Determinants of Impulsive buying for clothing: A case of Sahiwal shopping malls.

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ABSTRACT

Purpose – This study aim to examine the impact of, promotional approach, attractive display of product, in store environment, price reduction on impulsive buying behavior.

Design/methodology/approach – The paper uses primary data. The source of the data is questionnaire which is filled by the respondent; my population is people who are coming for shopping in malls, retail stores, i.e. AZAN Height, Bin Shafique and other shopping places in Sahiwal.

Findings – there are positive relationship between dependent variable with independent variable.

Research limitations – The data on foreign portfolio investments was not available, so study used just two variables for demonstrating the FCI, if the data is existed on portfolio investment, the study can find the more appropriate results.

Keyword(s): Impulse buying behavior, promotional approach, attractive display of product, in store environment, price reduction

INTRODUCTION:

Karbasivar & Yarahmadi (2011) defined that Impulse buying happens when a buyer suddenly involve to buy any product immediately with the help of their experiences. The urge to purchase is hedonically multifarious and may inspire sensitive conflict. Bayley and Nancarrow (1998) defined impulsive buying as an unexpected, convincing, hedonically multifaceted buying behavior in which the swiftness of an impulse choice process precludes considered and thoughtful consideration of information and choices. Significantly, these two definitions not only correspond on the concept that Impulsive buying is unplanned purchase that is a subsequent of a spontaneous and unconscious, however not necessarily illogical deviation from a ‘shopping list’. They also investigated the all stresses regarding multifaceted affective nature of impulsive buying.

Tirmizi, -Rehman, & Saif (2009) Stores are that market place where consumers buy goods either planned or unplanned. These stores trade thousands of goods on daily basis and customers are buying these products from their incomes. This activity always depends upon consumer’s income and savings that how much they save and spend to buy these products. They examined that most of the people perform this activity unplanned, so this unplanned activity called impulse buying behavior.

Karbasivar & Yarahmadi (2011) investigated that Impulse buying behavior depends upon the mood of the consumers as well as nature of the customer. Consumer takes impulse buying decision at the time when they saw the display and store shelves in-store or a mall. It is also an unplanned buying decision process or made just before the time of purchase anything. Near about 50% of items bought accidently during smaller or major buying. Consumer is rational because before entering any store he or she makes rational decision about shopping plan. The retailing business is worldwide experiencing massive trends outstanding to the constantly changing nature of buyer tastes, intake patterns and buying behaviors. Karbasivar & Yarahmadi (2011) also determined that there are both internal and external factors of impulse buying behavior which create an exposure regarding customer’s buying behavior.

Tendai & Crispens, (2009) determined that retailer’s ability depends upon the sustainably sell its products, in addition, generally depends on the calculated power of its marketing mix activities. Though other marketing activities and in-store marketing happenings such as store environment, displays of products, discounting and promotions, through background music and helpful store personnel are all involved in both winning customers and encouraging them to spend more. In-store promotions, shopkeeper are generally aimed at borrowing deeper into the customers’ purses at the point of buying through inspiring impulsive (unplanned) purchases. Given the power of impulsive buying in pushing revenue and profits up, most marketers have since tried to influence the in-store decisions of their potential consumers through creating enjoyable, attractive and modern state-of-the-art environments ranging from background music, favorable ventilation, freshened scent, attractive store layout, in store displays and persuasive shop assistants among other things.
(Karbasivar & Yarahmadi, 2011) investigated that the store shopping environment is a very significant factor of impulsive buying. It is created by micro variables which are to particular clothes shopping situation and narrowed to a specific topographical space. Causes such as in-store background music, store display, scent, in-store promotions, prices, shop cleanliness, shop density or congestion and store personnel all make up the in-store shopping environment, among others.

**LITRATURE REVIEW:**

Karbasivar & Yarahmadi, (2011) attempted to find the variables/factors that affects customer impulse buying behavior. He used survey research method. The sample size for this research was 275, collected from Abadan, Iran. To check the reliability in data, he used cronbachAlpha. To test the variables he developed a Structure Equation Modeling (SEM) with Linear Structural RELationships (LISREL). Results showed that impulse buying behavior was more affected by cash discount and window display as compared to credit card and free products.

