

Impulsive Buying : An Indicator Of Financial Indiscipline (With Special Reference To Undergraduate Students Of Nagpur City)

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Abstract : Impulsive buying basically refers to the tendency of a customer to buy goods and services without planning in advance. Impulsive buying decisions are triggered by emotions and feelings. Online shopping has brought faster and smarter way of shopping for 24/7. The major population of Indian country consists of college going students or even employed youth and they makes frequent use of internet for buying things impulsively at their finger tips even without considering the utility of the product. Marketing strategies by the internet marketers influence highly to these urban youth. Impulsive online buying is somewhat creating a financial distress at home .Hence it is very important to understand the concept of impulsive buying in the context of urban youth . The main objective of this research is to study the factors affecting the consumers for impulsive online shopping. The present study thus aims at knowing the usage of credit /debit card for online impulsive buying.

For this, a survey was conducted, questionnaires were distributed among the undergraduate students of different colleges of Nagpur. The objectives of present research is based on Primary data collected from undergraduate students of Nagpur city. The data was collected through Questionnaires on a sample of 100 UG respondents from Nagpur. Data analysis has been done by using SPSS and excel software. The data has been presented in the form of graphs. The present study clearly shows different factors like amount spent on online shopping, earnings of family members ,internet habits ,general shopping habits, availability of add-on debt card or credit card influences impulsive online shopping.

Keywords- impulsive buying ,online shopping ,financial distress, urban youth.

INTRODUCTION

Impulsive buying is the tendency of a customer to buy goods and services without planning in advance and there is no doubt that we all have been victims of impulsive buying. Impulsive buying decisions are triggered by emotions and feelings. (Jones et al. 2003) has defined impulsive buying tendency as the extent or degree to which an individual is likely to make immediate and unplanned purchases without having any pre-intention to buy it. Youn and Faber (2000) have examined that consumers with a higher impulsive buying tendency are more likely to be influenced by advertisements, visual elements of a store, or promotional gifts and thus such consumers engage themselves in in-store browsing and tend to respond more frequently on urge to buy impulsively. In present Scenario ,especially young adults, are becoming more conscious about personal image and fashion. For these young adults, shopping is an entertaining, pleasure-filled activity. Haubl and Trifts (2000) also point out that when shopping online, consumers can compare prices and look at available alternative options. Websites such as flipkart.com assists consumers in making this comparison with just a few clicks. Furthermore, in case of online shopping, consumers have access to other customers' reviews which can guide their purchasing decision (Chen & Chang, 2003). Thus ,in case of impulsive buying, you end up buying a few items that weren't on your list. Youth of present era blindly follows the culture of impulsive buying. In fact ,it has been seen that specifically youth have been accustomed to impulsive buying which can be attributed to his continuous usage of social media sites like Whats App ,Facebook ,Instagram ,twitter,etc. Consumers are more likely to buy impulsively when they see free product and price discounts offers on a webstore. The income level generally has highly and significantly influence on consumer's impulse

buying . Especially, 24/7 ,convenience ,easy to shop are some special factors which not only just motivate the consumers to buy unintentionally but also build excitement inside the consumer’s minds. Number of researches have been carried out by academics and scholars on topic : “Impulsive Buying and Online Shopping” .But very few have done it in the context of UG students.

The urban youth can easily fall pray to various marketing gimmicks by internet marketers. Young students who are taking an advantage of add on debit or credit card for impulsive purchases ,need to know that this is somewhat creating financial distress at their home and as well as in a society. Hence it is very important to understand the concept of impulsive buying and financial indiscipline in the context of urban youth. The present research aims at knowing the factors influencing the impulsive buying behavior of undergraduate students and analysing the relationship between variables and impulsive buying.

RESEARCH OBJECTIVES

1. To know the factors influencing the impulsive buying behaviour of undergraduate students
2. To analyse the relationship between variables and impulsive buying
3. To analyse the relationship between usage of card and impulsive buying.

RESEARCH DESIGN

Descriptive Research is used for the present study. The population for the study was undergraduate students of Nagpur City. Only undergraduate students were taken in the study as information collection was directly possible from them.

SAMPLE SIZE

Sampling unit for the study was the UG students from different colleges of Nagpur. The sample size was 100 students.

SAMPLING METHOD

Convenient Sampling was used to identify the respondents of the study.

METHOD OF DATA COLLECTION

For the present study ,Primary and secondary method of data collection was used. The secondary source of data includes research papers and articles .As a primary source ,data was collected through structured questionnaire. In this phase of data collection ,data was collected through a structured questionnaire which comprises of 61 statements.

The questions were taken on factors affecting towards impulsive online shopping. A separate questionnaire to show the Impulsive buying behavioral index is also designed with a view to validate the research more.

The questionnaire consists of two parts .The first part is basically focused on questions in terms of demography. The second part of questionnaire consists of questions related to general shopping habits ,internet habits , intention to purchase online ,usage of credit/debit card which are constructed with 5 points Likert’s Scale ranging from 1(Strongly disagree) to 5 (Strongly Agree).

