A Study on Consumers’ Impulse Buying Behavior in Organized Retail Stores with reference to Gujarat State

Ph.D. THESIS SYNOPSIS

Submitted for partial fulfillment of
Degree of Doctoral of Philosophy (Ph.D)
in Management

Submitted by

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SYNOPSIS OF Ph.D. THESIS ENTITLED

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SUPERVISOR’S CERTIFICATE

This is to certify that the work reported in the Ph.D. thesis entitled “A Study on Consumers’ Impulse Buying Behavior in Organized Retail Stores with reference to Gujarat State” submitted by Desai Preyal Sharadkumar (11E0364) at KADI SARVA VISHWAVIDYALAYA, Gandhinagar, Gujarat, India is a bonafide record of her original work carried out under my supervision. This work has not been submitted elsewhere for any other degree or diploma.

Prof.(Dr.) Snehal Kumar H. Mistry
Bhagwan Mahavir College of Management, Surat
DECLARATION BY THE SCHOLAR

I hereby declare that the work reported in the Ph.D. thesis entitled “A Study on consumers’ Impulse Buying Behavior in Organized Retail Stores with reference to Gujarat State” submitted at KADI SARVA VISHWAVIDYALAYA, GANDHINAGAR, GUJARAT, INDIA is an authentic record of my work carried out under the supervision of Prof.(Dr.) Snehal Kumar H. Mistry. I have not submitted this work elsewhere for any other degree or diploma.

Desai Preyal Sharadkumar
A Study on Consumers’ Impulsive Buying Behavior in Organized Retail Stores: with Special Reference to Gujarat State

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INTRODUCTION OF THE STUDY

1.1 Background of the Study

The Indian retail industry is one of the fastest growing industries in the world and played a vital role for overall development of the economy. The retail industry in India is expected to grow to US$ 950 billion by 2018, registering a compound annual growth rate (CAGR) of 8.9 percent during 2000-2018(Annual Report 2014)1. According to the information available in 2014 Economic Survey Report, India has been considered one of the fifth largest preferred retail destinations globally. The retail sector is experiencing rapid growth with retail sector taking place not just in a major cities and metros, but also in Tier-II and Tier-III cities. The new economic policy of India 1990 has change the healthy economic growth, demographic profile, increasing disposable incomes, changing consumer tastes and preferences which has been considered one of the major factor driving growth in the organised retail market in India.

Presently, the retailing business is experiencing enormous trends across the globe which has increased drastically ever-changing nature of consumer tastes, consumption patterns and buying behaviors. Strong marketing mix activities are essential for maintaining long term sustainability of each retailer. In-Store marketing activities such as point-of-purchase displays and promotions, through background music, mannequin display, proximity of products are important in both winning consumers and encouraging them to spend more. In-store promotions are usually aimed at digging deeper into the consumers’ purses at the point of purchase through encouraging impulsive (unplanned) purchases.

Majority of the retailers are able to earn the revenue through impulsive purchase due to their in-store activities that influence their potential consumers through creating enjoyable, attractive and modern looking environments. The recent researchers have also found that demographic variables like age, gender, marital status; income have an important impact on impulsive buying behavior.

Impulsive consumer buying behavior is a widely recognized phenomenon in the United States. It accounts for up to 80% of all purchases in certain product categories (Abrahams, 1997; Smith, 1996), and it has been suggested that purchases of new products result more from impulse purchasing than from prior planning (Sfiligoj, 1996). In 1997 study found that an estimated $4.2 billion annual store volume was generated by impulse sales of items such as candy and magazines (Mogelonsky, 1998).

Impulse buying is defined as “an unplanned purchase” that is characterized by “(1) relatively rapid decision-making, and (2) a subjective bias in favor of immediate possession” (Rook & Gardner, 1993; Rook, 1987; Rook & Hoch, 1985). It is described as more arousing, less deliberate and more irresistible buying behavior compared to planned purchasing behavior. Highly impulsive buyers are likely to be unreflective in their thinking, to be emotionally attracted to the object and to desire immediate gratification (Hoch & Loewenstein, 1991; Thompson et al., 1990).

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The logical sequence of the consumers' actions is replaced with an irrational moment of self gratification. Impulse items appeal to the emotional side of consumers. Some items bought on impulse are not considered functional or necessary in the consumers' lives.

1.2 *Scope of the Study*

Impulse buying is an unplanned decision to buy a product or service. It disrupts the normal decision making models in consumers' brains. According to the studies conducted by most of Indian researchers majority of the impulsive buying has been made on the products like FMCG, Chocolates, Biscuits, Cookies and Apparels. Impulsive buying behavior is a widely recognized phenomenon occurs in the mindset of consumer during purchase. It accounts for up to 80% of all purchases in certain product categories (*Abrahams, 1997; Smith, 1996*). It has been suggested that more purchases result from impulse than from planning. *Abrahams, Ben. (1997)*

As reviewed in literature and past chapters impulsive buying is important phenomenon. Majority of the research on impulsive buying has been carried out in Europe and America and very little research has been carried out in India and especially in Gujarat.

So far various models and researches have tried to explain the impact of some cognitive and affective factors on impulsive Buying. Other researchers have studied impact of demographics factors on impulsive Buying. Other have studied impact of either situational factors or External factors or consumer related factors. Hence, this study intends to relate several of these scattered factors to give a seamless understanding of the factors leading to the impulsive buying.

