

A STUDY ON IMPULSIVE BUYING BEHAVIOR OF CONSUMERS WITH REFERENCE TO BIG BAZAAR OUTLETS IN BANGALORE, INDIA

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ABSTRACT

Impulse buying is a major area of interest among marketers due to its pervasive nature and the most important facet of consumer behavior as well as its potential in the marketing world. Big Bazaar, the pioneer in modern retailing in India has witnessed a significant shift in the way the consumers shop. It has carved its retail settings that push the consumers to buy things that aren't on a list by using promotions, special exhibitions, PoP display and through other methods. The present study examines the unplanned purchase (impulsive buying) by consumers at Big Bazaar outlet in Jayanagar, Bangalore. Data collected from 114 respondents shows significant association between the respondents' attributes such as gender, preference for online/ offline shopping, frequency of shopping and the prime motives for buying such as offers & discounts, store / product attributes, and the tendency towards impulsive buying. It was found that internal drive as well as financial freedom coupled with external stimuli largely contributes to the impulsive buying in retail settings.

Keywords: Impulsive Buying, Buying Motives, Internal Drive, External Stimuli And Financial Freedom.

INTRODUCTION

Any company's primary goal is to generate revenue, improve sales revenue, by understanding the consumer behaviour and designing and finetuning their offerings accordingly. In India, the retail business scenario has been rapidly changing. Big Bazaar, the pioneer in modern retailing in India has witnessed a significant shift in the way the consumers shop. Big Bazaar like other retailers has carved its retail settings that push the consumers to buy things that aren't on a list by using promotions, special exhibitions, PoP display and through other methods. Customers can buy things without special lists thanks to discounts, coupons, combos and the like. The present study focuses on the unplanned purchase (impulsive buying) at Big Bazaar outlet in Jayanagar, Bangalore. Data were collected from 114 customers using convenience cum sampling method and Store Intercept Technique. A questionnaire/ schedule has been administered to the target respondents to collect the primary data, while the secondary data were collected from website and published sources of Future Group, and from the text books, journals, newspaper articles and the internet.

Review of Literature

Impulse shopping can be termed as a spontaneous, immediate purchase without pre-shopping intentions either to buy a specific product category or to fulfill a specific buying task. Impulse buying is a major area of interest among marketers due to its pervasive nature and the most important facet of consumer behavior as well as its potential in the marketing

world. Summary of various articles referred for the purpose of present study has been provided below in Table 1.

Table 1 VARIOUS ARTICLES REFERRED FOR THE PURPOSE OF PRESENT STUDY					
SI No	Authors	Title of article	Name of journal	Issue details	Major findings
1.	Silvia Bellini, Maria Grazia Cardinal, iBenedetta Grandi	A structural equation model of impulse buying behaviour in grocery retailing	Journal of Retailing and Consumer Services	Volume 36, May 2017	A higher pre-shopping preparation leads to lower levels of impulse buying. personality variables (shopping enjoyment tendency and impulse buying tendency) influenced impulse buying through positive affect and urge to purchase.
2.	Jacqueline J. Kacen, James D.Hess, Doug Walker	Spontaneous selection: The influence of product and retailing factors on consumer impulse purchases	Journal of Retailing and Consumer Services	Volume 19, Issue 6, November 2012	Examined the effect of product characteristics and retailing factors on the likelihood a consumer makes an impulse purchase. Found that product characteristics have a 50% greater influence on impulse buying than do retailing factors.
3.	Loureville Gilda M. Urquia, Vivian C. Gruyal, Vermia L. Miranda, Angelique H. Cubio	External Factors Influence on Impulsive Buying Behavior	Journal of Retailing and Consumer Services	31 May 2019	Found that creating effective promotional strategies leads to more impulsive buying which in turn results in greater sales and ultimately greater profits.
4.	Chandan Parsad, Sanjeev Prashar & Vijay Sai Tata	Understanding nature of store ambiance and individual impulse buying tendency on impulsive purchasing behaviour: an emerging market perspective	Journal of Retailing and Consumer Services	09 November 2017	Attempted to understand the store attributes such as music and light, sales personnel, display and colours, and instore crowd and their impact on impulse buying. Two of the store attributes—sales personnel and display and colour schema—have influence on impulsive buying among shoppers.
5.	Bas verpalken,Artrid G herabadi,Judith A perry,David H silvera	Consumer style and health: The role of impulsive buying in unhealthy eating	Journal of Retailing and Consumer Services	Volume 36, May 2017	The authors sought to find an association between impulsive buying and unhealthy eating habits and found a moderate to strong correlation between people who indulge in impulsive buying and regular snacking. They also found that there is a direct link between low self-esteem and eating disturbance propensity.

