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Research Paper

AN EMPIRICAL STUDY OF CONSUMER IMPULSE BUYING BEHAVIOR IN DOMESTIC MARKETS (SPECIAL REFERENCE TO AHMEDNAGAR, (M.S) INDIA.)

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ABSTRACT **This paper investigates the relationship between independent variables which are shopping lifestyle of consumers, fashion involvement of consumers, predecision stage and**
and Post-decision stage of consumer purchase ***behavior with the attitudinal and behavioral aspects of impulse buying behavior. This study attempts to explore the association exists between the variables involved, by tapping the responses of 165 respondents from higher income group in the area of ahmednagar. The major findings of the study demonstrated an overall weak association of the set of independent variables with the dependent variable but, the indepth analysis found that predecision stage of consumer purchase behavior is the only variable that resulted into strong association with the impulse buying behavior. It's true that young people more often get attracted to products displayed on store shelves and has greater tendency of impulse buying behavior but results of this paper showed no association of impulse buying in higher income group of young people having prevalent impulse buying tendencies. This study reported new evidences in the field of impulse buying behavior of consumers pertaining to the domestic markets of the ahmednagar (India).***

KEYWORDS :Shopping lifestyle, fashion involvement, predecision stage, post-buying behavior.

INTRODUCTION

Stores are the place where buyers buy products whether it's planned or unplanned purchase. These stores sell hundreds and thousands of products daily and consumers are consuming these products at the cost of their income. It only dependents on the income of the person, that how much and how many times he or she visits shopping stores to buy products. It is usually seen that buyers purchase products which they have not planned and this phenomenon of unplanned purchasing is termed as impulse An Empirical Study of Consumer Impulse Buying Behavior in domestic Markets buying. In previous researches, researchers and scholars have tried to measure impulse purchasing of different types of products in multiple shopping stores as it is reported by Bellenger et al. (1978); Du Pont (1965); Kollat and Willett (1967), Prasad (1975); Williams and Dardis (1972).In india there are four types of price indices; Consumer Price Index (CPI), Wholesales Price Index (WPI), Sensitive Price Index (SPI) and GDP Deflator, which are used to calculate inflation. Among these indicators, the major emphasis is on CPI as a measure of inflation, which covers 375 items in 71 markets of 35 cities of the country (Economic Survey, 2006-07). The average CPI value in the period (1990-00) was 9.71 and it was 5.8 in (2000-07). It is also seen that the inflation rate in lowest income group was 8.3 with the income ranging from below 3,000 up to 5,000 Rupees as compared to the inflation rate of 7.3 in the upper income brackets having income of more than 12,000 Rupees. Hence, we can say with confidence that the purchasing capacities of house- holds lying in upper income bracket in India have increased as compared to lower income groups.

Here it is essential to quote the percentage shares of the income groups mentioned above. The 20% lower income group in India holds 9.65 percent of the total income share and the 20% of the highest income group in India holds 41.72% of the total income share where as rest goes to middle income group which is 48.63% comprising 60% of the total income group (Federal Bureau of Statistics, 2004-05).These figures are quoted here to build a framework in which we further extend this study. Now, the figures presented earlier demonstrated that there is a tendency of impulse buying in higher income group in India as their income level clearly indicates this trend. In this study more than 80 percent of the respondents were related to the higher income bracket having income greater than 12,000 Rupees per month. Increased disposable income as well as credit availability has resulted in increased impulse buying habit among consumers in the retail environment as reported by Dittmar and Drury (2000). In order to tap this behavior of impulse buying in the consumer, we have selected areas of Ahmednagar. We are intending to investigate that whether higher income group having income greater than 12,000 Rupees have planned or unplanned

The basic questions we want to investigate in this research study are as follows:

Q1: What is the level of association between shopping life style and impulse buying behavior of consumers of higher income group having disposable income, shopping in the area of Ahmednagar?

Q2: What is the level of association between fashion involvement and impulse buying behavior of consumers of higher income group having disposable income, shopping in the area of Ahmednagar?

Q3: What is the level of association between predecision stage regarding purchasing and impulse buying behavior of consumers of higher income group having disposable income, shopping in the area of Ahmednagar?

Q4: What is the level of association between post-decision stage regarding purchasing and impulse buying behavior of consumers of higher income group having disposable income, shopping in the area of Ahmednagar?

