

“Study on Impulsive Buying Behaviour Among Consumers in Supermarket in Pune City”

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ABSTRACT

Impulse buying is an unplanned or no pre-shopping intentions of the buyer to purchase. The goal of the study is to analyse some of the factors driving consumers' impulsive purchase behaviour in supermarkets and to check the relationship between these variables and the behaviour of impulsive purchasing. Variables derived from internal, external, demographic, and social viewpoints on the purchasing actions of customer impulses. primary research is conducted by using structured questionnaire to collect data from respondents. There are many reasons where consumers end up buying impulsively. The findings of the study were indicate that dependent and independent factors have effect of impulse buying in the supermarket. The study is to get a whole idea about the consumer psychology and how external factors influence the purchase decision of consumers.

Keywords: Factors, Analysis, Retailer, Supermarket, Impulse buying, Consumer Behaviour, Low Cost, Promotional schemes, Age, Gender, Income, Occupation, Impulsive.

1. INTRODUCTION

An impulse buying is unplanned process or spontaneous process which happened at the moment. One who tends to make such purchases is referred to as an impulse purchaser or impulse buyer. Impulse buying disrupts the normal decision making models in consumers' brains. Research findings suggest that emotions and feelings; both positive and negative, play a decisive role in purchasing, triggered by seeing the product or upon exposure to a well-

crafted promotional message. Indian retail scenario is changing very fast organized sector will is growing at faster pace due to enough space and self service. Indian consumers have dynamically changed on their shopping behaviour and Impulse buying is emerging trend in Indian market due to high quality products, foreign brands, originality of products, Buyer exposure to variety, options and choices of products and services. Buyer has strong desire to purchase a product that is supported by purchasing power. While impulse purchasing happens at almost every retail chain, Supermarkets and hypermarkets are specifically strategising the display of products in such a manner that they get attracted towards them.

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, jewellery etc. Impulsive buying means making an unplanned purchase. It is based on an 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

1.1 Research Problem:

This research is trying to analyse the buying behaviour of the consumers based on age, gender, occupation, income We will conduct primary research among individuals who shop in supermarkets in Pune and attempt to verify interrelationships between these variables and impulsive buying actions. A standardised questionnaire will be used to obtain sample size data from respondents. By ease and quota sampling, the sample size is taken as per their age group. We will also use hypothesis on dependent and independent factors such as age, gender, occupation, income and product category, price, money availability etc

1.2 Research Objective:

- 1) To analyse some of the factors driving consumers' impulsive purchase behaviour in supermarkets
- 2) To check the relationship between these variables and the behaviour of impulsive purchasing.

1.3 Hypotheses Formulation:

Hypothesis (I)

H0:-

Age of the Consumer doesn't have strong association with impulse buying behaviour of the shopper in organized retail stores.

H1:-

Age of the Consumer has a strong association with impulse buying behaviour of the shopper in organized retail stores.

Hypothesis (II)

H0:-

Gender of the Consumer doesn't have strong association with impulse buying behaviour of the shopper in organized retail stores.

H1:-

Gender of the Consumer has a strong association with impulse buying behaviour of the shopper in organized retail stores.

Hypothesis (III)

H0:-

Occupation of the Consumer doesn't have a strong association with impulse buying behaviour of the shopper in organized retail stores.

H1:-

Occupation of the Consumer have a strong association with impulse buying behaviour of the shopper in organized retail stores.

Hypothesis (IV)

H0:-

Income of the Consumer doesn't have a strong association with impulse buying behaviour of the shopper in organized retail stores.

H1:-

Income of the Consumer have a strong association with impulse buying behaviour of the shopper in organized retail stores

2. REVIEW OF LITERATURE

2.1 Literature Review:

Aradhana Gandhi , Apoorva Vajpayee , Dewanshi Gautam (2012) - In this paper author concluded that Impulse buying can be favourably influenced through distribution, advertising and store promotion.

P.Kannan , A.Vinayagamoorthy (2014) - It was found from the analysis that maximum 17% of the respondents' was influencing by low price, and the minimum 3% of the respondents' were influencing by quantity

G. Muruganantham1 & Ravi Shankar Bhakat (2013)- Creating an attractive physical shopping environment and in-store stimuli is important to enhance the sales through the unplanned buying.

Dr D.U. Bhojanna, Mrs geeta raturi (2003) - The main reason impulse buying could be because of the well attractive packing and the reasonable price of the product

Prof. Dr. Rizwan Raheem Ahmed Hassan Abbas Soomro, Kashif Ali, Wajid Ali (2015) - Researchers conclude that culturally gender has the significant difference where as the other variables were not significantly different.

Cho, J., Ching, G. S., & Luong, T.H. (2014) - Consumers share corresponding disposition to indulge in impulsive buying behaviour since surroundings like atmosphere, layouts, and promotions, friendly and persuasive salespersons can positively affect consumers' emotion and induce them to visit more aisles and areas in supermarkets, thus triggering consumers' impulse to buy.