This study has examined the external, consumer related factors and situational factors affecting impulsive buying. External factors like Promotional offer, Price, Window Display, Staff Behavior and Proximity (Nearness) has been taken into consideration. Consumer Related Factors like Gender, Age, Income, IBT and Hedonic feelings has been taken into consideration. Having Credit card and
Impact of peers as situational factors has been taken for the study. Further, Study has developed model using SEM approach which will help to understand important factors contributing for impulsive Buying.

1.3 **Significance of the study**

The present research study is useful and will highlight some of its findings which will be useful to marketer or retailers to understand various factors influencing for impulsive buying behaviors. The study has also focused on various impulsive buying tendency of customers according to demographics variables like gender, age and income. This will also help to retailers or marketers to understand type of customer who will purchase impulsively. This study will provide important areas for improvement to the retailers of organized retail stores.

The findings presented in the study will be helpful marketers to understand the factors responsible for impulsive buying and based on that they can develop marketing strategies which will help them to increase the sales and footfalls. This study will also be helpful future researchers to understand factors influencing for impulsive buying and conceptual model developed in the study can be tested empirically in different social, economic, cultural and Geographic environment. Scope of this study is limited to Gujarat only. Hence, in order to generalize result future researcher can undertake study in other area also.

This study will have major benefits the academic community in practically understanding the concept of impulsive buying behavior and factors responsible for impulsive buying. The researcher have more insight about organized retail and impact of demographic variables in impulsive buying behaviors.
1.4 **Scope & Limitation of the Study**

The scope of the study has emerged from the earlier studies conducted by previous researchers which is based on the particular products like FMCG, Chocolates, Biscuits, Cookies, Apparels, etc. where majority of consumers are impulsive on buying the product. The earlier researchers have not focused on impulsive buying of products like consumer durables, jewellery, cosmetics, and other items of households from organized retail stores.

The Present study is based on the data and information collected from various retail organized sectors functioning in Gujarat. The study also limited to the organized sector namely; Big Bazar, D-Mart, Reliance Market & Star Bazar functioning in various area of Gujarat. Efforts has been made to justify the significance of the title of research.

Keeping in view the above points mentioned in the scope of the study in mind the following objectives have been chosen to cover the title of the study.

1.5 **Research objectives**

1) To study the various factors affecting impulsive buying behavior of consumers.
2) To identify various product categories purchased impulsively by the customers.
3) To examine the impact of various demographic variables like Gender, Age, Income, Marital status, Education, on urge for Impulsive Buying in organized Retail Store.
4) To analyze the impact of external factors like Price, Promotion offers, Behavior of staff, Proximity on urge for Impulsive Buying.
5) To examine the impact of consumer related factors like Hedonic feelings and IBT on urge for impulsive Buying.
6) To investigate the impact of situational factors like having credit card and Peers on urge for impulsive Buying in organized retail store.
7) To develop a holistic model of impulse buying using SEM.
1.6 Structure and coverage of Report

The present study is based on the data and information collected and analyzed with the help of various statistical tools to fulfill the objectives of the study. The entire report has been divided into two parts. Part-I consist with Theoretical Framework of the study and Part –II confined with Data Analysis, Interpretation and main Findings of study. Chapter-wise brief description of the report has been depicted below:

Chapter 1: Introduction of the Study

The first chapter gives brief background of the study. The concept of retailing, Type of retail format, Global Scenario of retail, Major retail players in India, Policy and regulatory environment for organized retail in India, Growth drivers for retail industry in India and challenges faced by retail industry and impulsive buying has been covered in this chapter. The detailed description of Chapter-1 has already been explained in the previous paragraphs.

Chapter 2: Review of Literature

The review of literature plays an important role for the construction of research work. The present study is based on various studies conducted by researchers on impulsive buying behavior. A detail literature review on the definition of impulsive buying, types of impulsive buying has been analyzed in this chapter. The literature review has also focused on various factors influencing for impulsive buying like self control failure, Mood and emotions, Culture, demographic variables like (age, Gender, Income, Marital Status, Education),Self image, staff behavior, background music, Credit Card, Promotions offer, Price, Proximity, impact of peers and Product attributes. On the basis of above aspect the entire Review of Literature has been divided into six parts. The first part discusses about the impulsive buying behavior, the second part consists of internal factors and impulsive buying behavior, the third part describes the demographic variables and impulsive buying, fourth section depicts external factors of impulsive buying, the fifth section shows impact of situational factors on impulsive buying. The sixth section explains the proposed model Impulsive buying behavior for present Research Study. Section wise review of literature has been explained below:
2.1 **Impulsive Buying**

Impulse buying has been defined by several researchers and given various definitions of impulsive buying. Impulse buying is an unplanned decision to buy a product or service, made just before a purchase. One who tends to make such purchases is referred to as an impulse purchaser or impulse buyer. According to Rook (1985) impulsive buying is a sudden, often powerful and persistent urge to buy something immediately. The impulse to buy is hedonically complex and may stimulate emotional conflict. It is more emotional than rational. Stern (1962) subdividing impulse purchase into four categories like Pure impulsive buying, Suggestion impulsive buying, reminder impulsive buying and Planned impulsive buying. **Pure impulse buying** is considered as true impulsive buying. It is a novelty or escape purchase where an emotional appeal sparks a desire to consume, which breaks a normal buying pattern. **Reminder impulse buying** results from a predetermined need that was prompted upon encountering the item while shopping, for instance when the consumer sees an item that triggers a memory that their supply at home is low or completely consumed. A **suggested impulse buy** occurs when a shopper sees an item for the first time and a desire to buy is formed without any prior knowledge of the product. **Planned impulse buying** occurs when the shopper enters the store with some specific purchase in mind; however the actual purchase depends upon price specials, coupon offers.

