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A study of factors that influence the level of impulse buying

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ABSTRACT

This paper tries to investigate the fashion industry's irrational purchasing behaviour. Comparisons between the internet and offline channels are made to see which is thought to encourage greater impulsive purchasing.

Keywords: Purchases, Cost of Product, Impulse Buying, Customers, Virtual Sales, Buying Behaviour, Quality

1. INTRODUCTION

Since a few years ago, it has become evident how important impulse purchases are to consumer behaviour. Previous academic and professional research has demonstrated that, depending on the type of goods, between 40% and 80% of all purchases are made on impulse. Researchers and organisations interested in understanding the psychological drivers of this behaviour as well as "impulse temptations" to increase sales have been interested in impulse buying. But given the devastating effects of the economic crisis and the rising popularity of the internet as a source of information and shopping, it appears that consumer behaviour has altered in favour of a more deliberate and educated process. Several authors assert that the internet does in fact encourage impulsive purchases at the same time. Therefore, there is now some confusion regarding the function of impulse buying, both in the research topics that will be addressed by an empirical investigation. These inquiries are about:

- the consumer's perceptions of how the traditional, physical store and the internet influence his or her impulsive purchasing behaviour
- whether aspects of the internet, in contrast to the physical medium, promote or prevent online impulse purchase; and
- The role of social networks on impulse buying is also investigated due to the expanding importance of social media on consumer behaviour.

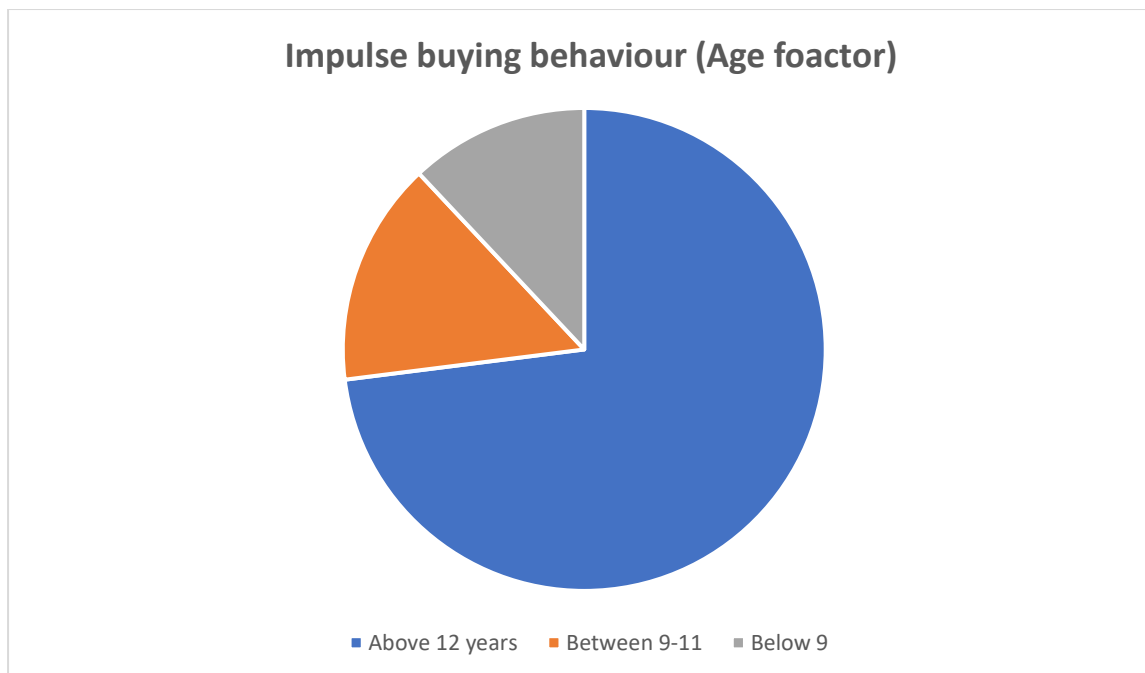
The fashion business is the subject of this study for a number of reasons. First off, apparel and shoes account for a sizable share of consumer purchasing. Second, the popularity of online buying has been progressively increasing in this sector over the past few years with social media in particular showing this increase. Lastly, it is one of the sectors that is most susceptible to impulsive purchases.

1.1 Problem Formulation: Organisations consider quality of the product, price of the product, age difference and brand for impulse buying. Understanding the specific factor would benefit the organisation.

1.2 Objectives of the study: To identify the specific factor which increase the buying impulse behaviour of people in retail sector.

1.3 Scope of study: The scope is limited to understand the buying behaviour of customers without making any decisions.

1.4 Limitations of study: This study is limited only to impulse buying behaviour of retail sector and depends upon the respondents of the research.



