

A Study on the Impact of Impulsive Buying Behavior on Customer Purchase Decision

Bijin Philip¹, Shashi Kumar M² and Dr.V. Muthukumar³

¹Assistant Professor, Department of Management, Kristu Jayanti College

^{2,3}Assistant Professor, Department of Commerce, Kristu Jayanti College

ABSTRACT

Without planning in advance, the tendency of the customers to purchase the goods and services is known as impulsive buying. In the current era, impulsive buying behavior plays a vital role in customer purchase decisions. Impulsive buying behavior triggered by emotions and feelings. It is based on an unreasonable thought process of the customer's. This study has been undertaken by the researcher to study the different factors that influence the customer's impulsive buying behavior, to study the impact of impulsive buying behavior on customer's purchase decisions and to analyses the relationship between demographic factors of respondents and there impulsive buying behavior. The researcher has used ANOVA, Factor analysis, regression analysis and Chi-square Test for data analysis and interpretation. This study reviled that impulsive buying behavior greatly influences the customer's purchase decision.

Keywords: Impulsive buying, customer's behavior, purchase decision, Customer Satisfaction

1.1 INTRODUCTION

Impulsiveness in purchase behavior upswings with the lowest to top shift in hierarchy of needs in Maslow's Pyramid. People who are in the self-actualization stage are more predisposed to impulse purchases. In India with growing disposable incomes people have a tendency to more towards impulsive purchase to satisfy their feeling of self-actualization. Most of the time weekend shoppers are likely to do the impulsive buying than other shoppers to fulfill their necessities. Middle income customers are interested in impulsive buying from there nearby retail shop than a store that they will visit first time. Whereas high income customers are likely to do impulsive buying even at new store they visit for the first time. Modern facilities provided by the stores like parking, joy full atmosphere also tempt the customers to try buying on impulse.

1.2 REVIEW OF LITERATURE

In this study the researcher aims to identify the different factors that influence the customer's impulsive buying behavior, to rank the factors that influence the customer's impulsive buying behavior based on the response from the respondents, to study the impact of impulsive buying behavior on customer's purchase decisions, to analyses the relationship between demographic factors of respondents and there impulsive buying behavior. The researcher's find out the below review of literature which is relevant for in this study.

Kannan P (2014). This paper attempt to find out the various factors that influence impulsive buying behavior. In this paper analyzed the sales promotion strategy, window merchandising, and effective price strategy on impulsive buying behavior of the customer.

M Geetha (2016). In this study tried to revile the prevalence, nature and characteristics of impulsive buying behavior in India.

Muhammad Ali Tirmizi (2009). In this paper the researcher tried to find out the degree of association between customer purchasing behavior and impulsive buying behavior. As per this study there was a strong association between customer purchasing behavior and impulsive buying behavior.

Bhuvaneswari. V (2015). In this paper analyzed the Impulse Buying Behavior of Consumers in Brick & Mortar and Click only Stores. As per this study Technological factors such as the availability of personal computers and internet access, download time and representativeness of pictures and colors of products are the reason for increasing the potential customer. Here Impulse buying plays a major role in consumer buying behavior.

Gandhi Aradhana. In this paper tried to find out the Impulse Buying Behavior and Factors Influencing it with reference to Beverage Products in Retail Stores. This study reviles that Age, Gender and the Time

Taken to Purchase were found to have a significant impact on impulse purchases of customers, whereas number of people accompanying a Shopper showed no significant impact on impulse purchases with reference to beverage purchases.

1.3 IMPORTANCE OF THE STUDY

Deliberate non- planning is an integral part of contemporary shopping and impulse buying is an important hedonic behavior exhibited by consumers. Now days impulsive buying behavior play a vital role in the customer purchase decision. This study is important to understand the various factors that influence the customer impulsive buying behavior and to know the impact of impulsive buying on customer purchase decision.

1.4 METHODOLOGY

Under this study the researcher has been used both primary and secondary data. Primary data collected through structured questioner from customers in Bangalore. Secondary data was also used for the study and it has been collected from various sources like Published books Newspapers, Journal, published articles, unpublished articles, various websites etc. The researcher has been used convenient sampling method for data collection. Factor analysis, Regression, chi-square test has been used by the researcher for data analysis and interpretation.

