

# ‘Impulsive Buying Behaviour’ - leverage to Marketers.

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## Abstract:

Impulsive buying behaviour is psychological factor and it solely depends on the customer traits and other factors affecting customer decisions. Firms can take the leverage of this by using various strategies. This research study will examine how marketer can take advantage of this trait or behaviour of consumer to increase the sales revenues. Technological advancements in the current market scenario like the internet accessibility in each house, download time and representativeness of pictures and colors of products are the reason for increasing the potential customer, so impulse buying plays a major role in consumer buying behaviour. It is the time to analyze the impulse buying behaviour which makes the customer to grab the product instead of choosing them. Social media platforms and internet advertisements also motivates the consumers to initiate the hedonic shopping attitude and urge to buy things impulsively. Marketers can wisely choose the media to boost the impulsive shopping and increase the sales figures.

Key Words: Shopping, Impulsive buying, Consumer Behaviour,

## 1. Introduction:

The concept of consumer behaviour is very complex to understand since every human brain thinks differently. Impulsive buying behaviour is one type of consumer behaviour, which depends on the person and certain factors around him, which can influence this behaviour. There are many factors, which may affect this depending on the occasion. The marketers and retailers tend to use the maximum as possible to exploit the customers by using the impulsive behaviour so that they can utilize the maximum out of it. There are many ways in which firms and marketers influence this type of behaviour to benefit the organization. There was a study which was published in 2008 which was done in the issue of the Journal Consumer of Research that the consumers are very susceptible of making impulsive purchases of one brand over the other brand while shopping. For decades the market research has been trying to ascertain the types and categories of various products influencing the impulsive market research. There are many internal and external factors, which affect the consumer behavior. The internal factors including the mood of the consumer, including culture, age, gender, income level, etc. The external factors include the point of purchase promotions and the atmospheric effect. The main objective of the article is to understand the phenomena of impulsive buying and the factors affecting and classifying them into the various categories and define the various marketing strategies and activities accordingly.

## 2. Literature Review:

The emotional/impulsive decision making theory and impulsive buying Impulsive buying is grounded and theoretically underpinned within the emotional or impulsive decision making view to consumer decision making by Schiffman and Kanuk (2007). Rather than carefully searching, deliberating and evaluating alternatives before buying, consumers are just as likely to make many of these purchases on impulse, on a whim, because they are emotionally driven (Schiffman & Kanuk, 2007). Park et al. (2005) had even earlier concluded that unless a store has a distinct product offering or pricing strategy, retailers can distinguish their store by building on the relationship between the store's atmosphere and the consumer's emotional state. Even if consumers are in a negative emotional state upon entering a store, they may become

emotionally uplifted and spend more than intended. All this implies that impulsive buying may largely be an unconscious buying behaviour driven by an affective force beyond the control of the individual.

The consumer decision making model, by and large, reflects the cognitive consumer but to some degree, it also reflects the emotional consumer (Schiffman & Kanuk, 2007). Impulsive buying is influenced mainly by the inputs component as identified in the model. These inputs include the marketing activities of organizations and the socio cultural inputs. Retailers' marketing activities ranges from the product itself (its package, size and guarantees), media advertising and other promotional efforts, pricing policy (reductions and discounts) and the distribution (Schiffman & Kanuk, 2007). Marketing efforts can be at macro level (as for mass media) and can be at micro level. A well planned marketing strategy can, therefore, help retailers to increase sales through impulsive buying. Park et al. (2005) even acknowledged the importance to retailers of stressing the relative rationality and non-economic rewards of impulsive buying in their advertising efforts.

Impulse purchase or impulse buying is an unplanned or otherwise spontaneous purchase. Impulse items can be anything, a new product, samples or well-established products at surprisingly low prices. Customer who has to not preplanning to purchase a product they have to see the product and they decided to purchase. Purchasing is, generally defined as, a consumer's unplanned purchase which is an important part of buyer behavior. An impulse purchase or impulse buy is an unplanned decision to buy a product or service, made just before a purchase. Following are marketing communication mix which affects Consumer's Impulse Buying Behavior in the market: Advertising, sales promotion, personal selling, and public relations. Drive purchasing is a sudden and quick buy with no pre-shopping goals either to purchase the particular item or to satisfy a particular purchasing undertaking. The discoveries of the investigation show that charge card, special methodologies, window show, sensation prompts and item association, for the most part, impact the motivation purchasing conduct of shoppers. (B. Bhojak, M. Gangani, P. Goswami, V. Parmar, B. Patel, & P. Prajaapati, 2014)

### 3. Scope of the study:

This study focuses on the consumer behavior, which causes impulsive buying. Impulsive buying is psychological, and often leads to consumer purchasing things that he did not pre-plan. The scope of the study is limited to how firms utilize this consumer behavior of impulsive buying to increase their sales. This study also covers the factors that affect this type of buying behaviour in the consumers.

