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IMPULSE BUYING BEHAVIOUR IN RETAIL STORES: AN EMPIRICAL STUDY

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Abstract: India is the fifth largest global destination in the retail segment. The retail industry of India has been gradually experiencing a modification with many retail stores being built and operational. Indian consumers experience impulse buying tendency while visiting retail stores. The objective of this research is to investigate the influence of severaldemographic variables of respondents on impulse buying behaviour of consumers. The data was collected using structured questionnaire through convenient sampling. The data was analysed using SPSS version 23 and Smart PLS. Factors influencing the customers while shopping, such as their demographic profiles, annual income, frequency of visits, etc. are some of the facets that would be studied in this paper.

Keywords: Impulse Buying Behavior,.

Introduction

Is impulse buying certainly a spontaneous choice by the customer or simply an unplanned shopping? According to Kollat and Willett(1967), unplanned purchases are triggered by exposure to in-store provocations. Impulse buying behaviour has been emerging as an interesting concept lately in economies such as China and India. Primarily, impulse buying behaviour was deliberated to be unplanned or an unintentional buying (Clover, 1950; West,1951) which advanced sales and earnings.

Literature Review

According to Rook (1987), impulsive buying can be defined "as a sudden and persistent urge to buy something immediately." This definition was polished by Beatty and Ferrel(1998), they defined impulse buying "as a sudden and immediate purchase with no pre-shopping intentions either to buy the specific product category or to fulfil a specific buying task."As per Donovan et al(1994), impulse buying has always been incidental in the retail store and is often significantly affect ted by inclination and stimulation. Money and time available also influence impulse buying behavior

According to Bellenger, Robertson and Hirschman(1978), gender has no significant stimulus on impulsive buying behaviour whereas according to the study by Dittmaretal.(1995) and Wood(1998), women have an inclination to display impulse buying behaviour.Kollat and Willett (1967) established that women have a tendency to buy more on impulse as compared to menand Cobb and Hoyer (1986) found that men tend to buy more on impulse. Green et al.(1994) and Woods(1998) through their research established that there is an inverse relationship between age and impulse buying behavior. According to Lin and Lan(2005), there is a strong association between age and impulse buying behavior. Eysenck et al.(1985) revealed that young customers are more impulsive as paralleled to the older customers and Logoue and Chavarro(1992) found that they largely exhibit lesser restraint.Hendon et al (1988) explained that consumers who are in a better or higher occupation make a shopping list in advance and plan their purchases wisely whereas according to Dittmar et al.,(1995) and Wood(1998), consumers tend to buy thoughtlessly if they have a low professional standing.According to a study by Peter and Olson(1999), there is a strong relationship between educational qualifications and impulse buying behavior of customers. Wood (1998) revealed that customers with higher qualifications make premeditated purchases while the ones with lesser educational qualifications might indulge in more impulsive buying. According to Bloch and Richins (1993), married customers indulge less in impulse buying as compared to unmarried ones as they no liabilities and responsibilities. It was also revealed by Dittmar et al.(1995) and Wood(1998) that customers who are unmarried have a higher tendency to purchase impulsively as compared to married customers as they have responsibilities to take care of. According to Ailawadi, Neslin and Gednek(2001), customers who limit their time spent in a store might not tend to show impulsive buying behaviour. When customers, while visiting retail stores don't limit the time spent, they may possibly be expected to shop impulsively as they get swayed by in-store stumuli.According to Bucklin and Lattin(1991), customers who collect in-store information are more susceptible to buy impulsively than the ones with the shopping list. Thomas and Garland(1993) found that customers who make a shopping list in advance spend less money than the ones who don't make any shopping list.

Hypotheses

H_1: Females engross more in impulsive buying than males.

H_2: Age is inversely related to impulse buying

H_3: Level of occupation is inversely related to impulse buying behavior

H_4: Level of educational qualification is inversely related to impulse buying behaviour.

H_5: Annual family income is significantly related to impulse buying behavior

H_6: Marital status is significantly related to impulse buying behaviour.

H_7: Frequency of shopping is significantly related to impulse buying behaviour.

H_8: Time spent in a store is significantly related to impulse buying behavior

H_9: Making a shopping list in advance is inversely related to impulse buying behaviour.

Results

Demographic Profile of the Respondents

The demographic profile of the respondents is demonstrated to gain an insight into the characteristics of the respondents. The demographic factors included in the research are gender, age, family income, marital status, qualifications and the occupation of the respondents.