6.	Anna Smatila	Impulse buying in restaurant food consumption	Journal of Retailing and Consumer Services	Volume 19, Issue 6, November 2012	This research was conducted to find out impulse buying behaviour in restaurant food consumption and concluded that primary food motives and situational motives jointly affect impulse buying behaviour in food consumption.
7.	Maha jamal, Samreen lodhi	Consumer shopping behaviour in relation to factor influencing impulse buying	Journal of Retailing and Consumer Services	31 May 2019	This study aimed to find out the impact of internal and external factor that influence consumer impulse buying in retail super stores in karachi. The researchers found relationship between factors like shopping environment, promotional tools and availability of credit card and impulse buying
8.	Meredith hilliard	Food products in impulse buying areas of grocery store: Is temptation making americans obese?	Journal of Retailing and Consumer Services	November 2009	This study was conducted to figure out the reason for increase in obesity and related issues due to grocery store's shopping. The study was focused on knowing if the shopping environment influences buying behaviour. The study focused on factors such as placing products in a particular order and other environmental factors.
9.	Sandy dawson, minjeong kim	External and internal trigger cues of impulse buying online	Journal of Retailing and Consumer Services	May 2019	This study has tried to focus on the internal and external factors of impulse buying in online shopping. There were no significant differences found amongst the type of external impulse trigger cues however a positive correlation was found between IBT of a person and impulse online buying behaviour.
10.	Hansman ,An gela	A multi-method investigation of consumer motivations in impulse buying behavior	Journal of Retailing and Consumer Services	October, 2018	This study has focused on both quantitative and qualitative data to test different hypothesis which is related to consumer motivation to engage in impulse buying.

11.	Yin xu, Jin song huang	Effects of price discounts and bonus packs on online impulse buying	Journal of Retailing and Consumer Services	December 2018	The findings showed that price discount resulted in greater impulse buying than bonus pack when product was less expensive whereas bonus pack were more effective when the product was more expensive
12.	Silvia bellini, maria grazia cardinale, benedetta grandi	A structural equation model of impulse buying behaviour in grocery retailing	Journal of Retailing and Consumer Services	June 2019	The authors found that people who pre-plan their shopping list are slightly lower towards impulse buying
13.	Russell Abratt Stephen Donald Goodey	Unplanned buying & in store stimuli in super market	Journal of Retailing and Consumer Services	May 2013	This study shows us the importance of in store stimuli has on different cultures in their buying behaviour. Other variables such as brand loyalty, specific outlet is also been shown.
14.	Chaudhary, R.	"Green buying behavior in India: an empirical analysis",	Journal of Global Responsibility, Vol. 9 No. 2, pp. 179-	2018	Findings confirm perceived value and willingness to pay premium as significant predictors of the green purchase intention.
15.	Muralidharan, Sidharth & Rejón-Guardia, Francisco & Xue,	Understanding the Green Buying Behavior of Younger Millennials from India and the United States: A Structural Equation Modeling Approach	.. Journal of International Consumer Marketing. 28. 1-22.	2016	results showed that interpersonal sources were more important in elevating environmental concerns and promoting green buying behavior than mass media.
16.	Baidya Mehira et al	An empirical investigation of repeat buying behavior of customers of two brands in India,	Journal of Indian Business Research,	2014	Managers are not only interested in acquiring customers at any cost via trial purchases but also in how to retain them via repeat purchases to achieve higher profits
17.	Sambhu Singh Rathi, Aditya Chunekar,	Not to buy or can be 'nudged' to buy? Exploring behavioral interventions for energy policy in India,	Energy Research & Social Science	2015	provide a brief review of behavioral interventions that were successful in promoting energy efficiency and conservation.

Source: Compiled by the authors.