2.2 **Internal Factors and Impulsive Buying**

**Self Control Failure**

Rook (1987), Baumeister (2002) had found relationship between self control failure and impulsive buying. Rook (1987) found that a Buying impulse tends to disrupt the consumer's behavior stream. The consumer is more likely to feel out-of-control when buying impulsively than when making contemplative purchases. Baumeister (2002) noted that self-control failure may be an important cause of impulsive purchasing. Researcher described three causes of self-control failure. First cause was conflicting goals and standards undermine control such as when the goal of feeling better immediately conflicts with the goal of saving money. Second cause was failure to monitor own behavior. Third self-control depends on a resource that operates like strength or energy, and depletion of this resource makes self-control less effective.
Mood and Emotions


Culture

Jacqueline J. Kacen and Julie Anne Lee (2002), Harry Taute, Shaun Mc Quitty (2004), Tariq Jalees (2009) had conducted research on The Influence of Culture on Consumer Impulsive Buying Behavior. They found that both regional level factors (individualism–collectivism) and individual cultural difference factors (independent –interdependent self-concept) systematically influence impulsive purchasing behavior. Buying impulsiveness trait was more strongly associated with impulse buying behavior for the individualist than for the collectivist groups. Cultural factors moderate many aspects of consumer’s impulsive buying behavior, including self-identity, normative influences, the suppression of emotion and the postponement of instant gratification.

2.3 Demographic Variables and Impulsive Buying

Gender

Helga Dittmar, Jane Beattie b, Susanne Friese (1995), Tariq Jalees (2009) investigated impact of gender on impulsive Buying and found gender as a major social category, should influence both the products bought impulsively and the buying considerations used. Level of impulsive buying in females was significant higher than males. Study suggested that men tend to impulsively buy instrumental and leisure items projecting independence and activity, while women tend to buy symbolic and self-expressive goods concerned with appearance and emotional aspects of self. Michael Wood (1998), Angela Hausman (2000) found weak relationship with gender and impulsive buying.

Age

Bellenger & Robertson & Hirshman (1978), Wood (1998) have found a relationship between age and impulsive buying. Impulsive buying tends to increase between the ages 18 to 39 and then it declines thereafter. An inverse relationship was found between age and impulsive buying. Feng
Xuanxiaoqing, Dong-Jenn Yang and Kuang Chuan Huang (2011) in their research paper “A study of the factors that affect the impulsive cosmetics buying of female consumers in Kaohsiung” tried to study the relation between age and female consumers’ impulsive purchases of cosmetics. In the above research, they concluded that Females over 41 years old are more likely to intend to impulse buy, perhaps because they had a permanent salary and would like to spend money on themselves. Results showed that age was significantly related to impulse buying behaviors of Vietnamese consumers.

Income
Kollat and Willet (1967) reported that Incomes do not have any influence on rate of unplanned purchase. Cobb and Hoyer (1986) Shopping lifestyle is defined as the behavior exhibited by purchaser with regard to the series of personal responses and opinions about purchase of the products and They arrived at conclusion that shopping life style and impulse buying behavior are closely related but only in the case of impulse buyers. Sharon Beatty, M. Elizabeth Ferrell (1998) studied the relationship between availability of money and positive and negative affect which leads to making impulse purchase. They reported that having money or financial resources increase chances of impulse purchase and positive feeling. They noted that having money had inverse relationship with negative effect.

Education

Feng Xuanxiaoqing, Dong-Jenn Yang and Kuang Chuan Huang (2011) in their research paper “A study of the factors that affect the impulsive cosmetics buying of female consumers in Kaohsiung” tried to study the relation between education and female consumers’ impulsive purchases of cosmetic noted that Education did not make a difference in impulse buying intention.

Occupation

Feng Xuanxiaoqing, Dong-Jenn Yang and Kuang Chuan Huang (2011) in their research paper “A study of the factors that affect the impulsive cosmetics buying of female consumers in Kaohsiung”
investigated the relation between Occupation and female consumers’ impulsive purchases of cosmetics. They found that Occupation did not make a difference in impulse buying intention.

2.4 **External Factors and Impulsive Buying**

**Hawkins (1962), David T. Kollat and Ronald P. Willett (1969)** had conducted research on impact of in store factors on consumer impulsive buying. They noted that basically exposures to in-store stimuli and customer commitment influence impulsive buying. They focused on store factors like low price, Behavior of Staff, Music, Window Display, Proximity, Background Music, Lighting, Signage, Arrangement of Products and others.