Table 1 : Demographic Profile of the Respondents

Demographic Factor		Count	Percentage
Gender	**Female**	541	69.4
	Male	239	30.6
Age	**20-35**	378	48.5
	35-50	288	36.9
	50-65	114	14.6
Occupation	**Home Maker**	39	5
	Retired	46	5.9
	Self Employed	85	10.9
	Service	463	59.4
	Student	147	18.8
Qualification	**Undergraduate**	171	21.9
	Graduate	220	28.2
	Postgraduate	389	49.9
Family Income	**Less than Rs. 5 lacs**	199	25.5
	Rs.5-10 lacs	255	32.7
	Rs.10-15 lacs	167	21.4
	Above Rs.15 lacs	159	20.4
Marital Status	**Single**	310	39.7
	Married	470	60.3
Frequency of Shopping	**Weekends**	231	29.6
	Twice or Thrice in a week	166	21.3
	Daily	81	10.4
	Monthly	210	26.9
	Quarterly	92	11.8
Time Limit	**Yes**	434	55.6
	No	346	44.4
Shopping List	**Yes**	488	62.6
	No	292	37.4
	Total	**780**	**100**

Impulsive Buying Behaviour

Table 2reports that the averages along with the ranks of statements regarding Impulsive Buying Behavior from highest to lowest, standard error of mean and t-statistics to test the null hypothesis at the average value of the item, which equals 4. Majority of statements (IB1, IB6, IB7, IB8, IB9, IB10) indicate the average value above 4, which implies that the respondents were in agreement with these statements whereas four statements (IB2, IB3, IB4 and IB5) were found to be in exception and they were observed to be in the range 3-4. The study also tested $H_0: \mu = 4$ against H_1: Average > 4. Only five statements (IB6, IB7, IB8, IB9 and IB10) were found to be significant ($p<0.01$).

Table 2

Items	Mean	Standard Error	t-statistics	Sig.(1- tailed) H0: Average>0	Rank
IB1	4.081	0.061	66.387	0.095-	6
IB2	3.283	0.061	53.478	0.500-	9

IB3	3.288	0.064	51.002	0.500-	8
IB4	3.992	0.062	64.444	0.951-	7
IB5	3.045	0.062	48.781	0.500-	10
IB6	4.719	0.057	82.807	0.000**	3
IB7	4.745	0.058	81.804	0.000**	2
IB8	4.883	0.058	84.271	0.000**	1
IB9	4.328	0.061	70.844	0.000**	4
IB10	4.245	0.061	69.415	0.000**	5

**** Significant at 1% level**
*** Significant at 5% level**

The statement that has been considered to be most important is IB 9:" Before I buy something, I usually consider whether I need it", wheras IB7 is the next most important, which is "I carefully plan most of my purchases."

Gender (two groups) - t test

Table 3

Gender	**Mean**	**SD**	**Test of Homogeneity of Variances (F test with sig)**	**t-test for Equality of Means**	**p-value**	**Remarks**
Female	4.0473	0.993	0.079(.779)	-0.583	0.560	Insignificant
Male	4.0921	0.973				

Table 3 reports mean, standard deviation and the t-test for equality of means in gender groups along with the equality of variances test using F-statistics. F-statistics value 0.079 with significance p>0.05 indicates that two categories of gender (male and female) are homogenous and further t-statistics has been computed with the assumption of equal variances. We observed the t-statistics value - 0.583 (p>0.05) and hence fail to reject the null hypothesis.

Age

Table 4

Age	**Mean**	**SD**	**Test of Homogeneity of Variances (Levene's statistics)**	**ANOVA Test of Equality**	**Welch Test of Equality**	**Remarks**
20-35	4.1222	0.95733	1.723 (0.179)	1.912(0.148)	-	Insignificant
35-50	4.0344	0.99726				
50-65	3.9254	1.04736				
Total	4.0610	0.98683				

Table 4 reports mean, standard deviation and the Test of equality of means in age categories along with the equality of variances test using Levene's statistics. Levene's statistics value 1.723 with significance p>0.05 indicates that categories of age are homogenous and further ANOVA test of equality has been computed. ANOVA is used for testing the null hypothesis that there is no significant difference of impulsive buying behaviour between the categories of age. We observed the ANOVA-statistics value 1.912 (p>0.05) and hence fail to reject the null hypothesis. The result confirms that there is no significant difference in the impulsive buying behaviour among different categories of age.