According to data shared by researchers

2. LITERATURE REVIEW

In the decade of the 1940s, the phenomena of impulse buying was first recognised as an irrational behaviour. Numerous researchers became interested in this phenomenon, but found it difficult to measure because test subjects were afraid or unwilling to openly declare all the things they intended to buy. Despite the fact that there is still disagreement in the literature over the concept's definition, this review seeks to provide a clear summary of its development. Study that revealed a sizable portion of retail business sales originated from impulsive purchases. While all impulsive purchases can be viewed as unplanned, not all unplanned purchases can be viewed as impulsive, according to some authors. These authors went further in their argument, saying that while all impulsive purchases can be viewed as unplanned, not all unplanned purchases can be viewed as impulsive. A client may make an impulsive purchase simply because they need to buy a certain item but did not put it on their shopping list in advance. Aiming to uncover elements that are both internal that affect impulse buying, subsequent research concentrated on the study of customer behaviour in the buying decision process. Previous research highlighted the affective component of impulsive buying, where the hedonic and emotional features of these purchases influence consumer behaviour more so than the utilitarian and rational aspects. According to a recent definition, impulse buying is a sudden, compelling, hedonically complicated purchase behaviour in which the speed of the impulse purchase decision excludes any critical, careful analysis of alternatives or future ramifications.

2.1 Online impulse buying

Because the internet is becoming a more important sales channel, there is a need to research impulsive buying online. Two-thirds of Europeans, according to the Google Consumer Barometer and Eurostat, make online purchases. Clothing and sporting goods were the bestselling categories in Europe in 2016 if we concentrate on the fashion business.

One could claim that consumer behaviour while making purchases online is generally sensible because they prefer to research products and compare prices before deciding. Thoughtful decisions aren't always made, and impulsive shopping has a place in this media as well. It was recognised in the late 1980s that developments like credit cards, direct marketing, and in-home shopping had made impulse buying simpler (Rook, 1987). The simplicity of selecting a product and "clicking" on it could lead to temptation and hence raise the possibility of impulsive purchases (Greenfield, 1999). Some experts contend that the internet may make it harder for customers to restrain their impulse purchases. In contrast to those aspects of the internet that weaken customer control over their impulse purchases, LaRose (2001) discovered that there were very few (13). (50). However, according to some academics, consumers make fewer impulsive purchases online than they do offline (Kacen, 2003).

2.2 Impulsiveness of the online versus offline channel:

On the one hand, writers like Greenfield (1999) and LaRose (2001) contend that the online channel can result in more impulsive buying than the offline channel: the larger product selection, the ability to make purchases whenever and wherever you want, and the use of advanced marketing strategies based on personalization, have the potential to encourage online shopping to a greater extent than other factors, like delayed possession or shipping costs, that might discourage it. Additionally, be more impulsive than the online channel even if using the internet stops customers from feeling and trying on clothing). According to the prior literature assessment, impulse purchasing is hedonically complicated and has a high emotional component. Hedonic sensations and emotions are closely linked to sensory stimuli. We might anticipate that customers will view the physical channel as more impulsive than the online channel to the extent that physical stores are better suited to arouse the senses than the internet. According to a recent study by Kearney, 40% of survey respondents more money than they intended to at physical stores, but just 25% did so through online channels. Lastly, a number of academics contend that, in addition to channel characteristics, personal and situational factors also influence impulse buying.

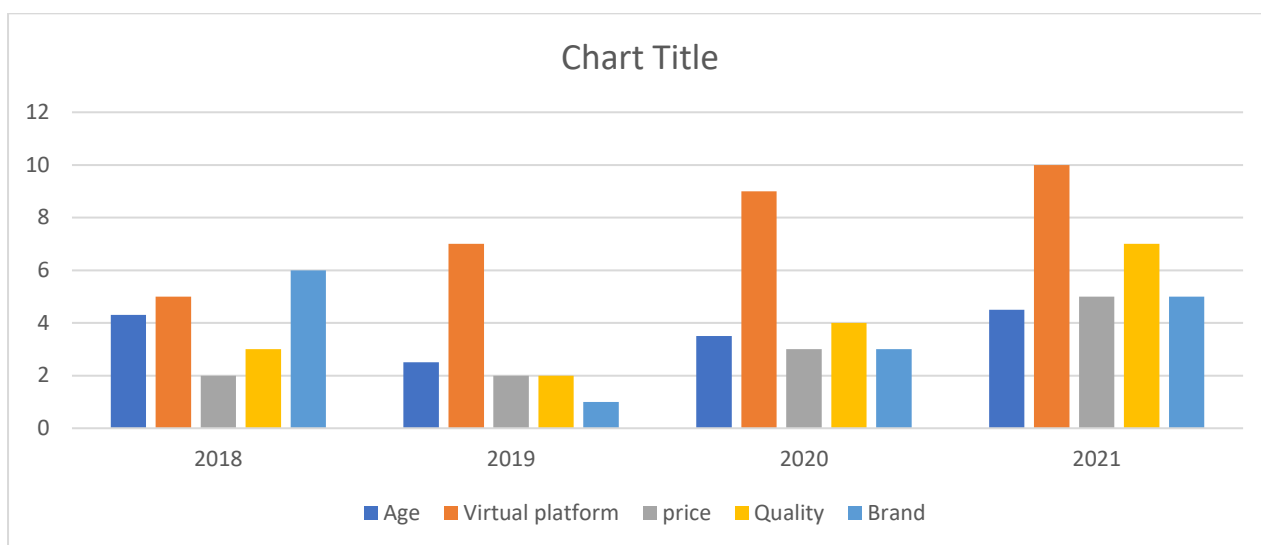
2.3 Encouraging and discouraging factors for online impulse buying:

