



“Consumers’ Buying Behaviour towards organized retail store with respect to Impulsive buying in selected product categories in Navsari City”

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Abstract: *Impulse purchases describe any purchase which a shopper makes; through it was not planned in advance. This paper is an attempt to find out the factors that affect consumer impulse buying behaviour at organized retail store in Navsari City of Gujarat State. Descriptive-cross sectional research design and quantitative research was used to get responses about selected products from 180 respondents with well structured questionnaire. Researchers got good insights about consumer buying behaviour towards organized retail stores and also the factors affecting consumer impulse buying in selected categories of products. The whole area of Navsari City was unable to cover due to time & cost constraints and others product categories can be studied for future research. From this research, author recommend to companies who focus more to sell their products in shopping malls should do their campaigning at organized retail stores that increase the impulsive behaviour of consumer and where they can used their segmenting, targeting & positioning strategies.*

Keywords: *Consumer Buying Behaviour, Organized Retail Store, Impulse Buying, Factor analysis.*

I. INTRODUCTION

The need to understand impulse buying in retail stores was first identified by Clover in 1950s in the marketing literature. Afterwards, Baum in 1951 have addressed that consumer was stimulated to impulse buying after they came into the store. In 1962, Stern was the first scholar to suggest four distinct types of impulse purchases namely - pure, reminder, suggestion, and planned impulse buying. Pure Impulsive Buying defined as classic impulsive buying, is a purchase that breaks the normal planned shopping pattern. This category is strongly connected to emotions and the impulsiveness is very high. It occurs because of a want to escape or because the product is a novelty. The consumer is not looking for the product at all but feels a strong emotional want. Low price is a common trigger to this category. Suggestion Impulsive Buying defined as when seeing a new product for the first time, a need develops in the shopper that can only be satisfied by buying it. This purchase can turn out to be a rational or functional purchase decision but the purchase is not planned because the consumer has no previous knowledge about the product. That is why visualization in the store is the key factor for the purchase. Reminder Impulsive Buying is when a product suddenly reminds the consumer that they need it because they are out of it back home. There already exists an unconscious need for the product which implies that the consumer has previous knowledge about the product. The reminder impulse can also remind them about a particular advertisement or information previously noticed by the consumer, which now makes the consumer take the opportunity of purchasing. The difference between reminder impulse buying and suggestion impulse buying is that the product is known to the consumer in the first but not in the latter situation. Planned Impulsive Buying is when entering a shop the consumer has in mind to buy something or some sort of good but the choice of what kind of product, brand, size or price etc. has not been determined. Instead special offers and other stimuli such as salespersons, influence the decisions inside the shop. The actual decision is made at the point of sale. This makes it different from planned purchase when a more specific kind of product is in mind e.g. a blouse instead of clothes. In 1987, Rook has argued successfully that impulse buying should be depicted it as extraordinary, exciting, hedonically complex and compelled buyer action. Over the years, impulse buying has also been made easier by innovations, such as credit cards, telemarketing, and home shopping networks.

An impulse purchase or impulse buy is an unplanned or otherwise spontaneous purchase. One who tends to make such purchases is referred to as an impulse purchaser or impulse buyer. Impulse items can be anything, a new product, samples or well-established products at surprising low prices. Impulse buying is a purchase that is unplanned, the result of an exposure to a stimulus, and decided on-the-spot. After the purchase, the customer experiences emotional and/or cognitive reactions. The first characteristic of an impulse buying is that it is an unplanned purchase. The second characteristic of impulse buying is the exposure to the stimulus. The third characteristic of impulse buying is the immediate nature of the behavior. Finally, the consumer experiences emotional and/or cognitive reactions, which can include guilt or disregard for future consequences.