2. Rationale of the Study

It is seen that shopping mall owners tried to exploit impulses, which are associated with the basic need for instant satisfaction. A buyer in the shopping store might not specifically be shopping for the confectionary goods like, sweets, chocolates, bubble gums, mints and biscuits. However, related confectionary items displayed at prominent places will certainly attract buyer's attention and trigger impulse buying behavior in them. This phenomenon can easily be understood with the help of two principles/forces as a part of psychological review of literature, which interprets impulses as the consequences of these competing principles/forces. These principles are well presented in the papers of Freud (1956) and Mai, et al. (2002).

a. First, the pleasure principle

b. Second, the reality principle

The pleasure principle is related to immediate satisfaction felt by consumer whereas the reality

Principle is related to delayed gratification. There is always an on-going competition between these two forces represented as principles

within the buyer when they enter a shopping store with the intention to buy. As a consequence impulse related behavior overcomes them because impulses are usually difficult to resist and involve premeditated pleasurable experiences, as of study of Rook (1987). In this paper we are interested in finding associations among variables (see Research model and sub models) regarding spending of upper income group people regardless of linkages of these variables to different impulse buying patterns related to diversified groups of buyers. This paper will certainly add value to the existing knowledge base and simultaneously give us courage to indulge in further advance researches in the field of management sciences. This study is also useful for retailers and manufacturers who want to improve their understanding regarding consumer impulse buying behavior.

3. Purpose of the Study

The purpose of the research study is to test the association of the independent variables that are; shopping life style, fashion involvement, predecision stage, post-decision stage regarding consumer purchasing with the dependent variable that is; impulse buying behavior of consumers who shop in the area of ahmednagar.

4. Literature Review

Marketing and consumer researchers over the period of forty years have tried to grasp the concept of impulse buying and defined this terminology in their own perspectives, for which some research findings are discussed here. In a research conducted by Cobb and Hoyer (1986), impulse buying was defined as an unplanned purchase and this definition can also be found in the research of Kollat and Willett (1967). In another research by Rook (1987) reported that impulse buying usually takes place, when a consumer feels a forceful motivation that turns into a desire to purchase a commodity instantly. Beatty and Ferrell (1998) defined impulse buying as instantaneous purchase having no previous aim or objective to purchase the commodity. Stern (1962) found that products bought on impulse are usually cheap. 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 as reported by Cobb and Hoyer (1986). They find that shopping life style and impulse buying behavior are closely related but only in the case of impulse buyers. The study also states that impulse purchasers fell in the middle as of the measurement tools used by the researchers, indicated that purchasers will not pick the first brand they spotted in the shopping mall. In researches conducted by Cha (2001); Han et al., (1991); Ko (1993) it is reported that impulse buying behavior regarding fashion products are associated with patterns like chaste, repeated emotions as well as fashion-oriented impulse buying behaviors. These facts were also quoted by Park et al. (2006). The definition of fashion involvement basically relates to apparel associated with fashionable outfits. The findings of Han et al. (1991) quoted in response to fashion involvement of consumers, that it might enhance fashionoriented impulse buying behaviors among those who habitually wear fashion outfits. Fairhurst et al. (1989) and Seo et al. (2001) found a direct association among fashion involvement and apparels purchase. Positive emotions are defined as affects and moods, which determine intensity of consumer decision-making reported by Watson and Tellegen (1985). Park (2006) found a positive relationship of positive emotions, fash- ion involvement and fashion-oriented impulse buying with the overall impulse buying behavior of the consumers. Ko (1993) reported that An Empirical Study of Consumer Impulse Buying Behavior in Local Markets 525 positive emotions may result into fashion related impulse purchase. The researches of Beatty and Ferrell (1998); Husman (2000); Rook and Gardner (1993); Youn and Faber, (2000) found that emotions strongly influence buying behaviors, which result into consumer impulse buying. Babin and Babin (2001) found that in stores consumer's purchasing intentions and spending can largely be influenced by emotions. These emotions may be specific to certain things for example, the features of the items, customer self interest, consumer's gauge of evaluating items and the importance they give to their purchasing at a store. Piron (1993) found that the total of nine items, a combination of predecision and post-decision stages indicators, resulted into high significant differences and the values of correlations for unplanned purchases done by consumers resulted into higher value as compared to purchases done by consumers on impulse. Their study indicated that out of total questionnaires distributed which were 361, 53 were unplanned purchasers and 145 were impulse buyers (total= 198).

4.1. Research Model

Shopping lifestyle of consumer

α=0.42 α = 0.451 α = 0.710

Fashion involvement of the consumer

α = 0.653

Attitudinal and Behavioral aspect of Impulse Buying Tendency and Frequency of consumers

Predecision stage of the consumer regarding buying products.

