

An Exploratory Study on Impulsive Purchases

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Abstract: *Organized retailing has brought about sea changes in India. The 'Mall Culture' has taken the market by storm. Families visit malls frequently for the experience. Discretionary income in the hands of the middle class has been steadily increasing so as the purchasing power. Malls have something to offer for every age group. There are play zones for small children, theatres, food courts and shops selling branded garments and other accessories. Most of the malls also have stores for groceries. The entire family enjoys the experience due to this. In this paper the author has attempted to study impulsive purchases made by men and women when they visit malls. A small sample was studied to understand how malls encourage impulsive purchases. Twenty five women and twenty five men were interviewed to understand aspects of their buying habits including the frequency of visits to malls, whether they carry and adhere to shopping lists and unplanned and impulsive purchases made by them. It was found that there were no major differences in the frequency of visits to malls and unplanned and impulsive purchases made among the men and women surveyed. Impulsive purchases have been observed in the product categories of garments, accessories, footwear, fast moving consumer goods and grocery items*

Index terms: *Impulsive purchases, unplanned purchases, malls, experience*

I. INTRODUCTION

Organized retailing including departmental stores, malls etc. has impacted the way individuals and families shop. There is growing concern about consumerism. Malls contribute to increase in purchases. Before the advent of departmental stores and malls, families and individuals would buy grocery from the local 'Mom & Pop' or the 'Kirana' stores. Grocery shopping was mostly done by the men or women of the household and children would very rarely accompany their parents. Children considered grocery shopping to be a boring activity. Purchases of garments, footwear, accessories etc. were by and large restricted to special occasions such as birthdays, weddings, anniversaries and festivals. The purchasing power also in the hands of the middle income group was limited. In the last fifteen years the discretionary income in the hands of the middle class has steadily increased, which has resulted in increase in purchasing power. Malls are perceived as an avenue for entertainment apart from as a destination for shopping. Theatres, food courts including fine dine restaurants, play zones, shops offering international brands of apparel, accessories, footwear and electronic items add to the experience of visitors. This coupled with the growing number of malls has had a great impact on shopping. Some of the changes are increase in the frequency of shopping, families and individuals spending weekends in malls just for the experience, entire family with children going to malls for shopping for even groceries, and increase in unplanned and impulsive purchases. Increase in consumption leads to economic development and industrial growth. However, it also has resulted in environmental degradation and impacts people's mental wellbeing.

II. OBJECTIVES

This study was undertaken with the following objectives:

- 2.1 To understand the impact of malls on specific aspects of shopping habits.
- 2.2 To study the increase in unplanned purchases.
- 2.3 To study the impact on impulsive purchases.

III. RESEARCH HYPOTHESIS

- 3.1 Consumers visit malls frequently.
- 3.2 Consumers do make unplanned and impulsive purchases when they visit malls.

IV. LITERATURE REVIEW

4.1 (DeANGELIS, 2004) says that a line of research proves that financial and emotional insecurity is a root cause of consumeristic cravings. Given the objective of this paper to study impulsive purchases, this finding assumes great significance. Impulsive purchases usually are a result of cravings.

4.2 (Bashar; Ahmad & Wasiq, 2013) in a study found that age and income had an impact on the impulsive purchase indicators, while qualification and gender had marginal impact on impulsive purchase behaviour.

4.3 (Mani; Chaubey & Gurung, 2016) studied the influence of age, marital status, income level on impulsive buying. It was found that unmarried persons were more impulsive, the tendency to make impulsive purchases increased with age, qualifications also had an impact as it was found that people with higher qualifications showed more tendency towards impulsive buying and impulsive buying was not found to be dependent on income levels. Most of the respondents expressed satisfaction over impulsive purchases made by them and the percentage of respondents who expressed guilt over such purchases and intention of not making impulsive purchases in future was low. Maximum impulsive purchases were observed in the product categories of electronic items, footwear and apparel.

V. RESEARCH METHODOLOGY

It is an exploratory and empirical study involving personal interviews of twenty-five women and twenty-five men. The details are as follows:

5.1 Sample

Twenty-five women and twenty-five men in the age group of 25 to 30 were selected for participation. When the interviews were conducted, out of the twenty-five women, two were employed and twenty-three were housewives and twenty-one belonged to the annual income range of 150000 to 300000 and four to 300000 to 500000. Out of the twenty-five men, one had retired, four had their own business, eighteen were employed and two were in a profession and seventeen belonged to the annual income range of 150000 to 300000 and eight to 300000 to 500000. Convenience-cum-Judgment sampling was used. An interview schedule has been used for collecting the responses.

5.2 Sources of Data

Articles and research papers from secondary sources have also been used to gain better understanding of the problem other than the data obtained through the personal interviews. Descriptive statistics has been used for analysing the responses.

VI. LIMITATIONS OF THE STUDY

As the sample size is very small and this being an exploratory study, it is not appropriate to draw statistical inferences. Only broad conclusions could be drawn. Further research with a large sample from different cities, towns and income groups can be undertaken to draw inferences.

VII. RESULTS AND DISCUSSION

(Babin; Harris; & Mohan, 2015) have defined impulsive shopping as “spontaneous activities characterized by a diminished regard for consequences, heightened emotional involvement, and a desire for immediate fulfilment”.

(Babin; Harris; & Mohan, 2015) say that “unplanned consumer acts are characterized by 1. Situational memory, 2. Utilitarian orientation 3. Spontaneity”.

Thus it can be surmised that unplanned purchases are different from impulsive purchases in the following aspects:

- Unplanned purchases are usually made when something at the shop reminds the shopper about a need, which leads to the purchase of an item, which was not there in the shopping list of the shopper.
- There is no emotion involved in unplanned purchases.
- They are also spontaneous like impulsive purchases.