II. LITERATURE REVIEW

Bashar and Irshad (2012) – the researchers have studied 250 Indian respondents considered impact of form display, window display, promotional signage and floor merchandising by applying Pearson correlation. They found that there is positive



correlation between window display and impulsive purchase. Further, they found that there is no correlation between Impulse buying and store display, and lastly floor merchandise is also correlated with impulse buying. Baumeister (2002) - the author has argued that high arousal and overstimulation lessens people's self regulation and also tends to reduce people's ability think through their actions which could further increase the chances of impulse buying. Dave (2011) - the author has found out that retail stores in Indian settings and found that all of the in-store measures taken by the retailer affects the impulse stimuli of the customers and therefore contributes towards conversion, but overall the promotional mix can act as base for differentiating a store from others and attracting customers to it. Dawson and Kim (2009) – the authors have predicted that there is scope for consumers to get involved in online impulse buying and also predicted the tremendous growth potential of online shopping. Credit cards and its incentive for extra shopping give the opportunity for online shoppers to make frequent visit to online retail shops which may result in increased impulsive buying. Kaur and Singh (2007) - the authors have studied the buying behavior of Indian youth and found that sensory stimulants such as the background music or feel of the products play an important role in shaping the shopping exercise of these individuals and could set off impulse buying activity in them. Mahmood and Ahmadinejad (2011) - the researchers have studied 329 customers visiting shopping malls of Iran and studied the role of store environmental stimulation and situational factors in impulse purchasing. The researcher has taken dependent variable i.e. impulse purchasing and independent variables like environment of store, promotions, examination of goods, and availability of money. The authors has applied variance coefficient as statistical tool for their findings, and they found that environment of the store is significantly correlated and visual merchandising is related. Mattila and Wirtz (2008) - the authors have found that store environmental stimuli have positively affected on consumer impulse buying behaviour especially when the store environment is perceived as over stimulating i.e. excitement and stimulation. Mehta and Chugan (2012) - the researchers have studied 84 customers visiting the retail stores of India and studied the contact of visual merchandising on shopper impulse buying behavior and find that window display has direct relation with impulse buying. The authors concluded that there is no significant relation is found between form display and impulse buying but floor merchandising shows direct relation. Omar & et al. (2001) - the researchers suggested that impulsive shopping at the airport is promoted by environmental influences like exclusive availability of certain products; clean ambience, spacious formats and anonymity are some of the reasons that could increase the impulse buying at airport retail shops. Further, it was found that Credit cards and its extra incentives provided for extra shopping along with co-promotion with particular retailer, provides an opportunity for shoppers to make frequent visits to retail outlets which may result in increased impulsive purchase. Rook and Fisher (1995) - the researchers 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. Shen and Khalifa (2012) - the researchers observed that cognition of the consumer moderates the relationship among buying impulse and the actual impulsive behavior. Wahida Shahan (2010) - the author has analyzed four factors i.e. consumer characteristics, store characteristics, situational factors and product characteristics and revealed them which activate the impulse purchasing behavior and a new impulse purchasing process is developed with these four influencing factors. The author has studied the evolution of impulse purchasing, process of consumer's impulse purchasing behavior, theoretical framework of impulse purchasing and various factors affecting impulse buying behaviour. Youn and Faber (2000) – the authors identify several different types of internal states and environmental and sensory stimuli that serve as cues for triggering impulse buying. Internal cues include respondents' positive and negative feeling states. Environmental/sensory cues encompass atmospheric cues in retail settings, marketer-controlled cues, and marketing mix stimuli

III. PROBLEM STATEMENT

With increasing competition in retail industry, retailers strive to ensure that their stores are appealing to their target markets. As retailers are finding it increasingly difficult to create a differential advantage on the basis of merchandise alone, the store itself plays an important role for market differentiation. Hence, it is important to study the consumers' buying behaviour with respect to impulse buying and the factors affecting consumer impulse buying.

IV. OBJECTIVES OF THE STUDY

1. To study consumers' buying behaviour towards organized retail store.
2. To study factors affecting consumers' impulse buying behavior.
3. To study different product categories in which consumer shop impulse.

V. DESIGN & METHOD OF DATA COLLECTION

Descriptive Research – Cross Sectional Design has being used for this research. Researcher has collected primary data from consumers who do shopping from organized retail stores in Navsari city by personally interviewing them with the help of well structured questionnaire.

VI. HYPOTHESIS

1. There is no significance association between income of consumer and frequency of visit in a shopping mall.
2. There is no significance association between time consumers like to spend while shopping in organized retail store and marital status.



