



## A STUDY ON THE CONSUMER'S IMPULSIVE BUYING BEHAVIOR IN A GENERAL HYPERMARKET

**Shibli K**

Project Consultant, PEAC training & Business Consultancy, Kaloor, Kochi.

### ABSTRACT

Indian retail industry in the world plays a vital role in the overall development of the economy. An impulse purchase or impulse buying is an unplanned decision to buy a product or service, made just before a purchase. We are a growing economy with a real GDP growth rate between 7-8%. The study attempted to analyze the impulsive buying behaviour of customers and to make suggestions to the industry. The necessary data for the study was obtained from the customers of hypermarket through questionnaire and observation. The study helps to gain knowledge about the impulsive buying behaviour of customers.

**KEYWORDS :** Impulsive behaviour, consumer hypermarket, pure impulse, suggestive impulse

### INTRODUCTION

The fastest-growing Indian retail industry in the world plays a vital role in the overall development of the economy. India is a growing economy with a real GDP growth rate between 7-8%. The private consumption expenditure has grown at an average rate of 7.4 % per annum during the last four years resulting in the emergence of a strong middle class with growing purchasing power. This has resulted in people vying for a more comfortable and urbanized lifestyle. The growth of coffee houses, eateries, supermarkets, etc., is a proof of that, in the past three decades, much research has been conducted internationally to define to understand the psychological, economic and retail implications of such a trend. One area of interest has been—impulse buying. Impulse buying occurs when a consumer experiences a sudden, often powerful and persistent urge to buy something immediately. The impulse to buy is hedonically complex and may stimulate emotional conflict. Also, impulse buying is prone to occur with diminished regard for its consequences. Marketers and retailers tend to exploit these impulses which are tied to the basic need for instant gratification. However, very fewer studies have been conducted in India to know the buying behaviour of shoppers and the influencing factors in their decisions. Hence, the researchers have decided to conduct exploratory research to understand the general nature of impulse buying in main supermarkets, malls, retail outlets. Impulsive purchasing, generally defined as a consumer's unplanned purchase which is an important part of buyer behaviour. It accounts for as much as 62% of supermarket sales and 80% of all sales in certain product categories. Unfortunately, there is a dearth of research on group-level determinants. This research suggests that the presence of other persons in a purchasing situation is likely to have a normative influence on the decision to make a purchase. The nature of this influence, however, depends on both perceptions of the normative expectations of the individuals who exert the influence and the motivation to comply with these expectations. Peers and family members are the two primary sources of social influence, often have different normative expectations.

### STATEMENT OF THE RESEARCH PROBLEM:

People prefer to shop from the hypermarkets. There is growing recognition for the impulsive buying behaviour of customers. But even as it continuously grows, the studies in impulsive buying behaviour of customers and its effectiveness is still in its infancy. While there is a substantial amount of research on impulsive buying behaviour, a holistic approach towards the impulsive buying behaviour of customers has not attracted much of the research effort. The study is to find the impulsive buying behaviour of customers in the hypermarkets including the factors that affect the customers to purchase impulsively.

### SCOPE OF THE STUDY:

The purpose of the study is to scrutinize the impulsive buying

behaviour of customers in a general hypermarket by taking the feedback from Kozhikode district of Kerala. It is important to note that impulsive buying behaviour has an active role in increasing sales. Impulse buying is an unplanned decision to buy a product or service. It disrupts the normal decision-making model in consumers brain. The study tries to identify the various factors affect consumers to engage in impulse buying.

### OBJECTIVES OF THE STUDY:

- To know the impulsive buying behaviour of customers.
- To understand the major factors influencing the impulsive buying behaviour of customers.
- To identify various product categories purchased impulsively by the customers.
- To know whether customers are satisfied after purchasing impulsively

### Sampling

300 samples collected on a random basis.

### HYPOTHESIS:

#### CHI-SQUARE 1

$H_0$ -There is no relationship between first sight attraction of impulsive buying and satisfaction level through impulsive buying

$H_1$ -There is a relationship between first sight attraction of impulsive buying and satisfaction level through impulsive buying

#### CHI-SQUARE 2

$H_0$ - There is no relationship between low-cost Factor of product and satisfaction level through impulsive buying

$H_1$ -There is a relationship between the low-cost factor of products and satisfaction level through impulsive buying

### CORRELATION

To check whether there is any relationship between the frequency of shopping and the satisfaction level of customers through impulsive buying.

X - Frequency of shopping, - Satisfaction level

### LIMITATIONS OF THE STUDY

- Most of the respondent were busy, so collecting questionnaire was difficult
- Findings and suggestions are based only on the information given by the respondents.
- The study was based on primary data obtained through different people in Kozhikode district; therefore there exist a chance of personal bias.