**Background Music**

**Millman (1982 and 86), North and Hargreaves (1998), Mattila A S, Wirtz J (2001)** had investigated effect of background music and impulsive buying and found that Music is capable of evoking complex affective and behavioral responses in consumers. Shoppers in the store spent more time and money in a slow music tempo retail environment. Music may impact on both how long consumers spend in a shop and also on how much they buy. Study suggests that customers in a slow music condition took more time to eat their meals compared to those in the fast-music condition.

**Behavior of Shop staff**

**Jones (1999)** studied importance of staff behavior in impulsive buying. Consumers tend to enjoy a shopping experience with supportive and friendly shop assistants. Salespeople can really make the shopping experience fun and enjoyable by providing extraordinary service. Consumers enjoy shopping more without the presence of an overbearing salesperson although they do, however, appreciate when a salesperson is nearby and helpful.

**Promotional Offer**

**Ronald J. Faber (2000), Nina Koski (2004), Shu-Ling Liao et.al (2009), Sandy Dawson and Minjeong Kim (2009), Rong-Ho Lin et al. (2012)** had studied relationship between Promotional schemes and impulsive buying and found relation between sales promotion and impulsive buying. Further, researcher found that both sales promotion strategy and its interaction effects with product
had significant influences on reminder impulse buying. Specifically, an instant reward promotion promotes stronger reminder impulse buying than a delayed-reward promotion. Furthermore, both a utilitarian product appeal with a price discount promotion and a hedonic product appeal with a premium promotion could encourage greater reminder impulse buying. Promotion offers included here were: items on sale, free samples, free gifts, coupons, and a bargain.

**Proximity**

Researcher found relation between proximity and impulsive buying. Hoch & Lowenstein, (1991) Miskel, & Ayduk, (2004) and Mishcel & Ebbesen (1970), found that Proximity is also a factor that facilitates impulsive actions. **Rook (1987), Rook & Hoch (1985)** studied that Consumers have indicated that by just looking at the items in stores or catalogues can stimulate desires for the purchase of goods. **Voh & Faber (2007)** concluded that physically proximity also stimulate sensory inputs such as (1) touching goods in store (2) tasting free sample of foods, which also affect desire.

**Product Specific Nature**

**Michael A. Jonesa, Kristy E. Reynolds, S. Seunggoog, Weun, Sharon E. Beatty (2003)** have investigated on the product-specific nature of impulse buying tendency and discussed impulse buying tendency as a context or product category specific. Previous studies have treated the impulse buying tendency as a generalized consumer trait consistent across product categories the results indicated that a product-specific conceptualization of the impulse buying behavior was a better predictor of actual impulse purchasing behavior when compared to general impulse buying tendency. The study further concluded that customer prefers to purchase low involvement product more impulsively than high involvement products.

**Window Display**

Window display is a medium which creates first impression in customer’s mind to enter the store. Physical attractiveness of the store impresses customers highly for store selection. **Omar, O. (1999). Bashar and Irshad (2012), Mehta & Chugan, (2012), Sujata Khandai, Bhawna Agrawal(2012)** et.al researched on impact of window display on Impulsive Buying. Researchers found window display was important factor for motivating customer for impulse purchase. Hence, in order to
increase the footfalls of customers in retail stores retailers must focus on attractive window display which will in turn result in increase of sales and revenue.

Price

P. Kannan, A. Vinayagamoorthy (2014), Sonali Baner et.al(2012), Parmar Vishnu et.al(2013), Mariri Tendai, et.al (2009) conducted research on impact of price on Impulsive Buying. Researchers found pricing strategy had influence on impulsive buying. If price of the product is less, people prefer to do more impulsive buying. Hence, In order to increase the sales of organized retail stores retailer should focus on price of the product. If customer perceive price of the product is less compared to other retail outlets than customer shall purchase impulsively.

2.5 Situational Factors and Impulsive Buying

Impact of Peers

Xueming Luo(2005) investigated on How Does Shopping with Others Influence Impulsive Purchasing and noted that most researches in consumer psychology assumed that impulsive purchasing can be best explained by factors at the individual level. In contrast, this research examined how the presence of others influences this behavior. Results of 2 experiments suggested that the presence of peers increased the urge to purchase and the presence of family members decreased it.

Having Credit Card

Maha Jamal, Samreen Lodhi (2015), Alireza Karbasivar, Hasti Yarahmadi (2010)and many other researcher studied on impact of credit card on impulsive buying. Researchers foundless impact of credit card on impulse buying. J. Vidhya, Dr. K. Tamizhjyothi (2014), conducted research on “Consumer attitude towards Impulsive Buying of cosmetics Products” The Purpose of this research was to identify the most important factors influences the consumer attitude towards impulsive buying of cosmetics products. Response from 120 females from Sirkazhi town had been taken for the study. It is inferred from the research that credit card, financial aspects and rewarding themselves were the key factors for impulsive buying.
2.6 Proposed Model of Impulsive Buying Behavior for present Research Study

- Price
- Promotional Offer
- Staff Behaviour
- Window Display
- Proximity
- Hedonic Feelings
- IBT
- Credit Card
- Peers

Urge for Impulsive Buying
Chapter 3: RESEARCH METHODOLOGY

To achieve the objectives of the study, both primary as well as secondary data have been collected from various sources of the respective organization. The primary data have been collected through self structured questionnaire and pre-tested before conducting the final survey. While preparing the data efforts have been made to justify the objective of the research.