### 4. Objectives of study:

- To understand the concept of impulsive buying behaviour of consumers
- To study and analyse the factors which affects the impulsive buying behaviour.
- To study how marketers leverage impulsive buying to boost their sales.

### 5. Research Methodology:

This research study is descriptive research, as the researcher's set objectives are to understand the concepts and factors which affect the impulsive buying behaviour. Researcher has used Research articles from various journals, websites, blogs and Newspaper as sources of data collection as this research is based on Secondary data only.

### 6. Findings and Analysis

From the extensive study of various researches based on impulsive buying behaviour it was found that Impulsive buying is depended on several factors. These factors can be classified as Internal and External factors. Internal factors are related to the factors which customer/people centric, on the other hand, the external factors are related to the factors which are Marketer/company centric.

### 6.1 Internal Factors includes:

- **Self Control Failure:** Rook(1987), Baumeister (2002) had found relationship between self control failure and impulsive buying. Rook (1987) found that a Buying impulse tends to disrupt the consumer's behavior stream. The consumer is more likely to feel out-of-control when buying impulsively than when making contemplative purchases. Baumeister (2002) noted that self-control failure may be an important cause of impulsive purchasing. Researcher described three causes of self-control failure .First cause was conflicting goals and standards undermine control such as when the goal of feeling better immediately conflicts with the goal of saving money. Second cause was failure to monitor own behavior .Third self-control depends on a resource that operates like strength or energy, and depletion of this resource makes self-control less effective.
- **Mood and Emotions** Dennis W. Rook(1987), Meryl Paula Gardner , Dennis W. rook 1987), Francis Piron (1993), Sharon Beatty, M. Elizabeth Ferrell (1998), Verplanken, Herabadi(et al)(2005) and other researchers found relationship between Mood and Impulsive Buying. They found impulsive buying is more emotional than rational

### 6.2 Personal Charaterstics/factors:

- **Age:** Age is one of the imperative factors that influence impulsive shopping. It has been observed that younger shoppers are more impulsive as compared to elder ones. However in developing countries like Pakistan where younger generation due to lack of independent source of income is very much dependent on their family no such trend can be observed
- **Gender:** Gender is another important cause for impulse buying behavior (Chien-Wen, 2010; Lai, 2010; Pentecost & Andrews, 2010; Bashir et al., 2013). Some studies declare women as more impulsive as compared to men in buying (Priyanka & Rooble, 2012; Kollat & Willett, 1967; Dittmar, 1995; Melnikas & Smaliukiene, 2007; Jalees, 2009; Virvilaite , 2009). While some other studies find men to be more impulsive than women as females carefully plan their purchases (Cobb & Hoyer, 1986; Mai et al., 2003).
- **Income:** People belonging to high income group having high disposable income can be assumed to be more impulsive buyer as compared to people with low disposable income. Income: People belonging to high income group having high disposable income can be assumed to be more impulsive buyer as compared to people with low disposable income.

### 6.3 External Factors and Impulsive Buying

- **Social Factors:** Mattila and Wirtz (2008) highlighted that social factors influence impulse buying. Social factors include two types: store employees and other customers. Social factor (e.g. employee friendliness) was found to directly influence impulse buying. Store managers might be able to reduce the negative effect of crowding by training their employees to be extra friendly at busy times.  
Praise from others, such as salesperson, friends during the shopping may increase the chances of impulse purchase (Yu & Bastin 2010). Luo (2005) research work about —influence of shopping with others on impulsive purchasing| revealed that the presence of peers increases the urge to purchase but the presence of family members decreases it. Rook and Fisher (1995) suggested that anonymity might encourage impulse purchasing. Shoppers tend to try on new things, styles and fantasize, wrapped in the anonymity of a self-service environment.
- **The environment of the store:** Impulsive buying also depends on the environment in the store. This exaggerates the shopping requirement of the customer. This is known as ‘displaying stimulus as advertising inducement’. Most of the times environment is created in such way that results in impulsive buying. For example, placing a conditioner near a Shampoo will induce impulsive buying. (business concepts).
- **Brand Affinity:** Impulsive buying is also done when a customer feels some affinity towards the brand. For example, if a customer gets to know about a new product launched by that particular brand, then he/she may end up buying that new product irrespective of the fact whether he/she needs it to not. This is impulsive buying because of brand affinity.
- **Promotional Offers:** Ronald J. Faber(2000),Nina Koski (2004),Shu-Ling Liao et.al(2009),Sandy Dawson and Minjeong Kim(2009),Rong-Ho Lin et al. (2012)had studied relationship between Promotional schemes and impulsive buying and found relation between sales promotion and impulsive buying. Further, researcher found that both sales promotion strategy and its interaction effects with product had significant influences on reminder impulse buying.