3. RESEARCH METHODOLOGY

3.1 Research Approach:

Quantitative technique has been used for this research. Quantitative research is the process of collecting and analyzing numerical data. Once data collection is completed, you may need to process the data before it can be analyzed. For example, survey and test data may need to be transformed from words to numbers and then analyze using tools such as SPSS.

3.2 Research Design:

Descriptive research technique has been used in the study. Descriptive research tries to accurately and systematically describe and analyze a population, situation or phenomenon. A descriptive research design can use a wide variety of research methods to analyze one or more variables. Descriptive research is appropriate when the research aim is to identify characteristics, frequencies, trends, and categories.

3.3 Research Instrument:

The instrument used for the survey was a structured questionnaire. Multi-item five point scales suggested by Rensis Likert_is used. The indicators of the scale ranging from Very

Strongly Agree to Least Agree. i.e., Very Strongly = 1, Strongly = 2, Moderately = 3, Little = 4, and Least = 5 for all the factors.

3.4 Sample Size and Sampling Technique:-

The total number of respondents for the survey was 151 and the technique used for selection of respondents was convenience sampling; A convenience sample simply includes the individuals who are most accessible to the researcher.

3.5 Tools for Analysis:-

Excel and Statistical Package for Social Sciences (SPSS) was used for data analysis and the techniques applied were Principal Component Analysis (PCA) and One way ANNOVA and Independent one sample t-test.

4.DATA ANALYSIS, INTERPRETATION AND HYPOTHESES TESTING

4.1 Reliability Test:

Case Processing Summary

		N	%
Cases	Valid	151	100.0
	Excluded ^a	0	.0
	Total	151	100.0

a. Listwise deletion based on all variables in the procedure.

Table 4.1.1 Case Processing Summary

Reliability Statistics

Cronbach's Alpha	N of Items
.857	18

Table 4.1.2 Reliability Statistics

- The Cronbach's Alpha values for all the construct is more than 0.5 hence we can conclude that there is sufficient reliability among the items of the constructs

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
43.63	104.182	10.207	18

*Table 4.1.3 Scale Statistics***Item Statistics**

	Mean	Std. Deviation	N
Promotional Schemes(Discount/Offeres)	1.87	.926	151
Low cost	1.83	.885	151
Availability of money	2.18	.987	151
Gender	1.74	.443	151
Age	2.40	.664	151
Occupation	2.66	.693	151
Monthly Income	1.50	.871	151
Time	2.96	1.131	151
By seeing others	3.19	1.370	151
Window display	2.58	1.080	151
Reference group influence	2.68	1.134	151
Salesmans explaination	2.87	1.218	151
Attractive packaging	2.48	1.148	151
By watching recent advt (Trend)	2.75	1.184	151
Seen first time and picked up	2.82	1.178	151
If cash not in hand but debit card/ATM Nearby	2.65	1.276	151
Availability of time	2.34	1.172	151
Store Environment	2.14	1.102	151

Table 4.1.3 Item Statistics

4.2 Principal Component Analysis :

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.880
Bartlett's Test of Sphericity	Approx. Chi-Square	865.267
	Df	78
	Sig.	.000

Table 4.2.1 KMO and Bartlett's Test

- The KMO and Bartlett's coefficients are more than or equal to 0.5 in the above table which clearly show that the sample size is adequate to conduct Factor Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.772	44.400	44.400	5.772	44.400	44.400	3.813	29.330	29.330
2	1.393	10.716	55.116	1.393	10.716	55.116	2.452	18.865	48.195
3	1.097	8.439	63.555	1.097	8.439	63.555	1.997	15.360	63.555
4	.778	5.984	69.538						
5	.688	5.289	74.827						
6	.637	4.900	79.727						
7	.528	4.063	83.790						
8	.481	3.701	87.491						
9	.403	3.099	90.590						
10	.375	2.884	93.474						
11	.334	2.569	96.043						
12	.269	2.069	98.111						
13	.246	1.889	100.000						

Extraction Method: Principal Component Analysis.

Table 4.2.2 Total Variance Explained

4.3 Factor Analysis:**Rotated Component Matrix^a**

	Component		
	1	2	3
Seen first time and picked up	.751		
Attractive packaging	.750		
Store Environment	.720		
If cash not in hand but debit card/ATM Nearby	.714		
Salesmans explanation	.668		
By watching recent advt (Trend)	.638		
Availability of time	.615		
By seeing others		.826	
Reference group influence		.774	
Window display		.579	
Promotional Schemes(Discount/Offers)			.758
Low cost			.730
Availability of money			.672

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 8 iterations.