α = 0.552

Post-decision stage of the consumer regarding buying products

The above diagrammatical research model can be written in a mathematical form and the mathematical model of this research is stated below:

ImpBB c, t = αo + β1 Shoplifc, t + β2 Fashinvc, t + β3 Predec c, t +β 4 Posdec c, t + ε c, t

The mathematical equation given above has the following inter-pretations, given in the table 1 below:

Table 1: Symbols and their meanings of the mathematical model

Symbol	Meaning
α ε c t	Constant Model error Consumer Buying at a particular time
Constant	ImpBB
IV-1 IV-2 IV-3 IV-4	Shoplif Fashinv Predec Posdec

4.2. Hypothesis

The hypotheses formulated after review of the literature are given below:

H1: Shopping lifestyle of the consumers has a strong association with the impulse buying behavior of the consumers.

H2: Fashion involvement of consumers has a strong association with the impulse buying behavior of the consumers.

H3: Pre-decision stage of the consumer intending to buy a product has a strong association with the impulse buying behavior of the consumers.

H4: post-decision stage of the consumer who has bought the product has a strong association with the impulse buying be- havior of the consumers.

The testing of the hypotheses is confined to the primary data collected from the area of Ahmednagar.

5. Methodology

5.1. Sample

The consumers, who shop in general stores, departmental stores, boutiques, shopping malls, small retail outlets, etc, in the area of Ahmednagar were taken as the population for this study.

A convenient sample (non-probability sampling method) of 165 consumers was pooled up for the current study in which respondents of this study were requested to complete the questionnaire on voluntary basis and not a single attempt was made to chase non-respondents. Among the respondents, 74% were related to the income group of more than 20,000 Rupees, 26% related to the income group of less than 20,000 Rupees, 47.9% were male and 52.1% were female, 77% were between the age of (20-29), 3% were between the age of (50-59), 80% were unmarried and 18.2% were married, 53.3% were having masters degree and 33.3% were having bachelor's degree .

5.2. Instrumentation

The instrument contained subparts. These subparts of the instrument were retrieved from different previous studies. The behavioral aspect of impulse buying in which items were arranged to measure the impulse buying tendency was adopted from the paper of Rook and Fisher (1995) and then further modified. Whereas, the attitudinal aspect of impulse buying in which items were arranged to measure frequency was adopted from the paper of Kacen and Lee (2002) and then further modified. This scale can also be found in the study of Mai et al. (2002). The subpart of the questionnaire regarding consumer lifestyle was adopted from the paper of Cobb and Hoyer (1986), where items are measured on 5-point likert scale ranging from (1 = definitely disagree, 5 = definitely agree). The subpart of the questionnaire regarding fashion involvement was adopted from the paper of Park et al. (2006), where items are measured on 7-point likert scale ranging from (1 = strongly disagree, 7 = strongly agree). The An Empirical Study of Consumer Impulse Buying Behavior in domestic Markets subpart of the questionnaire regarding pre-decision and post-decision stage of consumer purchasing was adopted from the paper of Piron (1993), where items are measured on 5-point likert scale ranging from (1 = definitely disagree, 5 = definitely agree). After collecting 100 responses the reliability of the instrument was checked by the help of Statistical Package for Social Sciences. The value of Cronbach's Alpha was 0.710, which confirmed the reliability of the instrument and then further responses up to 165 were collected. This instrument basically comprised of four parts in which questions were distributed regarding, Consumer life- style, fashion involvement, predecision stage and post-decision stage of consumer purchasing.

5.3. Procedure

The data collected was by means of well developed, adopted scale having four parts. This instrument was further modified according to the needs of the current study. All of the questionnaires were distributed among the respondents in the area of Ahmednagar personally by the researchers. Total of 200 questionnaires were distributed, but 165 questionnaires were returned. Thus, questionnaires recovery rate equaled 82 percent. The data was collected in the time frame of 20 days and then responses were fed into the Statistical Package for Social Sci- ences (SPSS) version 15 for analysis and evaluation. Multiple regression analysis was used as a statistical test to determine the degree of relationship between the variables involved in this study (Mai et al., 2002).

6. Results and Discussion

6.1. Results

The data presented in table 2, shows the results extracted on the basis of multiple regression to find the association level be- tween the Independent variables and the dependent variable.

The testing of hypotheses developed earlier revealed the following results after which the mathematical model of this research has been modified:

ImpBB c, t = α o - β 1Shoplif c, t - β2 Fashinv c, t + β 3 Predec c, t - β 4 Posdec c, t + ε c, t

The above modification of the mathematical model shows that hypothesis 1, 2 and 4 are rejected based on their weak associations among the variables involved ($p > 0.05$). Hypothesis 3 is only accepted based on the strong association among the variables involved ($p < 0.05$).