The literature study also identifies distinctive qualities of offline and online channels that may promote or deter impulse buying . The following qualities of the internet stand out as encouraging elements for online impulsive buying: a wider selection and diversity of products, sophisticated marketing strategies, credit cards, anonymity, lack of human contact, and ease of access and convenience. First, a wider selection and product diversity are two of the most important elements that influence online shoppers' decision to make impulsive purchases Online retailers can provide a wider selection and more variety than conventional stores, which are more constrained by space considerations.

2.4 The role of social networks in impulse buying behaviour:

Investigates how social networks affect the fashion industry's use of impulse buying. Social media has a significant impact on people's behaviours, especially consumer behaviour. Users of social media communicate a wide range of experiences, from what they are feeling like doing that day to critically analysing the goods and services they utilise. Due to this behaviour, customers are influencing others by recommending products and sharing images of their purchases. These behaviours may encourage impulsive and unforeseen purchases. Additionally, recommendations and views influence not only purchasing patterns but also assist in creating positive brand perceptions, which in turn trigger impulse purchases.

3. DIAGRAM



4. DATA COLLECTION PROCEDURE

To answer the study questions, a self-administered online survey was done. According to Malhotra and Birks (2007), the sample strategy used a non-probabilistic convenience sampling technique to collect a total of 243 questionnaires. There were five sections in the survey. Introduction inquiries about the participants' preferences for fashion products and how frequently they purchased apparel were made in the first segment. The second portion gathered data on their impulsive purchasing patterns in both the physical and internet channels.

4.1 Sample characteristics

Once the sample was refined by screening out questionnaires with mistakes and inconsistencies, the final valid sample consisted of 212 participants. We used IBM SPSS software to analyse the data. The characteristics of the sample appear. It should be noted that, through the convenience nature of the sample, we were satisfied with the sample profile because it showed similarities to recent studies about the use of the internet and e-commerce with the exception of gender. The majority of participants in the survey were female. Although this consumer segment has been widely used in research about the fashion industry this imbalance represents a limitation of the current study.

Sample characteristics

Variable	TOTAL(%)	Online clothing shoppers(%)	Social media users(%)
Gender (female)	66.5	69.7	64.0
Age			
Under 25 years old	30.7	36.4	34.9
Between 25 and 45 years old	41.0	47.7	44.8
Older than 45 years old	28.3	15.9	20.3
Occupation			
Student	26.4	32.6	30.8
Worker	56.6	56.8	56.4

provides data for the three participant groups and is used to analyse each of the three study topics. In particular, out of the 212 participants, 62.3% (n = 132) confirmed that they had bought apparel, shoes, and/or accessories online. We compared the impulsivity indices for the online and offline channels (RQ1) using this subsample, as well as looked at the effects of the motivating and inhibiting factors for online impulse buying. Additionally, 172 people who used social media (n = 81.1%) were included in the analysis.

4.2 Impulse buying offline and online

Once the scales were validated, the items were summed to create indices of impulse buying, following the procedure developed by. Those participants who scored above 60 per cent of the index (25.2 for the physical channel, 33.6 for the online channel) were considered as impulsive. shows the descriptive statistics and the results of the analysis carried out to test. It is observed that the average value of perceived impulsiveness demonstrated in the offline channel was around the middle point of the scale, and the percentage of impulsive participants was nearly 30 per cent. In the online channel, the average value of impulsiveness was significantly lower than the middle point of the scale, and less than 25 per cent of participants perceived this channel as leading to impulse buying.