## REVIEW OF LITERATURE

**Dr. Manoj Verghese PoojaLuniya (2015)** this paper tries to know how consumer's traditional planned shopping behaviour is shifting to impulse behaviour. Through this study, we tried to find what impulse buying is, its types and various factors influencing impulse buying behaviour. For this, we have reviewed the literature to gain insights into impulse buying behaviour. Findings show that there are various determinants which compel or force a consumer to act in an impulsive manner.

**Dr. Jayasree Krishnan (2013)** in recent years, several kinds of research conducted in the field of consumer behaviour because of increased importance given to brand management and performance. Technological factors such as the availability of personal computers and internet access, download time and representativeness of pictures and colours of products are the reason for increasing the potential customer. Here Impulse buying plays a major role in consumer buying behaviour. It is the time to analyze the impulse buying behaviour which makes the customer grab the product instead of choosing them.

**G. Muruganantham & Ravishankarbhakat (2013)** Malcolm Gladwell in his Bestseller 'Blink'(NEW YORK TIMES) tried to prove the fact that quick and unplanned purchase decisions also can be that nice and good as cautiously and well-thought decisions and they can be based on education and experience and surrounding environment of the customer. In their study on the behaviour of impulse, buying have prepared a framework that helps researchers to have a better understanding of the concept. According to them, there are four categories of factors that influence impulse buying behaviour. They are outside stimuli, inner stimuli, situational factors that are related to the product, cultural social and demographics and Development.

## THEORETICAL FRAMEWORK IMPULSIVE BUYING

An impulse purchase or impulse buying is an unplanned decision to buy a product or service, made just before a purchase. Research findings suggest that emotions and feelings play a decisive role in purchasing, triggered by seeing the product or upon exposure to a well crafted promotional message. Impulsive buying is the tendency of a customer to buy goods and services without planning in advance. When a customer takes such buying decisions at the spur of the moment, it is usually triggered by emotions and feelings.

Impulsive buying can't be categorized for one specific product category. Impulsive buying can be seen in products such as chocolates, clothes, mobile phones and in big-ticket items such as cars, jeweller etc. Impulsive buying means making an unplanned purchase. It is based on irrational thinking. Marketers try to tap this behaviour of customers to boost sales. There is a great likelihood that customers end up making a purchase of products after entering the hypermarket without any actual intent of doing so. Many mobile phone makers tend to exploit this trait in customers by introducing products which can be an add-on gadget for their mobiles such as fitness bands, watch etc.

### Characteristics

1. An overwhelming attraction to the product  
2. An intense need to buy it at once  
3. Ignoring the negative consequences that might arise  
4. A feeling of excitement at buying it  
5. Conflicting feelings of indulgence and self-control

### Factors influencing compulsive or Impulse Buying

Impulse purchasing is influenced by various factors which could be external, internal or situational. Some of these factors are

### 1) Consumer characteristics

This is one factor that significantly influences the consumption decisions of many people. Consumers may have a tendency or trait to engage in compulsive buying. In most cases, it is that consumers enjoy shopping that they end up buying things that they had not planned for or that they do not need. Also, a person may feel obliged to impulsive buying depending on the degree to which he/she identifies with the product. Impulse buying occurs when the consumer sees the product.

### 2) Emotions

Most consumers expect their emotional support to be fulfilled by their social interaction, intrinsic to the shopping experience. When they are in an emotional state that compels them to make unnecessary purchases, buyers are often more concerned about their greater feelings of amusement, delight, and joy without thinking about the aftermath of financial consequences.

### 3) Visual merchandising

Visual merchandising is meant to communicate the product value and quality to consumers. It is a ploy that retailers use to improve the image of their stores and present what they sell to customers in a way that grabs their attention and compels them to buy the products.

While these stores may be doing this with innocent intentions, such tactics and displays significantly influence a consumer purchasing decision, and thus it is a great contributing factor towards impulsive buying.

### 4) Displays (Attraction)

A well-decorated store with a beautiful and calm environment with beautiful surroundings tends to initiate good spirits in consumers motivating them to visit the store and make a purchase even if they didn't intend to.

Consumers get quickly attracted to beautifully set up stores and colourful displays. This is actually why most store owners have taken up this tactic to lure customers into their retail stores.

### 5) Money availability

This together with the income level of an individual is a highly and significantly contributing factor to why customer engages in uncontrolled buying. When a consumer has sufficient funds at the time of shopping, he/she will extend the shopping spree to include things that they hadn't planned for and those that they also don't need.

