

A STUDY ON ROLE OF INSTORE/POINT OF SALE ADVERTISING LEADING TO IMPULSIVE BUYING BEHAVIOUR.

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ABSTRACT

Marketers are finding new ways to attract the attention of their target customers while they are shopping. In store advertising has increased its significance after the customers are inclining towards impulsive buying. The research is done in retail stores of Kanpur among customers of different age groups. This research paper focuses on different factors that influences the impulsive buying behaviour of customers. It is seen that mostly youngsters are doing impulsive buying. Factor which influences the customers most is low price of the product and least is customer's child influence.

SIGNIFICANCE OF STUDY

The study will help retailers to increase their sales and sales per footfall.

KEY WORDS

Impulsive buying, in store display, announcement in stores.

INTRODUCTION

Retailing is a set of activities used to sell a product or service to customers for their personal and family use. **Retail management second edition by Chetan Bajaj, Rajnish Tuli and Nidhi Varma Srivastava pg no. 2.** Retailers form a link between manufactures, whole seller and customers. They are the ones who have advantage and opportunity in whole distribution chain to interact with customers. This makes retailers to study customer behaviour closely and help others who are in distribution channel to improve their offering. Impulse purchases done . visual merchandizing has played an important role as 70 to 80 percent of the decision of buying are made at the point of purchase. **Retail management second edition by Chetan Bajaj, Rajnish Tuli and Nidhi Varma Srivastava pg no. 37.** Hence display posters can create an impact on impulse purchase.

The retail business is growing day by day. There are can be seen a shift from unorganized retail sector to organized retail sector. Due to increase in exposure of customers towards new products there can be seen an increase in demand. As the disposable income is increasing there can be increase in impulse buying. Impulsive buying is buying things out of one's shopping list. The customer time makes the decision to buy a product is instant. There can be different factors of leading to impulsive buying like price, packaging, promotional activities and many more. Retailer can increase the amount of impulsive buying when they know which medium to focus on to trigger that impulsive buying. (Inman et al. (2009)).

This paper focuses on the impulsive buying done by customers in retail market of snack foods. Snack foods include potato chips, chocolates. Organized retail shops are used in this study. Factors taken into consideration are in store displays and in store announcements out of many other in store/ point of sale advertising. Impulsive buying is buying without a plan. Impulsive buying behaviour is triggered by various factors like store display, sales person suggestion and many more.

Impulsive buying is usually associated with kids but it is not so .A lot of adults do impulsive buying. Hence it is seen that inner urges of a person often makes person to go out of shopping list. This urge is due to in store /point of sale advertising. For consumers impulsive buying might be rash decision but for marketers its increase in sale.

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LITERATURE REVIEW

Marketers always want to analyse what customer planned to buy before entering a shop and with what customer ended to buy. What were the reasons of difference in expected purchase and impulse purchase.

Study has been done by different researchers on impulse purchase behaviour of customers. Like study done by **Bashar et al. (2012)** in Delhi & NCR region shows that people of younger age and high purchasing power does more of impulse purchase. India having so much of youth population can contribute in impulse buying in retail stores. Another study done by **Gupta et al. (2009)** shows the bigger store size results in more impulsive buying hence store size was seen as an important factor in impulsive buying. Another study done by relates the in store environment and impulsive buying. More the space of the store more a person will walk in store more exposure he gets to different products in store more will be chances of impulse purchase.

The study done by **Tendai and Crispin (2009) in Kings William Town, South Africa** shows that the coupons and vouchers price, in store promotions, store display and behaviour of shop staff have relation with impulsive buying not background music, scent in store, ventilation and crowding.

There is a study which shows more the customer purchases more are the chances of impulsive buying. **Abrahams, Ben. (1997)**². Hence we can see in large retail shops providing on stop shopping people often go beyond their shopping list to make impulsive buying.