1.5 OBJECTIVES OF THE STUDY

- To identify the different factors that influence the customer's impulsive buying behavior
- To rank the factors that influence the customer's impulsive buying behavior based on the response from the respondents
- To study the impact of impulsive buying behavior on customer's purchase decisions
- To analyses the relationship between demographic factors of respondents and there impulsive buying behavior

1.6 HYPOTHESIS

H1o	There is a no impact of impulsive buying behavior on customer purchasing decision
H1a	There is an impact of impulsive buying behavior on customer purchasing decision
H2o	There is a no relationship between demographic factors of respondents and there impulsive buying behavior
H2a	There is a relationship between demographic factors of respondents and there impulsive buying behavior

1.7 DATA ANALYSIS AND INTERPRETATION

To identify the various factors that influence the customer's impulsive buying behavior, the researcher used factor analysis.

Test of adequacy

The value of KMO and bartlette's test of sphericity indicates if factor analysis can be done for the given data

Table 1.2 - KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.724
Bartlett's Test of Sphericity	Approx. Chi-Square	214.805
	Df	21
	Sig.	.000

From the table, KMO value is more than 0.724. Hence the data is adequate to carry out Factor Analysis.

Table-1.2: ROTATED COMPONENT MATRIX

FACTORS	Rotated Component Matrix ^a			
		Component		
		1	2	3
	Offers	0.803		

Price Oriented	Discounts	0.7196		
	Low price	0.621		
Design & Popularity	Attractive packaging		0.902	
	Advertisement		.832	
	Popularity		.804	
Safety & Convenience	Quantity			0.842
	Availability			0.701
	Quality			.611

Naming of Extracted Factors

The three extracted factors have been given the appropriate names on the basis of variables represented in each case. The names of the extracted factors, the statement labels and factor loadings have been summarized in Table 1.2.

Factor 1: Price Oriented

The first important kind of customers is price oriented. Price related attributes like offers, discounts and low price playing an important role in impulsive buying in price oriented customers. If any kind of price related aspects which lead the customers to impulsive buying.

Factor 2: Design and popularity

Another important factor of impulsive buying is design and popularity. Brand, advertisement and attractive packaging tempt the customers to purchase the product.

Factor 3: Safety & Convenience

Another kind of customer is more focus on safety and convenient. Availability, quality and quantity are the some of the factors that lead to impulsive buying.

To rank the factors that influence the customer's impulsive buying behavior the researcher has been used rank analysis. Below table explain the ranks of various factors based on the customers respondents.

Table-1.3: Rank Analysis

Factors	Rank
Offer	1
Discount	2
Lesser Price	3
Quantity	4
Advertisement	5
Packaging	6
Popularity	7

Source: Primary Data

From the above table it is clear that offers ranked one and Discounts ranked two and popularity ranked last. Since offers and discounts are the important factors that influence customers for impulsive buying.

To analyses the impact of impulsive buying behavior on customer purchase decision the researcher used regression analysis.

Dependent Variable	Impact of impulsive buying behavior
Predictors(Independent Variable)	Offers, Discounts, Low price, Packaging,

	popularity, quality, quantity and advertisement
R Square Value	17.7%
F value of the model	3.02
Significance	0.014

In the above table R Square Value = 17.7% which means 17 percentage positive impact on the customer purchase decision through impulsive buying behavior. The F value of the model = 3.02 and significant value = 0.014 which is less than .05 so the researcher reject the null hypothesis and accept the alternative hypothesis. That means there is an impact of impulsive buying behavior on customer purchasing decision.

H1	H3o	There is a no impact of impulsive buying behavior on customer purchasing decision	Rejected
	H3a	There is an impact of impulsive buying behavior on customer purchasing decision	Accepted

To analyses the relationship between demographic factors of respondents and there impulsive buying behavior, the researcher used ANOVA test.

Table-1.5

ANOVA		
Characteristics	F	Sig
Gender	2.11	0.001
Occupation	1.96	0.103
Age	2.56	0.004
Religion	1.85	0.212
Annual Income	2.67	0.432
Education	3.01	0.001

As per the above table, significant value of gender, age and education (.001, .004 and .001) is less than .05. Hence there is a relationship between gender, age and education of the respondents and impulsive buying behavior. Also significant value of the occupation, religion and annual income (.103, .212, .432) which is greater than .05. Hence there is a no relationship between occupation, annual income and religion of the respondents and impulsive buying behavior.