Next, we calculated the mean values of the indices to make them comparable. In line with the previous results, the participants say they are more likely to plan their purchases (less impulsive) in the online channel than in the offline channel. The results of a non-parametric Wilcoxon test) revealed that this difference was significant. Finally, we directly asked participants which channel they considered to be associated with more impulsiveness: 35.4 per cent (n = 75) chose the offline, whereas 10.8 per cent (n = 23) chose the online]. Therefore, in response to we may conclude that, although the participants perceived that neither channel led them to carry out impulse buying, the online channel was perceived as less impulsive than the offline channel.

	Average impulsiveness index	One sample t-test (significance)	% impulsive participants	M (SD)	Related samples Wilcoxon test
Offline channel ^a	20.81	-0.342 (0.733)	28.3	3.47 (1.32)	0.000
Online channel ^b	25.73	-2.249 (0.026)	24.2	3.22 (1.44)	

4.3 Encouraging and discouraging factors of online impulse buying:

Multiple regression analyses were carried out to analyse. Taking into account the limited sample size (n = 132), and that the diverse nature of the items prevented us from grouping or reducing them to more reliable constructs, two separate regressions were conducted, corresponding to the encouraging and the discouraging factors, respectively. The dependent variable was the mean value of the impulsiveness perceived in the online channel. All the variables were standardized prior to the analysis. The results of the regressions showed that the encouraging factors had more explanatory power of online impulse buying than the discouraging factors (adjusted R² 0,581 vs. 0,175).

The use of credit cards, the greater product assortment and variety and the possibility of receiving personalized recommendations, had a significant positive impact on online impulse buying. The easy access and convenience and the lack of human contact also had a positive influence, although these effects were only marginally significant. However, the anonymity that the internet offers had a marginally significant negative effect. This result is somewhat unexpected, given that the specialized literature states that impulsive buying is likely to occur in contexts that provide anonymity.

Regarding the discouraging factors, they did not have the proposed influence, with the exception of the ease by which the internet allows the making of comparisons (DMOT5). However, we found several unexpected results. First, the existence of shipping and refund costs (DMOT4) had a significant, positive influence on online impulse buying. This result is in line with previous studies and could be explained by the fact that some online stores offer free shipping in exchange for a minimum purchase volume; this circumstance may lead to higher spending on spontaneous purchases. Second, the factors related to delayed gratification and satisfaction (DMOT6 and DMOT7) had a positive impact on online impulse buying. The literature review showed that immediate possession provides satisfaction and thus encourages impulse buying, and the lack of it on the online environment could prevent consumers from impulsively buying online. However, our results are in line with those of who argue that consumers derive satisfaction from the buying process itself, and not just from having the product. Thus, feeling the thrill while waiting for a product after buying it online may encourage impulse buying.

ANOVA	F _(8, 131) = 23.735; p = 0.000			F _(7, 126) = 4.973; p = 0.000			
Adjusted R ²	0.581			0.175			
Predictors:	β	t	p	β	t	p	
MOT1	0.200	2.748	0.007	DMOT1	0.054	0.623	0.534
MOT2	0.129	1.688	0.094	DMOT2	-0.050	-0.588	0.557
MOT3	0.118	1.447	0.150	DMOT3	0.084	0.978	0.330
MOT4	0.281	3.147	0.002	DMOT4	0.182	2.091	0.039
MOT5	-0.181	-1.798	0.075	DMOT5	-0.197	-2.330	0.021
MOT6	0.187	1.896	0.060	DMOT6	0.268	3.288	0.001
MOT7	0.056	0.787	0.433	DMOT7	0.245	2.886	0.005
MOT8	0.279	3.312	0.001				

5. CONCLUSION

This study aims to provide a better understanding of the current function of impulsive purchases. Impulsive purchases have historically had a significant impact on consumer behaviour. However, the expansion of the internet and social media could lead to a shift in behaviour toward more deliberate and logical purchasing procedures. This study examines the specialised literature on the idea of impulsive buying, paying particular attention to the phenomena in the internet channel, with the goal of identifying the elements or properties of this medium that might both encourage and deter this behaviour. Additionally, taking into account social networks' growing impact on consumer behaviour and their effect on impulse purchases, has been explained.

5.1 Limitations of the research line:

- This research has several limitations that should be addressed in future research lines. First, the validity of the empirical study is limited by the sampling plan (non-probabilistic, convenience sampling) and the low sample size. In addition, the sample was very largely made up of women, which biases the analysis and interpretation of results.
- The second limitation is related to the measurement of the study variables. The items used in the questionnaire were based on the specialized literature. Regarding the impulse buying indices, we were able to use previously validated scales. However, for the measurement of the encouraging and discouraging factors of the online impulse buying, a parsimony criterion was used and we considered only one or two items to measure each factor. This prevents us from obtaining conclusive results from the analysis.
- Third, this research explores impulse buying behaviour for only one type of product. Previous research has demonstrated differences on impulse buying depending on product characteristics, such as price, materials, or quality perceptions.

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