This chapter discusses the methodology adopted for the study. Further chapter discusses about research objectives, Hypothesis for the study, Variables used for the study, Scale and Measures used for the study. Statistical package for social science (SPSS) version 16 has been used for statistical analysis, Smart –Pls version 3.0 has been used for Confirmatory factor analysis and Path Modeling. The following statistical technique has been used for data analysis – Measures of Central Tendency, Mann Whitney U test, Kruskal Wallis Test, Regression Analysis, Multiple Regression Analysis and Structural Equation Modeling was used. The detail description of Research Methodology has been explained below:

**Research Design:**

A research design is framework or blueprint for conducting the research study. **Single Cross Sectional Descriptive Research Design** has been adopted to determine customers ‘Impulsive Buying Behavior.

**Sampling Plan:**

- **Sampling Method:** - Non probability Quota sampling method has been used to elicit information regarding consumer impulse Buying Behavior in organized Retail Stores.

- **Sampling unit/element( Universe of the Study):** - The consumers, who shop in general stores, departmental stores, shopping malls, Hyper markets etc, in the area of Gujarat has been taken as the population for this study.

- **Sample size Determination**
  A survey is being planned to determine customers’ Impulsive Buying Behavior in organized retail stores. It is believed that approximately 70% customers purchased various products from
the organized retail stores impulsively. A 95% confidence interval and 5% Confidence Interval is desired to calculate sample size.

\[ n = \frac{Z^2pq}{d^2} \]

Here \( Z = 1.96 \), \( p = 0.70 \), \( q = 0.30 \), \( d = 0.04 \)

\[ n = 504.21 \approx 505 \]

**Data Analysis**

Statistical package for social science (Version 16) and Smart Pls has been used for statistical analysis of collected and tabulated data and for Developing Model. The following statistical techniques have been used across the research- Measures of Central Tendency, Mann Whitney U test, Kruskal Wallis Test, K-S test, Regression Analysis, Multiple Regression Analysis and Structural Equation Modeling.

**Hypothesis for the Study**

H10: Factors such as window display, Promotional offer, Staff behavior, Price, Proximity of the product, shopping with peers, Having Credit card, Hedonic feelings and Impulsive Buying Tendency have no significant association with impulse buying among consumers.

H11: Factors such as window display, Promotional offer, Staff behavior, Price, Proximity of the product, shopping with peers, Having Credit card, Hedonic feelings and Impulsive Buying Tendency have significant association with impulse buying among consumers.

H1a0: Window display has no significant relation with Urge for impulsive Buying.
H1a1: Window display has significant relation with Urge for Impulsive Buying.

H1b0: Promotional offer has no significant relation with Urge for impulsive Buying.
H1b1: Promotional offer has significant relation with Urge for impulsive Buying.

H1c0: Staff Behavior has no significant relation with Urge for impulsive Buying.
H1c1: Staff Behavior has significant relation with Urge for impulsive Buying.

H1d0: Price has no significant relation with Urge for Impulsive Buying.
H1d1: Price has significant relation with Urge for Impulsive Buying.
H1e0: Proximity of the product has no significant relation with urge for impulsive Buying.
H1e1: Proximity of the product has significant relation with urge for impulsive Buying.

H1f0: Shopping with peers has no significant impact on urge for impulsive Buying.
H1f1: Shopping with peers has significant impact on urge for impulsive Buying.

H1g0: Having Credit card has no significant impact on urge for impulsive Buying.
H1g1: Having Credit card has significant impact on urge for impulsive Buying.

H1h0: Consumer Hedonic Feelings has no significant relation with urge for impulsive Buying.
H1h1: Consumer Hedonic Feelings has significant relation with urge for impulsive Buying.

H1i0: Impulsive Buying Tendency has no significant relation with urge for impulsive Buying.
H1i1: Impulsive Buying Tendency has significant relation with urge for impulsive Buying

**Impulsive Buying Tendency and Demographic**

The second hypothesis deals with the influence of the demographic variables like Age, Gender, Marital Status, income on the impulsive buying Tendency. Through this hypothesis it may be tested whether there is a significant difference in impulsive buying tendency among consumers with regard to various demographic variables.

**H20: There is no significant difference across different demographic segments (Gender, age, income, Marital Status) and the Impulsive Buying Tendency**

H2a0: There is no significant difference in gender and Impulsive Buying Tendency.
H2a1: There is a significant difference in gender and Impulsive Buying Tendency.

H2b0: There is no significant difference in age and Impulsive Buying Tendency
H2b1: There is a significant difference in age and Impulsive Buying Tendency.

H2c0: There is no significant difference in income and Impulsive Buying Tendency
H2c1: There is a significant difference in income and Impulsive Buying Tendency

**Urge for Impulsive Buying and Demographics**

Hypothesis deals with the influence of the demographic variables like Age, Gender, Marital Status, income on the urge for impulsive buying. Through this hypothesis it may be tested whether there is a significant difference in urge for impulsive buying among consumers with regard to various demographic variables.
H30: There is no significant difference across different demographic segments (Gender, age, income, Marital Status) and the Urge for impulsive Buying.

H3a0: There is no significant difference in gender and urge for impulsive buying.
H3a1: There is a significant difference in gender and urge for impulsive buying.

H3b0: There is no significant difference in age and urge for impulsive buying.
H3b1: There is a significant difference in age and urge for impulsive buying.

