



International Journal of Engineering, Business and Enterprise Applications (IJEBA)

www.iasir.net

Making the Pulse Impulsive: A Study of factors resulting Impulse Buying

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Abstract: When a consumer walks into a store to pick up bread and also ends up buying a cold drink, then this can be termed as an impulse purchase. Impulse purchase or impulse buying is an unplanned or otherwise spontaneous purchase. Impulse items can be anything, a new product, samples or well-established products at surprising low prices. Customer who has to not preplanning to purchase product they have to see product and they decided to purchase. There are many variables that result into impulse buying such as discount offer, various scheme, promotional activities, retail store offer, display of product, behavior of sales person, popularity of product, influence of reference group, income level of customers and festival season, Advertisement, and public relations, etc. This paper is an attempt to find out the factors that affect consumer impulse buying behavior at superstores in Faridabad.

Keywords: Impulse Buying, Reference Group, Promotional Activities, Income Level, Superstores.

I. INTRODUCTION

Impulse buying is unreflecting in that the purchase is made without engaging in nice deal of analysis. Individuals buying impulse is less likely to consider the consequences or to think carefully before making the purchase (Rook, 1987). The person's attention is focused on the immediate gratification of responding to the urge to buy rather than on solving preexisting problem or on finding an item to fill a predetermine need. Finally, consistent with general impulsiveness, impulsive buying is immediate (Barratt, 1985; Rook, 1987).

The importance of impulse buying behavior is recognized by marketers and researchers all around the world and development has been extensively studied by researchers throughout the last 60 years. The earliest studies on impulse buying include the DuPont Consumer Habits Studies in 1940s to 60s and studies such as by Patterson in 1960s which were sponsored by the Point-of-Purchase Advertising Institute. These studies on impulse buying have been carried out in different countries but the focus has been mainly on consumers in United States and it has been found that consumers in U.S. are more impulsive than other countries. About 80% of purchases in certain product categories in U.S. are made impulsively. Similarly, in another study in U.S. it has been reported that about 90% of the consumers make occasional purchases on impulse.

When individuals use to buy through mom and pop stores, there was hardly any scope for impulse purchase as the variety of products that were on display, was hardly enough to induce impulse purchase in a huge way. However with the proliferation of recent organized retail, shoppers are increasingly transferring purchase planning to the store. They come to a store to window shop or with a general intention to buy, but end up reaching the actual buying decision at the point of purchase. The wide display through self service and ease with which shoppers can reach out to a plethora of products has enhanced the ability of the shopper to explore, compare and reach a decision to purchase a product. Mass merchandising has provided a favorable environment for impulse purchase. Retailers are therefore trying to understand impulse buying behavior so that they can create an environment, which is conducive to impulse buying and thereby enhance sales and share of wallet of the shopper.

II. WHAT ACTIVATE THE IMPULSE OF CUSTOMER/S FOR BUYING?

Impulse buying is psychological phenomenon. When one move from home towards market for buying some needed products, he/she never thought of buying more than that. but after purchase they realised they bought more than what they actually want. What make them to buy more than the need? This magic is done by supermarkets', hypermarkets', department stores', or malls' people which attract customers by various ways. So, there are many factors that activate the impulse of the customer/s, as follow: age of the shopper, gender, time spent at the store, packaging, engaging displays, creative advertising and alluring promotional offers.

Credit Card and Impulse Buying

Easy payment options and credit facility given by banks is the big factors that boost the level of impulse buying. Many studies has been done that has proved that introduction and increasing usage pattern of credit card directly affect the buying behaviour that picturised more purchase than required. Since impulse buying behavior may be accelerated by the credit card use (Roberts and Jones, 2001; Kim, 2001a; Kim, 2001b), a need exist to investigate the relationship between impulse buying behavior and credit card use. Credit cards are seen as a convenient and relatively painless way to spend. Moreover, the use of credit cards lowers the perceived cost and biggest future use. Widespread credit card use reflects consumer preferences regarding prearranged lines of

credit while technological developments make it much easier for creditors to offer revolving credit (Durkin, 2000). Easy access to credit cards eliminate the immediate need for money to buy something, cause consumer to overspending (Schor, 1998) and likely accelerate the development of impulse buying (Robert and Jones, 2001).