VARIABLES UNDER STUDY

Table 1:Variables for the Study

DEMOGRAPHIC	VARIABLES FOR STUDY
<ul style="list-style-type: none"> • Gender • Average Income • Frequency of Online Shopping • Amount Spent • No. of Earning members • Debit / Credit Card Users 	1.General shopping habits
	2.Internet habits
	3.Web Advertisement effect
	4.Pre_Purchase_Pain
	5.Post_Purchase_Pain
	6. Attitude Towards Usage of Card

HYPOTHESES

H₀₁ – There is no influence of demographic factors on Online Impulsive Buying.

H_{A1} – There is influence of demographic factors on Online Impulsive Buying.

H₀₂ – There is no relationship between usage of card and impulsive buying.

H_{A2} – There is relationship between usage of card and impulsive buying.

DATA ANALYSIS AND INTERPRETATION

1) **Average Income** : Income is one of the important and sensitive demographic variables. **Figure 1** shows that 14% respondents monthly income ranges from Rs.10,000 – Rs.20,000 , whereas 12% respondents monthly income is in between Rs.20,000 – Rs.30,000, 12% respondents monthly income ranges from Rs.30,000-Rs.40,000, only 46% respondents monthly income is Rs.50,000 and more. Higher the income ,higher is the tendency to shop online.

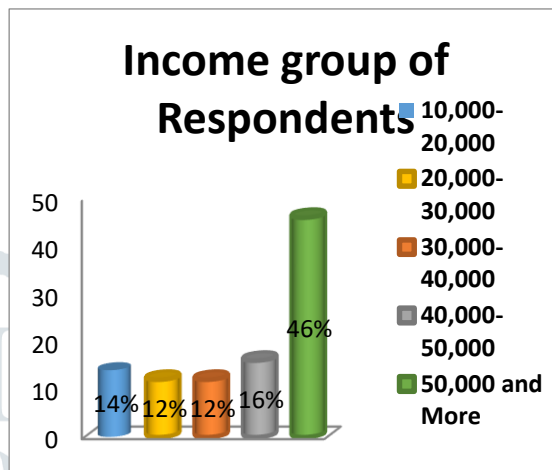


Figure 1:Income group of Respondents

2) **Frequency of shopping online:**

Frequency to shop online is clearly depicted in **Figure 2**. 68 % of UG students responded that they do online shopping once in a month. Only 14% of total respondents do impulsive online hopping once in a week. 16% students respondents go for online shopping 2-3 times in a year. 16% students respondents go for online shopping 2-3 times in a year.

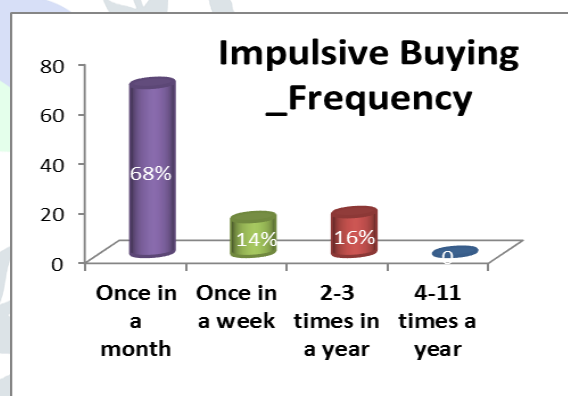


Figure 2:Impulsive Buying Frequency

3)**Amount spent for Impulsive Buying**

Figure 3 clearly indicates the amount spent by Undergraduate students for impulsive online shopping. 66 % of total respondents spent Rs. 2,000 – Rs.4,000 on online products. Around 22 % respondents spent from Rs.4,000 – Rs.8, 000 during online shopping. Whereas only 10% of the undergraduate students spent the amount in between Rs. 8000 –Rs.12,000 for shopping products online.

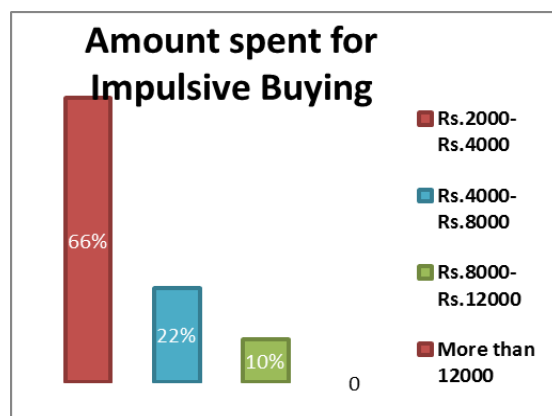


Figure 3 :Amount Spent for Online Shopping

4)Number of debit /credit cards:

Figure 4 clearly indicates the number of credit/debit cards with the UG students. Almost 32% respondents have two cards in their family .Higher the number of cards available with UG students ,Higher will be the tendency to shop online .The add on credit card /debit cards are being used by the UG students for impulsive buying.

