

A CRITICAL REVIEW ON IMPULSIVE BUYING BEHAVIOR

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Abstract : Impulsive Buying Behavior is well studied and researched topic all over the world. Its importance is cannot be forgone because of its high relevance in studying consumer behavior especially in the context of retail industry. Literature gives light on the factors causing this type of unplanned buying decision which mostly includes psychological, cultural and even demographic factors as well. This study aims to review prominent literatures done in the area of impulsive buying behavior.

IndexTerms - : Impulsive Buying Behavior, Consumer Behavior

I.INTRODUCTION

Impulse buying is common phenomenon that can be seen in every consumer. Impulse buying or Impulse purchase can be said as an unplanned decision to buy a product or service, made just before a purchase. The person who tends to make the purchases is referred as impulsive buyer. Generally, it is attributed to the psychographic domain of the human nature; i.e feelings and emotions. Today's consumer behavior makes them succumb to marketer's promotional measures without much thinking. This spur of the moment buying is what the marketer's exploit for his/her own advantage. Impulsive buying is also important in the context of increasing retail markets in India. Shopping malls, super and Hyper markets have become the favorite shopping and leisure destination for Indians. Most of the studies have attributed impulsive buying to cognitive and affective levels of humans but some studies have also attributed it to the demographic variables such as age, region, income etc.

II.LITERATURE REVIEW

Research scholars have taken a very keen interest in impulse buying for the past sixty years (Clover, 1950; Stern, 1962; Rook, 1987; Peck and Childers, 2006). Abratt and Goodey (1990) found that the examination of impulse buying in supermarkets could be of much interest to the manufacturers as well as retailers worldwide. The earlier studies did not include the consumer and his personal traits as the factor influencing impulse buying. The researchers that succeeded later aimed on the personal impulsiveness by investigating the various behavioral aspects of impulse buying. (Rook, 1987)highlighted that during impulse purchase, the consumer undergoes an instantaneous, overpowering and strong desire. He characterized the impulse buying as unintentional, non-reflective reaction, which outbreaks soon after being encountered to stimuli inside the store.Rook and Gardner (1993) defined impulse buying as an unplanned behavior involving quick decision-making and tendency for immediate acquisition of the product.One of the pioneer works in the field of impulsive buying behaviour was done by (Rook & Fisher, Normative Influences on Impulsive Buying

Behaviour, 1995) projects impulsiveness as a personality trait and explained as consumer's tendency to buy spontaneously, non-reflectively, immediately, and kinetically. It also studied the effect of normative influences on impulsive buying.

(Kollat & Willet, 1967) argued that consumer's characteristics and demographics influence the impulse purchases. It also found in store stimuli create either new needs or remind the customer of the forgotten needs. It also found directly proportional relationship between impulse buying and number of product type bought. Impulse buying increases as the number of product types increases.(Abratt & Goodey, 1990) Suggested that in-store stimuli such as POP posters, controllable promotional technique, end of aisle displays can increase impulse buying behavior. This study also supports the (Kollat & Willet, 1967) findings that in store stimuli reminds the customer of the present and future needs.(Kaieen & Lee, 2002) attempted to study parsimonious explanation of impulsive buying behaviour. It found that culture do moderate impulsive buying behaviour. The research also found that the buying impulsiveness trait is more strongly associated with impulse buying behaviour for individualist than collectivist.

(Penhmann, Levine, Loughlin, & Leslie, 2005) studied the impact of impulsive buying in adolescents. Adolescence experience more intense urges and ability to resist is not fully developed. Brand consciousness seems to increase in adolescence to project a positive image to others and bolster feeling of self worth. Adolescent of low self esteem are prone to image advertising and status brands.(Rook, 1987) found that people vary in their impulsive buying proclivities. His research gave evidence to the fact that life style and demographic factors affect impulse buying behaviour. He also found that general acquisitiveness and materialism also affect impulse behaviour.(Zhang, Prybutok, & Strutton, 2007) found that male are more prone to impulse purchase compared to female in case of online transactions. Consumer's subjectivity is associated with their subjective norms and this subjectivity of consumers and is related to purchase intentions.

(Michael B Ward, 2002). This research is on private label invasion. The conventional wisdom is that the established brands defend themselves against the new private labels by involving themselves in extensive promotional activities, differentiating products. The general belief was that the private labels expand their share in the food industry. The belief is somewhat right as they are increasing in half of the food categories but in those it is growing at double-digit. The research also finds that there is no proof to defend the fact that established name brands defend their market share against new entry by lowering the prices or engaging in promotional activity. The research also found that share of private label goods are correlated with increase in price of the established or name brands. The research also goes on to find that when the share of the private label increases the number of name brand items per share will remain constant or will fall. (Timothy J Richards, 2010). The study is done in order to understand the demand creation by the retailers and in pricing by retailers and manufacturers. The study focuses on the sale of ice-cream being sold through super markets. Using private labels tend to be more in horizontal competition. The research goes into to show that

imitative pricing helps to earn better margins. The private label manufacturers of ice-cream tend to earn lower retail margins due to the value-price positioning but are able to earn higher total margins due to vertical marker power that they enjoy over contract manufacturers. A mere introduction of private label is not good enough but its design is of great importance. New product introduction may help to earn or create market share but will earn below than expected margins.