Table 4.3.1 Rotated component matrix

1) Age and Impulse factors**ANOVA**

	Sum of Squares	Df	Mean Square	F	Sig.
A-R factor score for analysis	4.177	4	1.044	1.046	.039
Between Groups					
Within Groups	145.823	146	.999		
Total	150.000	150			

A-R factor score for analysis

Age		N	Subset for alpha = 0.05
			1
Tukey HSD ^{a,b}	Under18	3	-.9384373
	35-44	3	-.2405501
	18-24	94	.0082824
	25-34	48	.0156388
	Above45	3	.6692530
	Sig.		.095

Table 4.3.2 Age and Impulse factors analysis

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 4.847.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

P value = 0.039. Since P value is less than 0.05

Therefore we will reject Null hypothesis and Accept , Alternate hypothesis

2) Gender and influencing factors

Group Statistics

Gender	N	Mean	Std. Deviation	Std. Error Mean
A-R factor score for Female analysis	40	-.0168877	.75241758	.11896766
Male	111	.0060857	1.07832077	.10234968

Independent Samples Test

Dependent variables=A-R factor score for analysis

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	7.990	.005	-.124	149	.901	-.02297336	.18502355	-.38858234	.34263562
Equal variances not assumed			-.146	98.889	.884	-.02297336	.15693553	-.33437183	.28842511

Table 4.3.3 Gender and Impulse factors analysis

P value = 0.005. Since P value is less than 0.05

Therefore we will reject Null hypothesis and we accept, Alternate hypothesis

3) Occupation and Impulse factors

ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
A-R factor score for Between analysis Groups	7.918	4	1.980	2.034	.093
Within Groups	142.082	146	.973		
Total	150.000	150			

Table 4.3.4 Occupation and Impulse factors analysis

P value = 0.093. since P value is less than 0.05

Therefore we will reject Null hypothesis

And accept, Alternate hypothesis

4) Monthly Income and Impulse factors

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
A-R factor score for Between analysis Groups	1.856	3	.619	.614	.607
Within Groups	148.144	147	1.008		
Total	150.000	150			

Homogeneous Subset

A-R factor score for analysis

Tukey HSD^{a,b}

Monthly Income	N	Subset for alpha = 0.05
		1
50000-100000	8	-.2415661
More than 100000	10	-.1671192
30000-50000	29	-.1381187
Less than 30000	104	.0731650
Sig.		.828

Table 4.3.4 Income and Impulse factors analysis

Means for groups in homogeneous subsets are displayed.

- a. Uses Harmonic Mean Sample Size = 14.864.
- b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

P value = 0.607. Since P value is greater than 0.05

Thus, accept, Null hypothesis

reject, Alternate hypothesis

5. RESULTS AND DISCUSSIONS – FINDINGS, SUGGESTIONS AND CONCLUSION

5.1 Findings:

Promotional schemes, attractive packaging, low cost and seen first time and pick are most influencing factors for impulse buying in supermarkets.

It was found from the analysis that out of 151 respondents maximum 40.4% of the respondents very strongly and 39.7% strongly Influence by the promotional schemes.

It was found from the analysis that out of 151 respondents maximum 22.5% of the respondents very strongly and 33.1% strongly Influence by the Attractive Packaging.

It was found from the analysis that out of 151 respondents maximum 45% of the respondents very strongly and 31.1% strongly Influence by the Low Cost.

5.2 Suggestions:

From the analysis we can give suggestions to retailers that low cost, attractive packaging, promotional schemes are main factors for impulse buying so according to this they can make further strategies to attract more customers and more Impulse purchase. These suggestions are only limited to only pune city and there are many different factors for different locations.

Also from the analysis we observe that women's are more in numbers in terms of impulse buying so for making strategies for impulse buying make sure that the product and offer should correlate with the women's shopping behavior in the supermarkets i.e which product women's buy frequently so that low cost, attractive packaging and promotional schemes applied for more impulse.

5.3 Conclusion:

Age, Gender and Occupation were found to have significant impact on impulse purchase of customers whereas Monthly Income showed no significant impact on impulse purchases with reference to Supermarket in Pune city.

From the analysis we have done we reject Null hypothesis of Age, Gender and Occupation and accept alternate hypothesis whereas we accept null hypothesis in Monthly Income and reject alternate hypothesis as significance value is above 0.05.

5.4 Limitations and Future Scope:

The sample chosen for this research was by generated through Non probability sampling methods and hence the results may not be generalized beyond the sample frame of respondents. The research essentially supports an established notion that shoppers across the pune city shops in supermarkets on regular basis. A similar study can be conducted on a larger sample size. A study especially focusing on a particular product can also be considered along with focus on some particular supermarkets. The study is only done with limited number of peoples in Pune city only with respect to demographic variables This research can also be further exceeded towards other cities and Product and Time specific also. Researcher was focused on factors that affect impulse buying but In-store physical interaction with shopper was not done.

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