The availability of money tends to develop positive feelings in individuals which consequently lead to impulse buying.

### 6) Time availability

As previously mentioned some situations can influence a consumer's purchasing tendencies. Among such factors include time availability. There is a close relationship between time availability and compulsive shopping. In other words, the more time available to an individual in buying situations, the greater will be the likelihood of the person to make impulse purchases.

### 7) Influence of friends and relatives

Often impulse shoppers get influenced by their friends and relatives during shopping. A friend or relative can sway towards making a purchase just because they think something will go well.

### 8) Discounts and offers

When it comes to buying things, there is one word that can make even the most disciplined shopper fall to his knees. Discounts slashed prices, buy one take one – these words

significantly count in making people give in to the Shopaholic syndrome.

**Types of impulse buying**

- 1. Pure Impulse:** An unplanned novelty purchase, e.g. casually browsing Easy and buying a handmade ceramic sculpture
- 2. Reminder Impulse:** Seeing a product and remember that need it, e.g. buying AA batteries at checkout to power a gadget that just bought
- 3. Suggestive Impulse:** Seeing a product and visualizing a need for it, e.g. purchasing socks after seeing them listed as a recommended product on an e-commerce website that sells shoes
- 4. Planned Impulse:** Taking advantage of a promotional offer with an unplanned purchase, e.g. adding an item to your cart to reach a free shipping threshold

Data Analysis results

**CHI-SQUARE ANALYSIS**

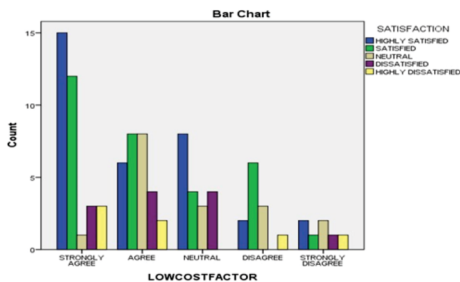
$H_0$ - There is no relationship between low-cost Factor of product and satisfaction level through impulsive buying

$H_1$ - There is a relationship between the low-cost factor of products and satisfaction level through impulsive buying

**Chi-Square Tests**

	Value	Df	Asymp. sided)	Sig. (2-
Pearson Chi-Square	19.196 <sup>a</sup>	16	.259	
Likelihood Ratio	23.405	16	.103	
Linear-by-Linear Association	1.112	1	.292	
N of Valid Cases	300			

α. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .49.



**INTERPRETATION**

Since the p-value is 0.259 which is greater than the significance value 0.05, we accept the null hypothesis and it is interpreted that there is no relationship between satisfaction level and low-cost factor of products through impulsive buying.

**CHI-SQUARE ANALYSIS**

$H_0$ - There is no relationship between first sight attraction and satisfaction level through impulsive buying

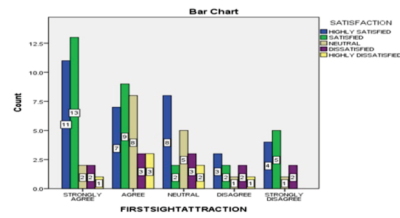
$H_1$ - There is a relationship between first sight attraction and satisfaction level through impulsive buying

**Chi-Square Tests**

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.629 <sup>a</sup>	16	.479
Likelihood Ratio	17.587	16	.349
Linear-by-Linear Association	.450	1	.502
N of Valid Cases	300		

α. 18 cells (72.0%) have expected count less than 5. The minimum expected count is .63.

**CHART NO. 4.2**



**INTERPRETATION**

Since the p-value is 0.479 which is greater than 0.05, hence we reject the alternative hypothesis and accept the null hypothesis. Hence it is interpreted that there is no relationship between first sight attraction and satisfaction.

**CORRELATION**

To check whether there is any relationship between frequencies of shopping and satisfaction of customers while shopping.

X - Frequency of shopping

Y- Satisfaction level

**Correlations**

	HOW OFTEN DO YOU GO SHOPPING	GO	SATISFACTION
Pearson Correlation	1		.021
HOW OFTEN DO YOU GO SHOPPING Sig. (2-tailed)			.833
N	300		300
SATISFACTION Sig. (2-tailed)	.021		1
N	.833		
	300		300

**INTERPRETATION**

From the above table, the value got through the analysis lies between 0 and 1, it clearly describes that the variables are positively correlated. The increase in the frequency of shopping will increase the satisfaction level.

**FINDINGS**

**Findings through chi-square**

1. Through chi-square, it is clear that there is no relationship between satisfaction level and the low-cost factor of products through impulsive buying.
2. Through chi-square, it is clear that there is no relationship between first sight attraction and satisfaction.