Research Methodology

Objectives

The goal of this study is understanding the role of psychology of impulse buying behavior that drive sales in various big bazaar outlets. A conceptual background is constructed in the first phase of the study based on a literature review. The core objectives of the study included:

1. To explore basic human psychology which drives impulsive buying
2. To study the level of association between various respondents' attributes and tendency towards impulsive buying behaviour
3. To determine the factors contributing to impulsive buying
4. To validate the data and offer constructive suggestions to the management of future group

Hypotheses

H₁: There exists significant association between gender, frequency of purchase and purchase motive of the respondent- store attributes, product attributes, and offers and discounts and impulsive buying behaviour of the respondents

Descriptive Statistics

Out of a total of 114 respondents, 42 (36.8%) are male and 72 (63.2%) are female (V1). About 33 respondents shop rarely, 24 buy occasionally and 57 (50%) buy frequently (V2). While 76 (66.7%) prefer to buy offline while the rest prefer online purchase (V3). Then what motivates them to buy??? The answer is 35 of them (30.7%) look basically at product attributes, 26 (22.8%) look at store attributes, but a sizeable 46.5% are influenced by offers and discounts (V4). Apart from above 4 respondent characteristics, the variables used to capture the impulsive buying behaviour with respective mean scores on a 5-point Likert scale included the following:

- V5. I don't plan much while buying online (2.23)
- V6. I purchase online as per my mood at the moment (3.32)
- V7. I tend to buy on the moment and think later (2.44)
- V8. I often buy impulsively from when I go for shopping (2.38)
- V9. I often don't think before buying from online retailers (2.18)
- V10. I make more unplanned purchase as I have Credit Card (3.55)
- V11. I tend to buy the products repeatedly as shown in the previous shopping cart (3.43)
- V12. I go for unplanned purchase as I have sufficient amount of salary/ Fixed income (4.00)
- V13. Advertisements prompt me to make unplanned purchase (3.79)
- V14. Colour of packaging affects my unplanned purchase (3.44)
- V15. Impulsive buying gives you post purchase happiness? (3.39)

Inferential statistics

ANOVA test shows that there exists significant difference between the gender of the respondents and variables 6,8,10 and 12- male respondents' mean score was significantly higher than that of females and is statistically significant at 95% confidence level. The test further shows that significant difference exists between the groups based on the frequency of purchase. Variables 5,7,8,9, 12, 13 and 15 were given highest mean scores by the frequent shoppers and the difference is statistically significant at 95% confidence level. The statistical analysis further reveals the presence of significant association between buyer motive- store/ product attributes and offers and discounts, and variables numbering 5,7,8,10 and 11. Those

who look for offers and discounts are more prone for impulsive than those who consider store or product attributes.

Factor Analysis

That data were further analysed using Factor Analysis, the most popular dimension reduction technique to derive the factors that explain consumer behaviour more coherently. The output of factor analysis has been provided below, which is interpreted in the subsequent paragraph in Table 2.

	Component	
	1: Internal factors	2: Financial Freedom and External stimuli
V9	.806	
V8	.796	
V7	.768	
V5	.641	
V15	.534	
V6	.522	
V10		.776
V11		.770
V12		.466
V13		.446
V14		.436
Extraction Method: Principal Component analysis.		

Source: Primary data

Table 2.2: Total Variance Explained

Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
3.323	30.207	30.207	3.241	29.462	29.462
2.033	18.485	48.693	2.115	19.231	48.693
Extraction Method: Principal Component Analysis.					

Source: Primary Data.

Two factors were derived from the analysis, factor 1 explaining the internal drives of the consumer that prompt one for the impulsive buying and the 2nd factor prompting impulsive buying is financial freedom and external stimuli in Tables 3 & 4.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.649
Bartlett's Test of Sphericity	Approx. Chi-Square	392.210
	df	055
	Sig.	0.000

Source: Primary data.

KMO and Bartlett's Test of Sphericity shows .649, which is very close to the threshold value of .7, indicating fitness of data for factor analysis.

CONCLUSION

Impulsive buying by the consumers propels the topline and the bottom-line of the retailers-both online and offline. The factors driving the impulsive buying are the basic internal drive of the consumers as well as the external stimuli (advertisements, store display, prompting of previous shopping carts in the case of online buying) coupled with financial freedom (higher salary/ fixed income, availability of credit cards). The study reconfirms the significant role of gender when it comes to retail shopping behaviour. The impulsive purchase power of customers is influenced by their gender, frequency of store visit, and the purchase motives- the store attributes, the product attributes and the offers/ discounts significantly influence impulsive buying tendency. The study provides important insights in to the most important aspect of modern retailing- the consumers' black box.

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