H3c0: There is no significant difference in income and urge for impulsive buying
H3c1: There is a significant difference in income and urge for impulsive Buying.

Chapter 4: DATA ANALYSIS AND INTERPRETATION OF STUDY

This chapter provides analysis and interpretation of the primary data collected with the help of research questionnaire. It used various relevant statistical techniques and employed appropriate parametric and Non Parametric tests for the purpose of analysis and interpretation.

Chapter 5: FINDINGS CONCLUSION & RECOMMENDATION OF THE RESEARCH

This chapter summarizes the findings of the research based on the analysis carried out using various statistical tools. Further it includes Conclusion, Suggestions and Scope for the further research. The summery of main findings of the study has been explained in the proceeding paragraphs.

Results and Findings of the study

To understand factors influencing on impulsive buying descriptive statistics has been performed. Here, Urge for impulsive buying has been taken as dependent variable and factors like window display, Proximity, Price, Promotional offer, Hedonic feelings, Having Credit card, Impact of peers has been taken as independent variables. To understand relation between urge for impulsive buying and independent variables simple regression has been performed. Further to understand which independent variable has impact on impulsive buying PLS SEM has been performed. The detailed findings of analysis are mentioned below. To understand impact of demographic variables on urge for impulsive buying, statistical tests like Mann Whitney U test, Kruskal Wallis and K-S test has been performed.
Overview of the sample Profile

The sample has been collected from major cities of Gujarat like Ahmadabad, Surat, Baroda and Rajkot. Quota sampling has been used as sampling method. Population of cities has been studied and accordingly sample size has been drawn from population size with the help of appropriate statistical method. Relative frequency has been calculated and based on that, samples from each city is determined. The sample consisted of 475 individuals who visited shopping mall in Gujarat. The respondents surveyed consisted of almost 52% Male and 48% Female. Married (65.5%) and Unmarried (34.5%), 20 to 30 years (46.5%), 31 to 40 Years (31.2%), 40 - 50 Years (13.3%) and Age > 50 (9.1%). Various key variables like difference according to demographics in Impulsive Buying tendency and Urge for Impulsive Buying have been tested.

Products Purchased Impulsively

To understand product which is purchased impulsively by customer multiple choice questions were asked to the customer. Results of the study revealed that chocolates (77%), Apparels (65%) and food (52%) are mostly purchased impulsively from organized retail stores in Gujarat. Result of this study is inline with the previous research that FMCG, Chocolates, Biscuits, cookies and Apparels are purchased more impulsively. Impulsive buying behavior is a widely recognized phenomenon. It accounts for up to 80% of all purchases in certain product categories (Abrahams, 1997; Smith, 1996). It has been suggested that more purchases result from impulse than from planning (Sfiligoj, 1996). Product like Accessories (22%), Jewellery (15%), electronic items (8%) are purchased less impulsively.

External Factors (Store Related Factors) and Impulsive Buying

Many researchers have studied effect of external factors or in store factors on impulsive buying. Haqkins(1962) David T. Kollat and Ronald P. Willett(1969) and others had studied impact of in store factors like window display, promotional offer, In store advertisement, low price, Self service, staff Behavior on impulsive Buying. Research suggested that in store factors had impact on impulsive buying.

Researchers classified the in-store shopping environment into two distant effects i.e. the promotional, informative and economic effect, and the atmospheric engagement effect. The promotional effect
consists of stimuli like promotional discounts (coupons, multiple-item discounts and gifts) and cheaper prices, while atmospheric engagement effect include stimuli of enjoyment and attractiveness like in-store advertisements, store displays, salesperson, shop crowding etc. Results indicated that presence of an enjoyable, pleasant and attractive in-store shopping environment increased the chances of impulsive buying among consumers

In this research various in store factors like promotional offer, Window Display, Proximity of the product, Price of the product and Staff Behavior is taken in to consideration and effect of all mentioned factors on urge for impulsive buying is tested using Structure equation modeling.

**Window Display**

Window Display means Decorative Display of the product within the store to attract customer. Majority of the people prefer to purchase looking at the window display. Sometimes because of the attractive window display people purchase product which they did not plan. Kollat(1969), Hawkins(1962) had studied impact of window display on impulsive Buying and they found positive relationship with window display and Impulsive Buying. Research result is in line with the previous research that window display has impact on urge for impulsive Buying. To study the impact, structure equation modeling is used. Structural relationship between window display and urge for impulsive buying is 3.279 which is greater than 1.96 Hence; Window display has influence on impulsive purchase. To increase sale of retail store retailer has to focus on attractive and prominent window display.

**Promotional Offer**

Promotional offer means set of activities done by retailers to increase sale. Retailers offer Promotional offers like discounts, Free Gifts, % off, Buy 1 get 1 free and coupons. Faber (2000), Nina koski (2004), Sandy Dawson and Minjeong Kim(2009) had found positive relationship with the promotional offer and impulsive Buying. Result of the study is inline with the previous research. Positive relationship had been found between promotional offer and urge for impulsive Buying. Positive relationship exists between urge to purchase impulsively and promotional offer.
**Staff Behavior.**

Jones (1999) found importance of staff behavior in impulsive buying. Consumers tend to enjoy a shopping experience with supportive and friendly shop assistants. Salespeople can really make the shopping experience fun and enjoyable by providing extraordinary service. Consumers enjoy shopping more without the presence of an overbearing salesperson although they do, however, appreciate when a salesperson is nearby and helpful. Present research study is not inline with the previous study.