**Findings through correlation**

1. Through correlation, it is clear that the increase in the frequency of shopping will increase the satisfaction level.

**Findings through percentage analysis**

1. 22 % of the customers are male and 78% are female.
2. Majority of the respondents are of the age group 35-45, there are only 14% are of the group above 55 years.
3. 27% of the respondents belong to other categories of occupation and 14% of the respondents belong to student category.
4. Most of the customers are weekly doing the shopping and 7% is doing shopping daily.
5. 47% of the customers are always carry shopping list whereas, 53% are not carry shopping list.
6. 26% have often engaged in impulsive buying and 8% of customers are never engage in impulsive buying.
7. Most of the respondents rated 2/5 for the confectionary and 12% of the respondents rated 5/5.
8. Most of the respondents have rated 2/5 for snack food and

- only 9% rated 5/5.
9. 11% of the respondents have given 1/5 rating for deodorant and 25% of the respondents rated 5/5.
  10. only 7% of customers rated 2/5 for cosmetics and 32% of them rated 4/5
  11. 13% of the respondents have given 1/5 rating for others category and 29% of the respondents rated 5/5.
  12. 34% of the respondents strongly agree that low cost is a factor to buy impulsively and only 7% strongly disagrees with the statement.
  13. 26% of respondents are agreeing that promotional factors are affecting impulsive buying and only 12% are strongly disagree.
  14. Respondents are buying products through impulsively by seeing others only 4% of respondents are strongly agree with this and 44% of respondents disagree.
  15. Respondents are buying products through impulsively by first sight attraction, 30% of respondents are agreeing with this and only 9% of respondents disagree.
  16. Respondents are buying products through impulsively by watching the advertisement, 30% of respondents are agreeing with this and only 11% of the respondents are strongly disagree.
  17. Respondents are buying products through impulsively by salesman explanation only 34% of respondents gave a neutral opinion about this, 14% of respondents disagree with this.
  18. respondents are buying products through impulsively by friends/child/family influence, only 7% of respondents strongly agree with this and 36% of respondents gave a neutral opinion about this.
  19. Respondents are buying products through impulsively by the willingness to try unusual, 31% of respondents disagree with this and only 8% have strongly agreed.
  20. 31% of the respondents strongly agree with packaging as the factor of impulsive buying and only 8% of the respondents are strongly disagreed.
  21. 33% of the respondents have a neutral opinion about store ambience as the factor of impulsive buying only 14% of the respondents are strongly disagreeing.
  22. 33% of the respondents are highly satisfied with impulsive buying and only 7% of the respondents are highly dissatisfied with impulsive buying.

### SUGGESTIONS

1. Arrange low cost and attractive products in the way that customers can easily choose.
2. Inventory of the easily movable items must be restored regularly and the necessary steps should be taken to avoid the shortage.
3. There must be a responsible person there to avail the need of the customers.
4. Avoid changing the products rack frequently; it will lead to confusion among customers. So that the rack can be changed in constant periods that is monthly or in a period of six months.
5. Those products which caused changes in their features must be shuffled and kept in front so that customers can prefer according to their wishes of new change made for that product.

### CONCLUSION

The study attempted to analyze the impulsive buying behaviour of customers and to make suggestions to the Industry. The necessary data for the study was obtained from the customers of hypermarket through questionnaire and observation.

The study helped to gain knowledge about the impulsive buying behaviour of customers. From the above findings, we can conclude that impulsive buying behaviour is an important attribute for the buying of products, as a customer gives much

importance to the impulsive buying behaviour along with the store and its products. We have found out ten important factors which hyper markets should give importance while analyzing the impact of impulsive buying behaviour of customers.

### REFERENCES

1. Ahmed, Rizwan & Parmar, Vishnu. (2013). Factors Influencing Impulse Buying Behavior. *European Journal of Scientific Research*. 100. 67-79.
2. Bhakat, Ravi & Muruganantham, G. (2013). A Review of Impulse Buying Behavior. *International Journal of Marketing Studies*. 5. 10.5539/ijms.v5n3.p149.
3. Kim, J. Y. (2014). *Impulse Buying: The Effect of Decision Time and Product Scarcity on Buying Impulse*. Michigan State University. Business Administration.
4. Kotler, P. (2015). *Marketing Management*. South Asia: Pearson.
5. Kothari, C.R. (2004). *Research Methodology: Methods and Techniques*. New Delhi. New Age Publications
6. Leon Schiffman, L. L. (2015). *Consumer Behaviour*. New Jersey: Pearson.