Table 2: (Beta Coefficients, Standard error in parenthesis, t-Value in Brackets and P- Values in italics)

Constant	IV-1	IV-2	IV-3	IV-4	R Square	
1.328 (0.340) [3.908]	.123 (0.093) [1.320]	.076 (0.041) [1.837]	.279 (0.060) [4.618]	.125 (0.084) [1.494]	.302	
.000	.189	.068	.000	.137	.000	
Result of Hypothesis Testing	H1 Rejected	H2 Rejected	H3 Accepted	H4 Rejected		

Legend: Constant: Attitudinal and Behavioral aspect of Impulse Buying Tendency and Frequency of consumers

IV-1: Shopping lifestyle of consumer

IV-2: Fashion involvement of the consumer

IV-3: Predecision stage of the consumer regarding buying products

IV-4: Post-decision stage of the consumer regarding buying products

The results reveal that independent variable of predecision stage of the consumer regarding buying products account variation in the dependent variables with t-value [4.618] that is significant at ($p <$

0.05), where as independent variables; shopping lifestyle of consumer, fashion involvement of the consumer and post-decision stage of the consumers regard- ing buying products account no variation in the dependent variable with t-values that are not significant at ($p > 0.05$). We found that there is positive significant impact of these independent variables on the dependent variable ($F = 17.324$) ($p < 0.05$). The value of Beta for all the independent variables shows a positive association within the model of coefficients. The value of (R-Square = 0.302) and (R = 0.550) predicting a moderate relationship between the set of independent vari- ables and the dependent variable with the reduced error of prediction by 30.2 percent.

6.2. Discussion

A positive relationship of fashion involvement with the impulse buying behavior of the consumers was reported by Park (2006). Where as, in our study, statistics showed a negative association between fashion involvement and attitudinal and behavioral aspects of impulse buying. Here, according to the statistical interpretation of results fashion involvement can't be taken as impulse buying because consumers having fashion interests, if it is the case, usually buy branded products of high quality and style and like to purchase fashion apparels from their specified shops or boutiques. The study of Coob and Hoyer (1986) reported a strong association between shopping life style and impulse buying behavior. But, in our study shopping lifestyle is negatively associated with the overall impulse buying behavior which is evident from the fact that majority of the consumers are regular buyers because 53.3% of them hold masters degrees and can plan their purchases. These buyers usually buy from routine store or shops and mostly avoid impulse buying. The statistics of table 2, showed that there is a positive relationship between predecision stage of consumer purchase and impulse buying behavior which can be supported by the study of Piron (1993), where they found high significance difference and association for the total of nine items combining pre-decision and post-decision stage of consumer purchasing with impulse buying. Whereas, deviation in the statistical results are found in the case of post-decision stage of consumer's purchasing behavior. Hence, According to the results of the analysis, young people having age between (20-29 years), holding master or bach- elor degree and belong to a household having income greater than 12,000 Rupees are wise spenders because they plan their spending, have less fashion involvement as table-3 shows that among 165 respondents majority dress for comfort not fashion. But, this higher income group of young people have behavio- ral tendency of impulse buying at predecision stage of buying, which is evident from the results of table-2. Here, it is impera- tive to mention that in india young people using live in a joint family system.

Table 3: Response of respondents on an item regarding fashion involvement

I usually dress for fashion not comfort, if I must choose between two (N=165)					
	Fr equency	**Percent**	**Valid Percent**	**C umulativ e Percent**	
Valid	Strongly disagree	**35**	212	21.2	21.2
Very disagree	**33**	20.0	20.0	41.2	
Disagree	**20**	12.1	12.1	53.3	
Neither agree nor disagree	**21**	12.7	12.7	66.1	
Agree	**20**	12.1	12.1	78.2	
Very agree	**20**	12.1	12.1	90.3	
Strongly agree	**20**	9.7	9.7	100.0	
Total	**165**	100.0	100.0		

behavior with the impulse buying behavior including the attitudinal as well as behavioral aspects of the consumers An Empirical Study of Consumer Impulse Buying Behavior in domestic Markets buying behavior. Predecision stage of consumer's purchasing behavior established strong association with the impulse buying behavior of the consumers. So, it is established through this research that consumers purchasing products in the area of Ahmednagar plan their purchases, having shopping lifestyle related to planned purchases and their post-decisions are also not guilty. The predecision stage of the purchasing associate these buyers with unplanned or impulse buying because these days stores are full of variety of products and a buyer can easily get interested in purchasing a product which appeals him or her while shopping the planned list of products and here pleasure principle comes into play.

CONCLUSION

The results of this research study clearly indicate that there exits a weak association between consumer lifestyle, fashion involvement and post-decision stage of consumer's purchasing.

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