total	5659.684	249			

Result: One way ANOVA was applied to find whether the mean influencing factor score differ significantly among time spent in store groups. The ANOVA result shows that the calculated F-ratio is 1.482 which is less than the table value 2.641 at 5% level of significance. since the calculated value is less than table value it is inferred that the influencing score do not differ significantly among time spent in store groups. Hence the hypothesis is accepted.

4.3 Hypothesis :
The influencing factor score do not differ significantly among frequency of impulse buying groups.

Table 3: frequency of impulse buying and influencing factor score

Frequency of impulse buying.		Influence Factor Score		
		Mean	S.D	No.
How often do you engage in impulse buying	Always	26.81	5.42	63
	Often	26.19	4.29	95
	Sometimes	27.17	4.52	78
	Rarely	27.21	6.12	14
Total		26.71	4.77	250

ANOVA for Influence Factor Score

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	46.190	3	15.397	.675	Ns
Within Groups	5613.494	246	22.819		
Total	5659.684	249			

Result: one way ANOVA was applied to find whether the mean influencing factor score differ significantly among frequency of impulse buying groups. The ANOVA result shows that the calculated F-ratio is 0.675 which is less than the table value 2.641 at 5% level of significance. since the calculated value is less than table value it is inferred that the influencing score do not differ significantly among frequency of impulse buying groups. Hence the hypothesis is accepted.

4.4 Regression Analysis

Regression analysis was applied to find the effect of several personal and purchase related variables on influencing factor score on impulse buying. The regression analysis results are given below:

Table 4: Showing Dependent Variable: Influence Factor Score

Factors	Regression Coefficients (B)	Std. Error	Beta	t	Sig.
(Constant)	25.856	4.679			
Gender	-.027	.623	-.003	-.043	Ns
Age	-.034	.046	-.064	-.744	Ns
Educational Qualification	1.290	.294	.295	4.394	**
Marital Status	-.176	.804	-.018	-.219	Ns
Family size	.308	.437	.065	.705	Ns
Type of family	-1.298	1.223	-.089	-1.061	Ns
Monthly family income	.504	.282	.134	1.792	Ns
No. of earning members	-1.214	.536	-.174	-2.264	*
Frequency of shopping	-.182	.425	-.028	-.427	Ns
Time spent in store	-.258	.281	-.061	-.918	Ns
How often do you engage in impulse buying	.414	.341	.076	1.213	Ns

R	R Square	F	Sig.
0.390	.152	3.874	**

Result: The regression table shows that education, family size, monthly family income and how often do you engage in impulse buying have positive effect on the dependent variable, for example More Family size have higher influencing factor score. Age, Number of earning members in the family,

Frequency of shopping and Time spent in store have negative effect on dependent variable, for example higher the age, lower will be the influencing factor score.

Gender, Marital status and Type of family are dummy variables. Gender (0-male,1-female)may be interpreted as male have more influence factor score than female. since the regression coefficient is negative. Marital status(0-married.1-unmarried)may be interpreted as married have more influence factor score than unmarried. Since the regression coefficient is negative. Type of family(0-joint,1-nuclear) may be interpreted as joint family have more influence factor score than nuclear family. since the regression coefficient is negative.

The t-test result shows that education and number of earning members in the family have significant effect on influencing factor score

Multiple correlation co-efficient shows the degree of relationship between the dependent variable and the set of all independent variables taken together. The multiple correlation is 0.390 that is there is a moderate relationship between dependent and the set of independent variable. F-value is 3.874 which shows that the correlation is significant at 1% level.

5. Conclusion

My exhaustic research in the field, with special emphasis on influencing factors on impulse buying threw up some interesting trends which can be seen in above analysis. To lead the market or even to survive in the market, it is very important for the marketers to consider influencing factors on impulse buying. By which the entire functionaries like producers, marketers, consumers and the public at large will benefited.

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Annexure A.
A STUDY ON INFLUENCING FACTORS ON IMPULSE BUYING WITH SPECIAL REFERENCE TO COIMBATORE CITY

1.   Name _____
2.   Gender
[ ] Male   [ ] Female
3.   Age _____ yrs
4.   Educational qualification
[ ] No Formal Education
[ ] School Level
[ ] Under Graduate
[ ] Post Graduate
[ ] Professional   [ ] Others
5.   Occupation
[ ] Professional
[ ] Employed
[ ] Business
[ ] House Wife
[ ] Student
[ ] Others [Specify]
6.   Marital Status
[ ] Married   [ ] Unmarried
7.   Number of Members in the family
8.   Type of family
[ ] Joint   [ ] Nuclear
9.   Monthly family income
[ ] Below Rs.10,000
[ ] Rs.10,001 - Rs.15,000
[ ] Rs.15,001 - Rs. 20,000
[ ] Rs. 20,001 - Rs.25,000
[ ] Rs. 25000 & above
10.   Number of earning members in yours family_____
11.   How often do you go shopping
[ ] Every day
[ ] At least once a week
[ ] At least once a Month
[ ] More than once a month
12.   How long you have been on store
[ ] less than 1 hr

[ ] 1 – 2 hrs
[ ] half a day
[ ] depends on the work
13.   Do you carry a shopping list
[ ] Always   [ ] often
[ ] Sometimes   [ ] Rarely
[ ] Never
14.   Have you ever done Impulse buying?
[ ] Yes   [ ] No
15.   How often do you engage in Impulse buying?
[ ] Always   [ ] often
[ ] Sometimes   [ ] Rarely
[ ] Never
16.   What are the Product that you buy/ could buy on Impulse?
[ ] Clothes   [ ] Shoes
[ ] Bags   [ ] Cosmetics
[ ] Accessories   [ ] Snacks
[ ] Fruits & Vegetables
[ ] Bevarages
[ ] Electronic Devices
[ ] Stationery
[ ] Others (Specify)

17.   How do the following factors influence you for Impulse buying?

S.No	Factors	Very Strong (5)	Strong (4)	Moderate (3)	Little (2)	Never (1)
1	Price					
2	Promotion Scheme					
3	External Store Environment					
4	In – Store atmosphere					
5	Store - Personnel					
6	Influence by others					
7	Advertisement					
8	Credit / Debit card					