Present Research study has not found any significant relationship with the staff behavior and urge for impulsive Buying. Structural relationship between staff behavior and urge for impulsive buying is 0.423 which is less than 1.96 as a result behavior of staff has no influence on impulsive purchase.

**Price**

Ronald J. Faber (2000) and Nina Koski (2004) found Price of the product influence people to purchase impulsively. Present Research is in line with the result of the past researcher and found relationship with the price and urge for impulsive buying. If price of the product in retail store is less as compare to other retail stores than people are having more desire to purchase impulsively. Structural relationship between price and urge for impulsive buying is 0.423 which is less than 1.96. So, it can be concluded that behavior of staff has no influence on impulsive purchase.

**Proximity**

Proximity means product is eye catching to customer it is near to customer so than can touch, feel, smell or taste. Researchers found relation with proximity and impulsive buying. Hoch &Lowenstein, (1991) Miskel, & Ayduk, (2004) and Mishcel & Ebbesen (1970) found that Proximity is a factor that facilitates impulsive actions. Rook (1987) , Rook & Hoch (1985) reported that Consumers have indicated that by just looking at the items in stores or catalogues can stimulate desires for the purchase of good, Voh & Faber (2007) Physical proximity also stimulates sensory inputs such as (1) touching goods in store (2) tasting free sample of foods, which also affect desire.

Present study is the inline with the previous study found positive relationship between proximity and urge for impulsive buying. To study the relationship between proximity and urge for impulsive
buying structural equation Modeling has performed. Structural relationship between proximity and urge for impulsive buying is 2.291 which is greater than 1.96 and it can be said that proximity has influence.

**Situational Factors**

Many researchers have studied impact of some situational factors like having credit card, shopping with peers, Type of Trip, availability of Money and others. In the present study, having credit card and Shopping with peers is taken into consideration.

**Shopping with peers**

*Xueming Luo (2005)* suggested that the presence of peers increased the urge to purchase, and the presence of family members decreased it. Present study is not inline with the previous study. Present research did not find any significant relationship with the presence of peers and urge for impulsive Buying.

To examine the relationship between shopping with peers and urge for impulsive purchase SEM has been used. Structural relationship between proximity and urge for impulsive buying is 0.635 which is less than 1.96 and as a result it can be concluded that shopping with peers has no significant influence on impulsive purchase.

**Having Credit Card**

Researcher found positive relationship between having credit card and Urge for impulsive Purchase. Present study is inline with the past study and found relationship between having credit card and urge for purchase impulsively. To understand the relationship between having credit card and urge for impulsive purchase SEM has been used. Structural relationship between credit card and urge for impulsive buying is 2.463 which is greater than 1.96 and hence, having credit card has influence on impulse purchase.
Internal Factors and Impulse Buying

Many researchers have studied the impact of some consumer-related factors like mood, Hedonic feelings, Impulsive Buying Tendency, Culture, Self Control Failure and others. Present study has taken Impulsive Buying Tendency and Hedonic feelings into consideration.

Hedonic Feelings

Angela Hausman (2000) found that individual consumers' impulse buying is correlated with their desires to fulfill hedonic needs, such as for fun, novelty, and surprise. The result also demonstrates that consumers who were more impulsive are more likely to shop for hedonic reasons than those who possess a small or moderate score on impulsiveness. Present study found no relationship between hedonic feelings and the urge for purchase impulsively. To study its impact, SEM was used. Structural relationship between Hedonic feelings and the urge for impulse buying is 1.433 which is less than 1.96. So, Hedonic feelings have no influence on impulse purchase.

Impulsive Buying Tendency

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. Impulsive Buying Tendency is a consumer individual trait; people who have more tendencies have more desire to purchase impulsively.

Present study is inline with the previous study that impulsive buying tendency is having a positive relationship with the urge for purchase impulsively. To study the impact, SEM was used. Structural relationship between Hedonic feelings and the urge for impulse buying is 2.036 which is greater than 1.96. As a result, IBT has influence on impulse purchase.

Demographics and Impulsive Buying Tendency

- Gender

Research results in terms of gender generally differ (Rook & Hoch, 1985; Dittmar et al., 1995, 1996; Coley & Burgess, 2003; Gilboa, 2009; Buendicho, 2003; Verplanken & Herabadi, 2001; Gutierrez, 2004; Wood, 1998). Based on previous research demonstrating stronger impulse buying tendencies in

**Age**
The research results mainly show that impulsive buying is associated with age (Bellenger et al., 1978; Wood, 1998; Gutierrez, 2004). It has been argued that shoppers under 35 years of age were more prone to impulse buying compared to those over 35 years old. (Bellenger et.al. (1978) Wood, (1998) Lin and Chuang (2005)). Researchers have found a relationship between age and impulsive buying. Impulsive buying tendency tends to increase between the ages 18 to 39, and then it declines thereafter (Bellenger & Robertson & Hirshman, 1978; Kacen and Lee, 2002). A relationship was found between age and impulsive buying. It is at a higher level between age 18 to 39 and at a lower level thereafter (Wood, 1998).