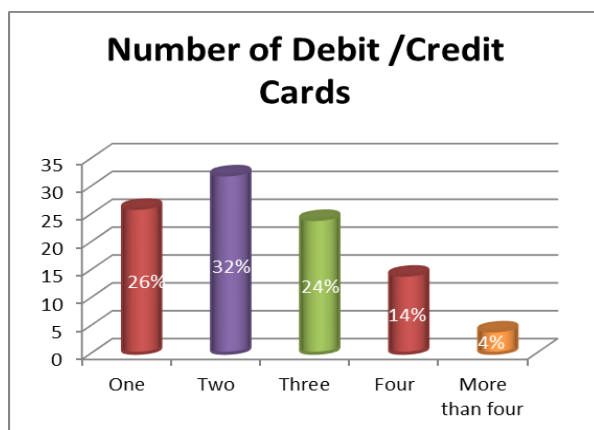


Figure 4: Number of Debit /Credit Card

HYPOTHESE TESTING

The data is analysed using SPSS and excel software.

Table 3: Correlation Analysis

VARIABLE 1	VARIABLE 2	r
Avg_Income	Post_PP	-0.243**
No. of earning members in a family	General Shopping Habits	0.248**
No. of DC/CC	General Shopping Habits	-0.185**
Frequency of online_shopping	Web Advertisement effect	-0.177**
Amount_Spent	Web Advertisement effect	0.219**
Attitude towards Usage of Card	Overall Impact	0.735**

Since the significant value is less than 0.05, so null hypotheses is rejected and alternate hypotheses is accepted.

HA1 – There is influence of demographic factors on Online Impulsive Buying. (Accepted)

HA2 -There is relationship between usage of card and impulsive buying.(Accepted)

KEY FINDINGS AND CONCLUSIONS

1. Average Income is significantly related to Post Purchase behavior . Those who earn less income ,they should be more careful while shopping.
- 2.Number of earning members in a family are significantly related to General Shopping habits. More the earnings members in a family, the higher is the tendency to shop online.
- 3.Number of Debit/Credit cards are significantly related to general Shopping habits. It signifies that if the number of Debit/Credits are more in a family then the tendency of impulsive buying will also be high.
- 4.Frequency to shop online and web advertisement effect are significantly associated to each other and it shows that web advertisement effect creates an urge to buy more things impulsively.
5. The promotions or sale features found through web advertisement results in high tendency to shop online.Thus UG students spent more amount on shopping by looking into the extra or additional promo offers or discounts.

6. Attitude towards usage of card and overall impulsive buying are significantly related to each other. It means that the usage of card for impulsive buying disturbs the financial savings of a consumer. It also states that the budget of the family gets disturbed and overspending on unnecessary things takes place.

7. The overall impact of impulsive buying is due to the factors like Average Income, Debit/Credit Card, General shopping habits, Internet habits, Web advertisement effect.

SUGGESTIONS

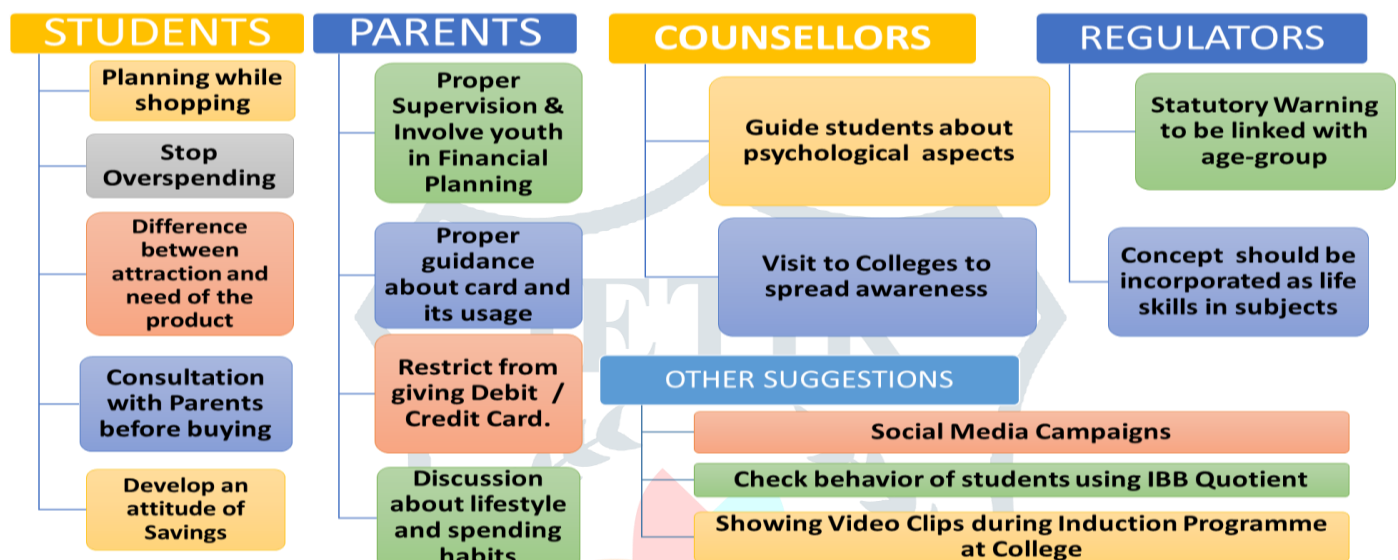


Figure 5 : Suggestions towards different Stakeholders

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