Occupation

Table 5

Occupation	Mean	SD	Test of Homogeneity of Variances (Levene's statistics)	ANOVA Test of Equality	Welch Test of Equality	Remarks
Home Maker	4.0179	1.02825	1.453(.215)	2.133 (0.075)	-	Insignificant
Retired	3.7565	1.10165				
Self Employed	3.8965	0.98506				
Service	4.1000	0.99913				
Student	4.1401	0.87919				
Total	4.0610	0.98683				

Table 5 reports mean, standard deviation and the Test of equality of means in occupation categories along with the equality of variances test using Levene's statistics. Levene's statistics value 1.453 with significance p>0.05 indicates that categories of occupation arenot homogenousand further One Way ANOVA has been computed. Since ANOVA indicates that the different categories of occupation are equal, thus, the test of homogeneity was found to be significant.

Qualification

Table 6

Qualification	Mean	SD	Test of Homogeneity of Variances (Levene's statistics)	ANOVA Test of Equality	Welch Test of Equality	Remarks
Undergraduate	4.0749	0.92273	1.893 (0.151)	0.182 (0.834)	-	Inignificant
Graduate	4.0873	1.01104				
Postgraduate	4.0401	1.00213				
Total	4.0610	0.98683				

Table 6 reports mean, standard deviation and the Test of equality of means in qualifications categories along with the equality of variances test using Levene's statistics. Levene's statistics value 1.893 with significance p>0.05 indicates that categories of qualifications are homogenous and further One Way ANOVA has been computed.Since ANOVA indicates that the different categories of qualification are equal, thus, the test of homogeneity was found to be insignificant.

Annual Income

Table 7

Annual Income	Mean	SD	Test of Homogeneity of Variances (Levene's statistics)	ANOVA Test of Equality	Welch Test of Equality	Remarks
Less than Rs.5lacs	3.8658	1.11665	4.295 (0.0051)	3.659 (.012)	-	Significant

Rs.5-10 lacs	4.0996	0.94275				
Rs.10-15 lacs	4.1395	0.91500				
Above Rs.15 lacs	4.1610	0.92920				
Total	4.0610	0.98683				

Table 7 reports mean, standard deviation and the Test of equality of means in annual income categories along with the equality of variances test using Levene's statistics. Levene's statistics value 4.295 with significance $p>0.05$ indicates that categories of annual income are not homogenous and further ANOVA test of equality has been computed. ANOVA test of equality is used for testing the null hypothesis that there is no significant difference of buying behaviour between the categories of annual income. We observed the Welch-statistics value 3.659($p<0.05$) and hence reject the null hypothesis. The result confirms that there is a significant difference in the impulsive buying behaviour among different categories of annual income. Since ANOVA indicates that the different categories of annual income groups are unequal, thus, the pairs of unequalness should be tested. Since test of homogeneity was found significant, Tukey HSD was conducted to assess the post-hoc analysis. It was found that group having annual income less than 5 lacs is significantly different with group having annual income between 10-15 lacs and also significantly different with annual income more than 15 lacs.

Table 8

Pairs	**Mean difference**	**Sig value**
Less than 5 lacs- between 10- 15 lacs	-.27369*	0.040
Less than 5 lacs-Above 15 lacs	-.29518*	0.025

Marital Status

Table 9

Marital Status	**Mean**	**SD**	**Test of Homogeneity of Variances (F test with sig)**	**t-test for Equality of Means**	**p-value**	**Remarks**
Single	4.0900	0.94612	0.481(.488)	0.666	0.506	Insignificant
Married	4.0419	1.01333				

Table 9 reports mean, standard deviation and the t-test for equality of means in gender groups along with the equality of variances test using f-statistics. F-statistics value 0.481 with significance $p>0.05$ indicates that two categories of marital status (single and married) are homogenous and further t-statistics has been computed with the assumption of equal variances. t-test has been used for testing the null hypothesis that there is no significant difference in buying behaviour between the two categories of marital status. We observed the t-statistics value 0.666 ($p>0.05$) and hence fail to reject the null hypothesis. The result confirms that there is no significant difference in the impulsive buying behaviour among single and married.