H1	H3o	There is a no relationship between demographic factors of respondents and there impulsive buying behavior	Partially accepted
	H3a	There is a relationship between demographic factors of respondents and there impulsive buying behavior	Partially accepted

1.8 FINDINGS

This study has been conducted to know the impact of impulsive buying behavior on customer purchase decision, find out the factors influencing the impulsive buying behavior and to know whether any relationship between respondents demographic features and impulsive buying behavior. From the study the researcher has been found the following.

- There is a positive impact of impulsive buying on customer purchase decision. Impulsiveness tempt the customers for unplanned purchase decision.
- Offers, discounts, low price attractive packaging and advertisement are the important factors that influence customers to impulsive buying
- As per the rank analysis, offers ranked one and Discounts ranked two and popularity ranked last. Since offers and discounts are the important factors that influence customers for impulsive buying.
- Finally some of the demographic features like age, education and gender that influence the impulsive buying and there is no relationship between occupation, annual income and religion to impulsive buying behavior.

1.9 DISCUSSION

In this study has been undertaken by the researcher to know the impact of impulsive buying behavior on customer purchase decision. In this study revealed that impulsive attitude of the customers play a vital role in there purchase decision making. In this study also focused on the impulsive factors that influence the customer purchase decision and the relationship between customers demographic factors and there impulsive buying behavior on purchase decision.

Recent trends adopted by the companies to impulse the customers, the attitude of the customers to words recent impulsive strategies of the organisations, customer expectation in new era are the some of the important topics can be undertaken by the researchers in future.

1.10 CONCLUSION

In this study made an attempt to understand the impact of impulsive buying behavior on customer purchase decision. As per the study the researcher conclude that there is a huge impact of impulsive buying behavior on customer purchase decision. Most of the customers are tempt to purchase the product without planning in advance due to impulsive buying behavior. Offers and discounts are the important factors that influence the customers for unplanned decision making. Finally some of the demographic features like age, education and gender that influence the impulsive buying and there is no relationship between occupation, annual income and religion on impulsive buying behavior.

REFERENCES

- Ahmad, M. B. (2018). Factors Affecting Impulsive Buying Behavior with Mediating role of Positive. *European Online Journal of Natural and Social Sciences*, 17-35.
- Akyuz, A. (2018). Determinant Factors Influencing Impulse Buying Behavior of Turkish Customers In Supermarket Setting. *International Journal of Research in Business and Social Science*, 1-10.
- Bhakat, R. (2013). A Review of Impulse Buying Behavior. *Intemational Journal of Marketing Studies*.
- Geetha. M, B. .. (2016). Impulse Buying Behavior In India– An Overview . *Asian Journal of Business Research*, 49-66.
- Mrs.V.Bhuvaneswari, D. J. (2015). A Review of Literature on Impulse Buying Behaviour of Consumers in Brick & Mortar and Click only Stores. *International Journal of Management Research and Social Science (IJMRSS)* , 84-90.
- Muhammad Ali Tirmizi, K.-U.-R. M. (2009). An Empirical Study of Consumer Impulse Buying Behavior in Local Markets . *European Journal of Scientific Research* , 522-532.
- P.Kannan. (2014). A STUDY ON INFLUENCING IMPULSE BUYING BEHAVIOUR. *International Journal of Management And Social Science Research Review (IJMSRR)* , 19-27.
- P.Kannan, A. (2014). A STUDY ON INFLUENCING IMPULSE BUYING BEHAVIOUR . *International Journal of Management And Social Science Research Review (IJMSRR)*, 19-27.
- Pradhan, V. (2016). Study on Impulsive Buying Behavior among. *Journal of Business and Social Sciences Research*, 215-233.
- Rasheed, A. (2017). Factors Affecting Impulse Buying Behaviors in Shopping Malls: Evidence from Bahawalpur Region, Pakistan . *Journal of Marketing and Consumer Research* , 1-20.
- Sharadkumar, D. P. (2016). A Study on Consumers“ Impulse Buying Behavior in Organized Retail Stores with reference to Gujarat State. *KADI SARVA VISHWAVIDYALAYA, {KSV University}*.
- Silvera, D. H. (2008). Impulse buying: the role of affect, social influence, and subjective wellbeing. *Journal of Consumer Marketing*, 23-33.

WEBSITES

- <https://artifactsjournal.missouri.edu/2015/01/the-phenomenon-of-impulse-buying/>

- https://en.wikipedia.org/wiki/Impulse_purchase