(Robert C. Blattberg, 1980). The main implication of the research is that marketing efforts for new national brand could be concentrated towards brand switchers and also towards households who are loyal to existing brands and towards purchasers of private label brands. The finding is actually surprising given the assumption that new brand should concentrate towards only brand-switching households. The research goes on to say that one should re-examine the so called commonly accepted beliefs for strategies of new products. (Baltas, 1998) argued that there is a notable upsurge in academic and managerial interests in private label brands. IN UK the market of private label products increased from 22% to 40%. The article is mainly focusing on the attitudinal and behavioral characteristics. The research paper also explores on the effects of unobserved consumer heterogeneity and choice dynamics on brand buying behavior. For exploring the store brand choice and intra individual dynamics a methodological framework is introduced. Empirical model of study is conducted in this research. The findings show that there is a very significant implication for strategic brand management.

(Doyle, 1997) focused on consumer choice under various circumstances where there is a competition between national and store brands for customer patronage. A multinomial model is developed in the study for incorporating the significant differences. This model identifies the structure of the primary market and gives insights on differential effects in a partitioned market. The approach is ready for applying for marketing research problems by incorporating econometric models. The approach provides a simple view on the modeling competition in packaged goods categories. The study explains how the model can test hypothesis on market structure and give diagnostics on marketing variables.

III. STUDIES CONDUCTED IN INDIA

(Mukhopadhyay & Johar, 2007) explains the emotional outcomes that arise out of refrain from impulsive purchase. Buying and not buying at an unintended purchase gives rise to complex emotions. Buying leads to happiness tempered with guilt and not buying give rise to pride. Consumers who buy an unplanned purchase are happy if they are exposed to an ad featuring a happy appeal.

(Sivakumar, 1996). The research is conducted in order to understand two important issues in consumer market. Firstly the effectiveness of price promotion and the other being emerging competition between brand clinging to different quality, price. The research found that for high priced brand it is advantageous to have frequent and significant price reduction. The research further extend the finding that for the low priced

brands, they benefit more from small frequent price cuts. For a brand which already has low price or are in the low price segment having deep discounts does not add value. (Rao, 2006) explains that in certain specific segments of private brand market customers are very likely to differentiate less with various store brands of the product. It is seen that private brands have an added advantage of price differentiation over other regional brands. Private brands usually get better display and in store promotional activities compared with regional brands. The distribution gap is reduced and the effect of consumers past purchase on private brands influences significantly. It is found that customers store loyalty and private brand purchases are positively associated.

(Kusum.L.Ailawadi, Pursuing the Value-Conscious Consumer: Store Brands versus National Brand Promotions, 2010) focused on determining whether national brand promotions and store brands attract customers who are value conscious. The key psychographic and demographic traits which drives the usage of store brands & national brand promotions are being identified by developing a structural equation model. The study found that the demographics do not have direct influence towards behavioral factors but they have close association with psychographic characteristics. The use of store brands correlates with the use of our store promotions which is mainly related to hedonic benefits and the costs. The structural model analysis explained that the impact of demographics is being funneled through psychographics instead of getting direct. The main difference in psychographic drivers is that of store brand and promotion usage. The store brand is mainly concerned with price consciousness and low quality consciousness.

IV.DISCUSSION

The 21st century has witnessed the exponential growth of retail marketing and it is in this context that impulsive buying behavior becomes important. The literatures underline the fact that marketers are very observant about the buying behavior of the consumers. They indulge in activities that lead to the purchase intentions within the stores. It is evident that most of the consumers respond to the popular means of impulsive stimuli like in-store promotion, ambience, aroma etc. it is this characteristic of the consumers that the marketers make use to run their business. The highlighted and colored promotion boards, attractive settings inside the store, merchandising of the products, aroma or the fragrance inside the retail space etc are all to attract customers. The irony is that consumer walk into a store empty handed with a stubborn thinking to return empty and handed, but the usually returns with empty pockets. Many customers even buy product without even looking at the quality; they simply are overwhelmed by the exceptional impulsive message.

However, there are some exceptions to impulsive buying. Not all can be influenced through impulsive buying messages; culture and lifestyle variables may have a moderating effect on the impulsive buying behavior. For example people from different countries react differently to the marketer's impulsive message. Similarly, people who enjoy a premium lifestyle may not be influenced by in-store promotional messages. In Indian context, the consumers are moving from local Khirana stores to big super and hyper market shopping experience. They have adapted shopping into their life-style. There isn't much hard-work

required to bring the consumers into spaces like shopping malls and commercial spaces. The challenge lies to attract the consumers to get into retailer's shop and make them purchase. Once a consumer becomes a customer, it is also important to maintain that customer within themselves. A lost customer is a firm's loss and another competitor's gain. This realization has reinforced marketer's effort towards creating impulsive stimuli.

V.CONCLUSION

It is for fact that marketer cannot ignore to study impulsive buying behavior as long as the consumers buy products. Its relevance even wider when it is applied in lieu of Indian retails space. However, it should also kept in mind that not all consumers are alike; therefore proper preparation and homework has to be done before introducing an impulsive stimuli in the reeal market.

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