PURPOSE OF STUDY

To study the role of in store/ point of sale advertising leading to impulsive buying behaviour in retail stores of Kanpur by customers of different age group, gender. The factor taken into consideration of impulsive buying is in store /point of sale advertising. In this study in store/ point of sale advertising through display posters and announcement through retail store radio is considered.

HYPOTHESIS

1. The age of customer has a relation with the impulsive buying done by customer of snack foods
2. Gender has a relation with the impulsive buying done by customer of snack foods
3. Display posters in store and store announcement have same influence on customer's impulsive buying of snack foods.

RESEARCH METHODOLOGY

Primary data is collected through questionnaire. The data collected is converted into tabular form. The data is collected in Kanpur city from 52 respondents. The questions in questionnaire are around respondent's age gender, impulsive buying and factors affecting impulsive buying. Impulsive buying of snack foods like potato chips, chocolates is focused and not any other products. Respondents are approached just after they have purchased their items. The sampling method used is convenience sampling method. The retail store of in reach distances are used for survey.

DATA ANALYSIS AND INTERPRETATION

What is your gender?

61.5% of respondents are male.

38.5% of respondents are female.

In which age slab you fall in?

67.3% of respondents are of age between 15 to 25.

23.1% of respondents are of age between 25 to 35.

9.6% of respondents are of age between 35 and above.

What is your annual income?

40.4% of respondents income is less than 2 lacs.

36.5% of respondents income is between 2 to 5 lacs

15.4% of respondents income is between 5 to 10 lacs

7.7% of respondents income is above 10 lacs

Have you ever done impulsive buying(unplanned purchase)?

86.5% of respondents have answered yes.

13.5% of respondents have answered no.

60% of yes saying respondents are male.

40% of yes saying respondents are females.

Which factor affects you most in impulsive buying?

96.3% of respondents are affected by In store display posters.

17.3% of respondents are affected by announcement in store.

How much does the below factors influence you in impulsive buying?

Table 1

Sr no	factors	Very strongly	strongly	moderately	weakly	very weakly	Sum
I	Low cost	28	14	10	0	0	226
II	Promotional schemes	15	20	16	1	0	205
III	Child's influence	2	4	35	2	9	144
IV	First sight attraction	15	16	13	5	3	191
V	Wife / husband influence	6	10	26	2	8	160
VI	Friend's influence	6	21	14	4	7	171
VII	Sales man explanation	5	11	27	4	5	163
VIII	By seeing others	6	9	21	9	7	154
IX	Willingness to try unusual	5	20	20	4	3	176
X	Seen first time and pick up	10	17	10	10	5	173

The score for each statement is calculated by using the following formula;

Summated score= Score*1+score*2+score*3+score*4+score*5

In this method weights are given to each category (Very strongly disagree=1 till Very Strongly agree =5)

Highest sum is allotted to low cost. Lowest sum is allotted to Child's influence. This signifies low cost of product influence most to customers for impulsive buying. As the sum decreases the influence of that factor on impulsive buying of customer decreases. Child's influence is lowest influencing factor on customer for impulsive buying which signifies customers use their own logical reasoning more than their child's.

LIMITATIONS

The study is done in Kanpur city hence it cannot be generalized.

The sample data collected is small due to time and money constraint.

The questionnaire is prepared in English. Some respondents were not fluent with English language.

Snack foods considered here are packed potato chips and chocolates.

Only 52 respondents data is collected hence its results cannot be generalised.

FINDINGS

Low cost of product factor influences most in impulsive buying and child's influence factor influences least in impulsive buying of customer. Mostly males are inclined towards impulsive buying. Mostly youngsters are inclined towards impulsive buying.

CONCLUSION

Mostly youngsters are inclined towards impulsive buying.

Mostly males are inclined towards impulsive buying.

In store display posters influences customer more than announcement in stores for impulsive buying.

Low cost influences most to customers for impulsive buying.

Child's influence factor influences least to customers for impulsive buying.

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