Limiting the Time Spent in a Store

Table 10

Limit the Time Spent in a Store	**Mean**	**SD**	**Test of Homogeneity of Variances (F test with sig)**	**t-test for Equality of Means**	**p-value**	**Remarks**
Yes	3.9753	1.00891	0.490	-2.727	0.007	Significant
No	4.1685	0.94897	(.484)			

Table 10 reports mean, standard deviation and the t-test for equality of means in respondents groups along with the equality of variances test using f-statistics. F-statistics value 0.490 with significance p>0.05 indicates that whether limiting the time spent in a store or not by respondents is homogenous and further t-statistics has been computed with the assumption of equal variances. t-test has been used for testing the null hypothesis that there is a significant difference in impulsive buying behaviour between the respondents who limit the time spent in a store and the ones who don't. We observed the t-statistics value -2.727 (p<0.05) and hence reject the null hypothesis. The result confirms that there is a significant difference in the buying behaviour among the respondents who limit the time spent in a store amongsts the ones who don't.

Shopping List

Table 11

Make a Shopping List	Mean	SD	Test of Homogeneity of Variances (F test with sig)	t-test for Equality of Means	p-value	Remarks
Yes	4.0080	0.99514	0.008(0.928)	-1.944	0.052	Insignificant
No	4.1497	0.96799				

Table 11 reports mean, standard deviation and the t-test for equality of means in gender groups along with the equality of variances test using f-statistics. F-statistics value 0.008with significance p>0.05 indicates that whether the two groups of respondents who make a shopping list or not in advance are not homogenous and further t-statistics has been computed with the assumption of equal variances. We observed the t-statistics value -1.944 (p>0.05) and hencefail to reject the null hypothesis. The result confirms that there is no significant difference in the impulsive buying behaviour among the respondents who make a shopping list in advance and the ones who don't.

Frequency of Shopping

Table 12

Frequency of Shopping	Mean	SD	Test of Homogeneity of Variances (Levene's statistics)	ANOVA Test of Equality	Welch Test of Equality	Remarks
Weekends	4.1407	1.01171	2.400 (0.049)	-	6.656 (0.000)	Significant
Twice or Thrice in a week	4.2861	0.94464				
Daily	3.9679	1.14682				
Monthly	3.9767	0.93224				
Quarterly	3.7293	0.85749				
Total	4.0610	0.98683				

Table 12 reports mean, standard deviation and the Test of equality of means in frequency of shopping categories along with the equality of variances test using Levene's statistics. Levene's statistics value 2.400 with significance p<0.05 indicates that categories of respondents with different frequency of shopping are not homogenous and further Welch test of equality has been computed which comes out to be significant.

Results of Hypothesis

Table 13

Hypothesis	Result
H_1: Females engross more in impulsive buying than males.	**Rejected**
H_2: Age is inversely related to impulse buying	**Rejected**
H_3: Level of occupation is inversely related to impulse buying behavior	**Rejected**
H_4: Level of educational qualification is inversely related to impulse buying behavior.	**Rejected**
H_5: Annual family income is significantly related to impulse buying behavior	**Accepted**
H_6: Marital status is significantly related to impulse buying behaviour.	**Rejected**
H_7: Frequency of shopping is significantly related to impulse buying behavior.	**Accepted**
H_8: Time spent in a store is significantly related to impulse buying behavior	**Accepted**
H_9: Making a shopping list in advance is inversely related to impulse buying behavior.	**Accepted**

Conclusion

According to Mogelonsky(1998), impulse buying behaviour of respondents has resulted in sales worth $4.2billion and thus larger profits. Babin and Attaway(2000) argued that if every customer visiting the store purchased only one additional product, the profits would increase by approximately 40%. Gender, age, occupation, educational qualification and marital status of customers do not have any significant influence on their impulse buying behaviour.Annual family income, limiting the time spent in a store, frequency of shopping and making a shopping list have significant effect on impulse buying behaviour of the customers.

Managerial Implications

Shopping, nowadays is not only an activity to purchase the goods that one needs, people go for shopping to have fun with family and friends. It has been majorly considered to be an outing and enjoyment trip for customers. The customers would indulge in impulse buying majorly when they spend more time in the store. So, the ambience, music, lights environment and layout of the store play a significant role. So, the retail outlets should try to make the shopping trips enjoyable for the customers so that they stay for a longer period and shop more. Various in-store promotions and displays can be used to attract and stimulate potential customers.

Limitations and Recommendations

The study is limited to only metropolitan cities, the behaviour of customers might be different in other cities. The instrument used to collect data was structured questionnaire, personal interview could have yielded the different results. The role of plastic money or non-cash payments could also be studied.

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