Whereas impulsive purchases are:

- The shoppers make the purchase in the spur of the moment without caring much for the consequences such as the financial burden the purchase is going to have.
- The purchase leads to immediate gratification.
- The decision is highly emotional.
- They are also spontaneous like unplanned purchases.

The respondents were told about the differences between unplanned and impulsive purchases.

An interview schedule having the following questions were used for the survey: The first three questions were on personal information: age, income group and gender.

7.1 How often do you visit a mall?

- Women: Out of the twenty-five women, 12% said they visited a mall one in a week, only one, that is 4% said more than once in a week, 32% said once in a month and 52% said occasionally.
- Men: 12% of the twenty-five men said they visited a mall once in a week, 8% said more than once a week, 24% said one in a month and 56% said occasionally.

7.2 Do you carry a shopping list?

- Women: 44% of the women said they always carried a shopping list, 20% said most of the times, 28% said rarely and 8% said they never carry a shopping list.
- Men: 36% each said that they carried a shopping list always and 36% said most of the times. 20% said they rarely carried a shopping list and 8% said that they never carried a shopping list.

7.3 Do you always buy only what is in your shopping list?

- Women: 4%, that is only one woman said that she purchased only what is there on the shopping list, 20% said most of the times, 60% of the women said they rarely purchased only those items that were there on the list and 16% said they never purchased only those items that were on the list. This proves that 96% of them made unplanned and or impulsive purchases.
- Men: 4%, only one of the men also said that they only purchased the items that were there on the shopping list. 40% said most of the times they purchased only those items that were on the list, 36% said they rarely bought only those items that were on their shopping list, 20% said they never bought only the items on the list, which means they always made unplanned and or impulsive purchases.

7.4 What are the factors that influence you to make unplanned purchases? For this question as the respondents were told to list the factors that influenced them to make unplanned purchases, they mentioned more than one factor.

- Women: 80% of the women said that when there is a discount scheme going on, they purchase items that are not there on the list with the intention of stocking up and to take advantage of the lower price. 56% said other promotional schemes such as buy one get one free or coupons, or gifts etc. influence them to make unplanned purchases. 24% said they buy based on the advertisement that they have read or seen and 68% said they may also make unplanned purchases when they are encouraged by the family members or friends who are accompanying them for the shop visit and only one, that is 4% said that she purchases based on the sales person's efforts.
- Men: 56% percent of the men said they purchased items that were not there in the list, when they felt that the price was lower than the usual price, 52% said other promotional offers encouraged them to buy products not there in the shopping list, 32% made such purchases based on encouragement from family members or friends who are with them while shopping, 16% said they make purchases as they had seen the advertisement of the product, 8% said they buy based on the sales person's efforts and 60% said they make unplanned purchases based on the features of a product

7.5 What are the factors that influence you to make impulsive purchases? For this question as the respondents were told to list the factors that influenced them to make impulsive purchases, they mentioned more than one factor.

- Women: 96% of the women said they make impulsive purchases based on the display. 50% said based on the promotional offers such as discount they make such purchases and 20% said they buy based on advertisement of the product that they had read or seen. 24% said that they made impulsive purchases when they are encouraged by family members or friends accompanying them for the shop visit.

- Men: 52% of the men said they make impulsive purchases based on the display. 50% of them said they purchase based on the promotional offers such as discounts. 50% said they make impulsive purchases based on the advertisement of the product that they had seen or read and 60% of the men said they made impulsive purchases when they are encouraged by the family members or friends accompanying them.

7.6 Of which items do you make impulsive purchases? For this question the respondents mentioned more than one product they usually buy on an impulse.

- Women: 64% of the women said that they make impulsive purchases of garments and accessories. 60% said they make impulsive purchases of FMCG other than grocery (Fast Moving Consumer Goods), 92% make such purchases of food items, 12% have purchased cell phones on an impulse and only one, that is 4% made impulse purchase of electronic items. None of the women said they make impulse purchases of sports items.
- Men: 72% of the men said they make impulsive purchases of garments, 44% said of accessories, 16% said sports related items, 32% said they have purchased cell phones on an impulse, one person, that is 4% said he had made a purchase of a laptop and 12% said they purchase other electronic items on impulse. 60% said they made impulse purchases of FMCG and other food items.

7.7 Do you have any regrets after making impulse purchases?

- Women: Two, which is 8% of the women, said they always have regrets after making impulsive purchases. 84% said they rarely have regrets after making such purchases. Only two, which is 8%, said they never have any regrets after making impulsive purchases.
- Men: 72% of the men said they sometimes have regrets after making impulsive purchases and 28% said they never have any regrets about the impulsive purchases made by them. None of the men said they always have regrets after making impulsive purchases.

It is evident from the responses that there is not much of a difference in the frequency of visits to malls among women and men. Major differences are not observed in any of the areas related to unplanned and impulsive purchases covered in the survey among women and men.

VIII. SUGGESTIONS

Mindless consumerism can have an adverse psychological impact on consumers. Impulsive purchases are usually very emotional and are a result of materialism and cravings. Consumers who frequently make impulsive purchases may start having guilt over such purchases. This will in the long run affect their mental health. Government and non-government organizations (NGOs) should spread awareness about ill effects of consumerism. As consumerism is a social problem, marketers should also refrain from promotional efforts with the objective of upselling, or encouraging consumers to consume more. Self regulation while making purchases is very important. Parents have to be cautious and keep in mind the effect of their buying habits and behaviour on their children.

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X. REFERENCES

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