Promotional approaches and Impulse Buying

Now a day, sellers are more aware about the impulse of the customers. to activate that impulse, they spend a lot on promotional activities. And their efforts not go in vain. The study conducted by Abratt and Goodey (1990), concluded as In-store stimuli affect unplanned purchases due to promotional techniques like point-of-sale, shelf signs, end-of-aisles displays and special displays. Abratt and Goodey (1990) had done a comparative study of unplanned buying in 15 major supermarkets in South Africa. The sample for the study was 450, collected by conducting personal face-to-face interviews with the shoppers, using a semi-structured questionnaire in the respondent's home language. They discussed how in-store promotional techniques are employed to increase impulse purchases of the products. Earlier, Kollat and Willet (1967) had done study on similar environment to understand customer intentions and its outcomes in impulse buying behavior.

Windows display and Impulse Buying

Stock displayed beautifully has great impact on purchase behaviour if we compare it with the Stock folded and arranged in shelf. Synonymous to it is window shopping for which people are fond off. According to one study, the importance of window display in relation to consumers' buying behavior has received minimal attention in the literature. However, since a consumer's choice of a store is influenced by the physical attractiveness of store (Darden et al., 1983) and the first impressions of the store image is normally created at the façade level, it can be suggested that window display may influence, at least to some degree, consumers' choice of a store when they do not set out with a specific purpose of visiting a certain store and purchasing a certain item. The initial step to getting customers to purchase is getting them in the door. Today more retailers are placing increased importance on window display to attract passerby's attention and ultimately to transform shoppers into consumers (Diamond and Diamond, 1996).

Discount Offer and Impulse Buying

Pure impulse buying is a escape purchase which a shopper breaks the trend of common or constant usual shopping by giving them some discount offer and schemes on the particular product. There is a direct relationship between discount offer/s and impulse buying as such offers always result into excess purchasing. That's why seller always offer strategically discount to customers. And discounts are generally on more units of purchase rather than on one.

Sales Person and Impulse Buying

Many researches has shown that less impulse purchases are made online due to the absence of a sales person to pressure the sale. e presence, behavior and selling techniques of sales person affects buying behavior. Superstore's offer, display of product in shelf and behavior of sales person are influencing consumers to be impulse buyers.

Popularity of Product and Impulse Buying

Popularity of product is also one cause of impulse purchase decisions. Popularity of Product increase recalls value and help in unplanned buying. Popularity in conjunction to festival season and any celebration always calls for undecided, un planned purchases.

Reference Group and Impulse Buying

Reference group influence the buying behavior. What i bought and used you must buy it and try it. This attitude and influencing power of reference group calls for sudden and unplanned buying.

Income Level and Impulse Buying

Income level of consumers affects impulse purchase positively. High income group are less impulse buyers as compare to middle and lower income group. A small change (Increase) in income level leads to more and unplanned buying specially in middle income level groups.

III. CONCLUSION

Impulse buying is a sudden and immediate purchase with no pre-shopping intentions either to buy the specific product or to fulfill a specific buying task. The findings of the study indicate that credit card, promotional approaches, window display, sensation cues and product involvement mostly influence the impulse buying behavior of consumers. Impulse purchasing is increasing among the shoppers with the proliferation of organized retail in India. Over a period of time, retailers are conducting extensive research to understand what appeals to the senses of the shoppers into making impulse purchases. However negative consequence of impulse buying behavior is also needed to consider. As impulse buying is unplanned purchase, customers may feel regret or dissatisfaction after purchase. This paper is not focused on the satisfaction level of the impulse buyers. It is important that shoppers cannot focus exclusively on increasing unplanned purchases as unplanned purchases can also be a result of stocking up goods, which are required in the future. In such a situation, the retailer does not benefit much, as the stocking up behavior will result in reduced sales later. The limitation of this study is that

the scope of study was confine to few factors. Beside these there are many more other factors too that affect the sudden buying behavior.

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