**Income**
Research results mainly show that impulsive buying is not associated with income (Bratko et al., 2007; Buendicho, 2003; Tirmizi et al., 2009; Gutierrez, 2004). However, Peter & Olson (1999) predict that a very strong relationship exists between income and impulse buying.

**Demographic and Urge for Impulsive Buying**
- **Gender**
Many researchers had conducted research on demographics and Impulsive Buying. Researcher found positive relationship between gender and urge for impulsive buying. To understand the difference in urge for impulsive buying according to gender Mann Whitney U test has been performed and the value is 0.008 Hence, Null Hypothesis is rejected. Hence, there exists difference in urge for impulsive buying according to Gender.

- **Age**
Bellenger, Wood and et.al had studied on Age and Impulsive Buying. To understand the difference in Age and urge for impulsive buying Kruskal Wallis Test has been performed. P-value of test is 0.03 which is less than 0.05 Hence, There is difference in urge for impulsive buying according to Age. Relationship was found between age and urge for impulsive buying. It is at a higher level between age 18 to 39 and at a lower level thereafter (Wood, 1998).
Income

Kollat and Willet (1967) reported that Incomes do not have any influence on rate of unplanned purchase. To Study the difference in urge for impulsive buying as per Income Kruskal Wallis test has been performed. Result of Kruskal Wallis test inferred no difference in urge for impulsive buying according to Income.

Summary of the Findings

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Statistical Test Applied</th>
<th>T-value</th>
<th>Decision</th>
<th>Findings</th>
</tr>
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<tbody>
<tr>
<td>H1a0</td>
<td>SEM</td>
<td>3.27</td>
<td>Rejected</td>
<td>Window display has significant relation with Urge for Impulsive Buying</td>
</tr>
<tr>
<td>H1b0</td>
<td></td>
<td>4.33</td>
<td>Rejected</td>
<td>Promotional offer has significant relation with Urge for impulsive Buying.</td>
</tr>
<tr>
<td>H1c0</td>
<td></td>
<td>0.444</td>
<td>Accepted</td>
<td>Staff Behavior has no significant relation with Urge for impulsive Buying</td>
</tr>
<tr>
<td>H1d0</td>
<td></td>
<td>3.30</td>
<td>Rejected</td>
<td>Price has significant relation with Urge for Impulsive Buying.</td>
</tr>
<tr>
<td>H1e0</td>
<td></td>
<td>2.291</td>
<td>Rejected</td>
<td>Proximity of the product has significant relation with urge for impulsive Buying.</td>
</tr>
<tr>
<td>H1f0</td>
<td></td>
<td>0.53</td>
<td>Accepted</td>
<td>Shopping with peers has no significant impact on urge for impulsive Buying</td>
</tr>
<tr>
<td>H1g0</td>
<td></td>
<td>2.46</td>
<td>Rejected</td>
<td>Having Credit card has significant impact on urge for impulsive Buying</td>
</tr>
<tr>
<td>H1h0</td>
<td></td>
<td>1.43</td>
<td>Accepted</td>
<td>Consumer Hedonic Feelings has no significant relation with urge for impulsive Buying</td>
</tr>
<tr>
<td>H1i0</td>
<td></td>
<td>2.03</td>
<td>Rejected</td>
<td>Impulsive Buying Tendency has significant relation with urge for impulsive Buying.</td>
</tr>
<tr>
<td>H2a0</td>
<td>Mann Whitney test</td>
<td>0.012</td>
<td>Rejected</td>
<td>There is significant difference in gender and Impulsive Buying Tendency.</td>
</tr>
<tr>
<td>H2b0</td>
<td>Kruskal Wallis Test</td>
<td>0.014</td>
<td>Rejected</td>
<td>There is significant difference in age and Impulsive Buying Tendency</td>
</tr>
<tr>
<td>H2c0</td>
<td>Kruskal Wallis Test</td>
<td>0.057</td>
<td>Accepted</td>
<td>There is no significant difference in income and Impulsive Buying Tendency</td>
</tr>
<tr>
<td>H3a0</td>
<td>Mann Whitney test</td>
<td>0.008</td>
<td>Rejected</td>
<td>There is significant difference in gender and urge for impulsive buying.</td>
</tr>
<tr>
<td>H3b0</td>
<td>Kruskal Wallis Test</td>
<td>0.03</td>
<td>Rejected</td>
<td>There is significant difference in age and urge for impulsive buying.</td>
</tr>
<tr>
<td>H3c0</td>
<td>Kruskal Wallis Test</td>
<td>0.15</td>
<td>Accepted</td>
<td>There is no significant difference in income and urge for impulsive buying</td>
</tr>
</tbody>
</table>
Limitations of the study

- The method of data collection was survey done using a questionnaire. Researchers have limitations with this type of data collection because of the low rate responses, complex and confusing questions and surveys that might be too long (Cooper and Schindler, 2003).

- The questionnaires used for the survey was prepared in English. The Language did pose a problem towards the consumer survey as some of them were not so fluent in the language.

- The study is limited only to the geographical location of Gujarat, India and the results may or may not be applicable elsewhere in the world. Hence, the generalization must be made with caution.

- Hence, this may have led to some biases in the study. The number of respondents varied in terms of the age groups, gender and income level. This may have influenced the results of the differences between two groups.
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