VII. SAMPLING PLAN

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| 1 | Sample Size | 180 samples |
| 2 | Sampling Units | Consumers who like to prefer organized store for shopping |
| 3 | Sampling Methods | Non Probability Convenience Method |
| 4 | Sampling Area | Navsari City |

VIII. SAMPLING CHARACTERISTICS WITH DATA ANALYSIS

Data was collected from 47% males and 53% females, out of which 14% are businessman, 35% are doing services, 35% were students, and 7% were professionals while 9% were others. 41% were unmarried while 59% were married.

IX. TOOLS AND TECHNIQUES USED FOR DATA ANALYSIS

The 5-point Likert-type scale, which is also known as the summated rating scale, is used to study factors affecting consumers' impulse buying behaviour. Likert-type scales are both relatively simple to construct and easy to administer. Respondents were asked to indicate the extent to which they agreed or disagreed with a series of statements about a given construct such as factors responsible for impulse buying. They were then asked to select choices ranging from strongly agree to strongly disagree. In order to achieve the objective of the study, the statistical tool has been used to analyze the data with the help of SPSS software.

X. FINDINGS

Author has found from the analysis that 100% consumers are doing shopping in organized retail store, 24% consumers like to visit store once in a month, 29% consumers like to visit store twice in a month while 33% prefer to visit whenever they get time, 26% consumers like to visit store during festivals, 25% consumers like to visit during weekends, 31% like to visit when there are promotion offers are going on in shopping malls, while 27% like to visit during public holidays. 41% consumers prefer first to shop from Reliance Super market, 26% consumers prefer first to shop from Dhiraj Sons, and 19% consumers prefer first to shop from Rashi FreshCo, while 12% consumers prefer first to shop from SSVB malls. 52% consumer spends 30-40 minutes while shopping in the mall while 14% spends more than 40 minutes while shopping. 100% consumers are doing impulse i.e. without planned shopping in organized retail store. 61% consumers have done impulse purchase on beverages, 39% have done impulse purchase on food products, 42% consumers have done impulse purchase on vegetables, 31% have done impulse purchase on body care products, 22% have done impulse purchase on oral care products, 48% have done impulse purchase on hair care products, 25% have done impulse purchase on home cleaner products and on clothes categories, 16% have done impulse purchase on bags, wallets and purses & foot wares, 38% have done impulse purchase on kitchen appliances. Further, it was found that 11% consumer visit the shopping mall for passing the time, 39% consumer for searching the new products & schemes, 11% for entertainment, 28% for shopping and 10% for redeemed the discount coupons.

Factor Analysis Test was used to determine reduced factors from various factors. Kaiser-Meyer-Olkin Measure of Sampling Adequacy was used to examine the appropriateness of factor analysis and it was found to be 0.592, which is found to be appropriate. From the total variance, it is interpreted that the eight factors are extracted together account for 60.471% of the total variance. Here while reducing these factors to eight factors, lost of the information content was $(100-60.471) = 39.529\%$. The eight factors affecting consumers' impulse buying behaviour while shopping in organized retail stores are visual merchandize, point of display, social factors, window display, sales promotion schemes, in-store form/layout, Consumers' mood, impulse buying behaviour.

For testing the hypothesis, chi-square test has being used and it was found that there is no significance association between income of consumer and frequency of visit in a shopping mall (Pearson Chi-Square Significance value = 0.212, which is greater than 0.05, so H_0 is accepted). There is no significance association between time consumers like to spend while shopping in organized retail store and marital status (Pearson Chi-Square Significance value = 0.898, which is greater than 0.05, so H_0 is accepted).

XI. CONCLUSION

The findings of this study proved sufficient evidence that retailers can utilize visual merchandising, store layout design and form, window display, sales promotion tactics etc. to increase desirability of products and to help customers being aware of the products as well as to create favorable attitudes. This suggests that the factors that affect consumers' impulse buying are serving as stimuli that provoke a desire that increase consumers' motivation to make an unplanned purchase decision upon entering the store.



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