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Buying Patterns of Customers at Shopping Malls of Sub-urban Areas of India

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ABSTRACT

At shopping malls organized retail stores merchandise their goods to get them sold by different buying patterns namely compulsive and impulsive. Reasonably quick decision-making during purchase and instinctively inclined in favor of instant possession of any goods or service is termed as impulsive buying. On the other hand compulsive buying behavior is a considerate action characterized by planned investment to acquire any goods or service out of compulsion like daily consumption or investment in financial products for future safety. These buyers usually give very less consideration to probable harmful effects that may result from their purchased products. This study aims at individual differentiations in contact and how they influence purchase decisions of the customers in organized retail stores. Additionally, this study comes across at the correlation between impulse buying motives and general personality traits. Confirmatory factor analysis confirms various constructs comprising impulsive spending, attitude towards private label brands, promotional programs to lure customers.

KEYWORDS: Impulsive buying, Organized Retailing, Emotional states, Stimulations for purchase decision

INTRODUCTION

Compulsive buying is considered as a strange form of shopping in which the worried customer has an unbearable, uncontrollable, and recurring pressure to buy, compulsive expenses functions as a means of negative mind-set of the buyers. In case of impulsive buying, a customer makes an unintentional procurement usually of somewhat inexpensive products with eye appealing packaging or with additional promotional offers, compulsive buying characteristically guides to rigorous negative impacts, particularly serious financial debt, and when the process of spending becomes highly addictive, strictly disrupts the consumer's buying capacity.

The rationale of this paper is to construct on these prior studies by examining the relationship between impulsive buying and significant personality traits, and also to identify common internal and external cues that generate impulsive buying tendency, which can be capitalized by the organized retailers to increase their sales volume. This study is also apprehensive about how personality traits are related to cues, and whether high and low impulsive customers would differ on the degree to which they are responsive to different cues. In recent times, impulsive behavior has been characterized as baseless judgment for choosing any product or service, which leads to short sighted and contradictory buying behavior. In the spending sphere, impulsive shopping attitude has been linked with "being bad," and with negative significance in the areas of personal finance, post-purchase pleasure as well as self-esteem of the customers. In different consumption state of affairs in which impulsive buying can be considered as normatively unbiased or even absolutely endorsed behavior. To observe the hypothesized connection between the trait and normative aspects of impulsive buying of the customers in the organized retail outlets, the theoretical bases for conceptualizing and executing these variables are reviewed. To have a sudden desire for buying it is not unavoidably to act on it, as various factors may intervene between the impetus and the action.

Review of the Literature

Feeling or emotional states of the consumers have been considered as effective internal stimuli for impulsive buying decision making. It is considered that impulsive buyers are more prone to be perceptive to their emotional conditions than non-impulsive buyers (Rook and Gardner 1993). The affective state of impulsive buyers can stimulate to detect the instantaneous enjoyment that this buying habit provides. According to Parboteeah (2005), impulsive purchasing first of all is identified as unplanned buying. A buyer decides to purchase any good on a certain moment and it is not a result of identified purpose before visiting purchase environment or previous perceived need. Secondly, impulsive purchasing behavior is a reaction to stimulus. Stimuli, for example, offers or discounts, visual merchandising of clothes, food items or household items may be treated as a means that turns a customer into impulsive. The third feature of impulsive purchasing is that this behavior is instantaneous. A consumer makes instantaneous decision, absolutely underestimating the consequences of this buying. Finally, a buyer experience emotional and/or cognitive reactions that can be named as guilt or unawareness of future consequences. Yang (2006) has anticipated that buying impulses in retail stores may be fully or somewhat provoked by a wish to change or manage emotions in an instantaneous manner. Impulsive buyers are more prone to take purchase decisions while experiencing any product or promotion program with impatiently charged moods and they even do not think about their actual purchase plan. Thus, it is predictable that both positive and negative emotional states are strongly attached to the affinity to get involved in impulse buying (Rook and Gardner 1993).

Challenging Customers of Retail Sectors and their Buying Patterns:

- The Know-it-all: They try to make themselves feel important by making everyone around them feel inadequate or stupid.
- The Whiner: Eternal pessimists. They want the people around them to be just as miserable as they are.
- The Number Nerd: Comparison shoppers. By expressing some interest like manuals/statistical information you can win them over.
- Mr. Wishy -Washy: These people can't make up their minds or are afraid to make decisions. E.g. "What if my wife doesn't like it? Will I get my money back?"
- The Possessor: Behave like owner of the store. Participate in Word-of-Mouth publicity
- The Butterfly: Don't come into the store to buy. They love events or anything exciting that you do in the store.
- The Cherry Picker: They come to the store to buy that product which is having some offer with it.

Objective of the study

1. To assess the different buying behavior of shoppers at organized shopping malls.
2. To investigate the relationship between demographic factors and spending pattern at shopping malls.
3. To assess the impact of personality traits of the shoppers on impulsive buying behavior.
4. To determine the impact of promotional programs of the shopping malls on customers' spending.
5. To suggest managerial implications based on the findings of the study for structuring of retail marketing strategies.

Methodology

By using a descriptive research methodology the study was carried out and various constructs mentioned above were measured by various scales adopted in prior literature. Depending on the objectives of the

study a few modifications had to be made to gather data from a cross section of respondents who frequently visit organized retail chains. In all, 200 respondents were requested to give their responses on five point Likert scales.

Findings and Discussions

Cronbach's alpha values and the factor analyses reported to establish the internal consistency reliability and the construct validity. Attitude towards shopping environment at organized shopping malls showed Alpha 0.732 and impulsive buying behavior Alpha 0.691. The result of Cronbach's alpha values support that in the shopping malls customers often purchase goods which are completely unplanned even before entering the retail stores. Two factor solution substantiated construct validity. Overall percentage of variance explained 62.66%. Rigorous promotional campaigns of private label brands of the retail stores compel the customers to spend money on them. It was also found that mostly young adults and teenagers spend more money on costly branded items in comparison to other customers of different age brackets. Positive association has been observed between age and impulsive buying habits and significant relation between promotional offer (dummy variable) and impulsive buying have been established. As hypothesized, the visual merchandising and promotional campaigns were more strongly associated with impulse buying habit of the individual in the shopping malls. Fisher's z-test discovered that the correlations differed considerably in the anticipated direction at both the offers related with private label brands ($z = 3.87$, $p < .001$) and the individual self-concept ($z = 1.93$, $p < .05$) levels of analysis. It was also observed that lower the age higher is the impulse in spending tendency in the shopping malls due to the effects of visual merchandising, mall promotion. Remarkably, the results showed stronger support for the hypothesis at both levels of analysis when the partial correlations after controlling for variances (promotional efforts, $z = 6.27$, $p < .001$; individual difference, $z = 4.40$, $p < .001$) were compared. The results of this study also provide further evidence that the sex also affects the relationship between trait buying impulsiveness and buying behavior at the shopping malls. Positive association has been observed between sex and impulsive buying habits.

One limitation of this study is that the compulsive buying sample is composed of self-identified compulsive spenders, who are likely to be in a later stage of addiction, and who obviously are no longer in denial of their problem.

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