- **Window Display or Merchandise arrangements:** Window display is a medium which creates first impression in customer's mind to enter the store. Physical attractiveness of the store impresses customers highly for store selection. Omar, O. (1999). Bashar and Irshad (2012), Mehta & Chugan, (2012), Sujata Khandai, Bhawna Agrawal(2012) et.al researched on Impact of window display on Impulsive Buying. Researchers found window display was important factor for motivating customer for impulse purchase.
- **Price:** P.Kannan, A. Vinayagamoorthy (2014), Sonali Baner et.al(2012), Parmar Vishnu et.al(2013), Mariri Tendai, et.al (2009) conducted research on impact of price on Impulsive Buying. Researchers found pricing strategy had influence on impulsive buying. If price of the product is less, people prefer to do more impulsive buying. Hence, In order to increase the sales of organized retail stores retailer should focus on price of the product. If customer perceive price of the product is less compared to other retail outlets than customer shall purchase impulsively.

#### 6.4 Leveraging Impulsive buying

Impulsive buying of consumers can lead to increase the basket size, which ultimately lead to increase in sales of the marketer (company). Store can make the merchandise in such a way that, the exposure to it may lead to increase in impulsive buying to various items Organizations can leverage the impulsive buying because the strong desire which creates an urge of impulsive buying give an advantage to the retailers to increase their sales. At Internet or E commerce platform too, the marketer can use impulsive buying as a tool to increase their sales. There are different marketing tactics which E-Commerce marketers commonly use to attract the impulsive buyers like free shipping, discounts etc, which leads to give boost to unplanned shopping. Another way e-commerce websites encourage impulsive buying is making by internet advertising like the continuous flash of different items they saw earlier on different other website, this also creates an urge of click and end up in buying those items.

Impulsive buying can prove to be a big tool to increase the revenues of marketers, and there can several ways which marketer can use. Like one can be, marketer by wisely keeping relative merchandise together in such a ways that a person buying one thing may buy the other related item. Business analytics can play a vital role here, to analyse the needs of the customers, to anticipate the goods which are in demand or whose demand can be create to increase the sales figure. Proper Merchandise display in stores as well on E-Commerce platform increases the chances of impulsive shopping. Other way of enhancing the impulse shopping is keeping such items on checkout or at cash counters, which can tempt the customer to buy them.

From the above mentioned tactics, there can be many used by the marketers to encash the impulsive consumer buying behaviour and other tactics can be used by marketers depending upon the nature of the product as well as the brand image.

#### 7. Conclusion:

Objective of this research was hands-on knowledge on impulsive buying behaviour, as it gives complete insight on this. The research study went through various factors which affect the impulsive buying behaviour, these factors were classified into three viz., Internal factors like Self control failure & Mood and Emotions, demographic characteristics like Age, gender and income also affects the impulsive buying behaviour.

External factors or factors which are in control of consumers also make impactful increase in the impulsive buying. External factors like social factors (sales employees), environment of the store, brand affinity and promotional offers can directly or indirectly affect the impulsive buying. So the marketer should wisely use these factors as a marketing tool to promote their product and to sell those products in such way that further increases the chances of other items getting sold by the marketer.

It was also found during the study (Pradhan 2016) that there are many items in the basket which are more prone to get picked up for impulsive buying, like personal care, accessories and groceries too. And there are products who's got the lesser chances of get impulsively shopped, that includes, electronics, kitchenware, etc. The reason for being them less chosen as impulse shopping, can be that these products are medium involvement products, so chances for being them shopped impulsively is less.

Marketers can leverage impulsive buying behaviours to a large extent to increase the sales figures, only when they can plan well in advance the tactics and strategies to take advantage of this behaviour of consumers. Although studying consumer behaviour is a complex task but those marketer who can capitalize on this can have the potential to get the financial rewards for maximizing this effect. Therefore in order to take most of the impulsive buying behaviour, marketers should study the factors which affects this behaviour.

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