Tirmizi, -Rehman, & Saif, (2009) determined the relationship between dependent and independent variables like shopping lifestyle of consumer, fashion involvement of consumer, pre-decision stage and post-decision stage of consumer purchase behavior. They used survey research method. The data was collected from 165 respondents which relate to higher income group in the area of Rawalpindi and Islamabad. The result clearly indicate that a weak association in consumer lifestyle, fashion and post-decision stage of consumer's behavior with the impulse buying behavior as compare to consumer buying behavior. Pre-decision stage of consumer's purchasing behavior established strong association with impulse buying behavior of the consumer.

Tendai & Crispens, (2009) investigated the influence of in-store shopping environment on impulsive buying among consumer. He used survey research method. A total of 320 shoppers conveniently sampled at selected shopping mall in King Williams town, South Africa, served as a sample. The result of the study had shown that coupons and vouchers, store display, advertisements and promotions, behaviors of shop staff as well as price were the only significant determinants of impulse buying among the 9 factors investigated.

Chattopadhyay, Shivi, & Krishnan, (2009) was explored the relationship between marketing mix elements and the elements which are not directly related to marketing mix and brand equity in situations where there are uncertainties of brand attributes. In this study they used elements of direct and indirect marketing. This research conducted in India. They use sample of 22 consumers through India. In that 2 were esteem brands, 3 capacity brands and 15 economy brands. Also 22 respondents, 2 industrialists businessmen, 3 were in the top management in the industry, 4 were central management, while 2 were in the low-ranking management level, 2 people were students, 5 people were business men, while 4 people were consultant. The results were shown that variables have strong interaction with each other.

Dipta Dhamesti, (2012) identified the role of consumption as a mediator of external stimuli and mood to online impulsive buying decision, and the role of frequency of the online shopping as the mediator consumption impulse-online impulsive buying decision relationship. The data is collected from 104 respondents with various backgrounds, and analyzed using Mediate Regression Analysis and Moderated Regression Analysis. The relationship between consumption impulse and online impulse buying decision is moderated by frequency of online shopping.

Obeidat, (1989) identified that this study is to explore women's impulsivity and its possible effects on their consumption patterns in the marketplace. The sample of this study was 328 women. They selected various Jordanian cities and towns according certain conditions. In this study they used questionnaire, for this they choose different age of women. Women's impulsivity will vary according educational attainment, their occupational status, age categories and divorced women. Finally, women's impulsivity increases as women become older and older.

Hung, (2008) focused on female consumer impulse buying behavior in the environment of e-commerce. In this research collected the demographic data. In this survey method will be used or Cronbach Alpha is used. In this they use five factors like promotion and advertisement, environment stimuli, situational factors and customer impulse buying tendencies and product related factors are included. Except promotion and advertising all factors contributes to influence the behavior of female online impulse buying.

Park, Kim & Forney, (2006) the purpose of this study was to determine the positive emotion, casual relationship among fashion enrollment, hedonic consumption tendency, and fashion-oriented impulse buying in shopping context. They used questionnaire method and get response from 217 college students. Model they used in their structural equation was correlation matrix and estimated LISREL was 8.53 which were maximum in likelihood. In this fashion involvement and positive emotion would effect positively on consumers fashion-oriented impulse behavior of buying also fashion involvement got greatest effect. Hedonic tendency of consumption had an important mediator in influential fashion-oriented of impulse buying.
THEORETICAL FRAMEWORK:

Independent Variable
- Promotional approaches
- Attractive Display of Product
- In-store environment
- Price reduction

Dependent Variable
- Impulsive buying Behavior

Fig. 1: Conceptual model of the research:

RESEARCH MODEL AND HYPOTHESIS:

H1:
H0 = There is relationship between Promotional approaches and impulsive buying behavior.
H1 = There is no relationship between Promotional approaches and impulsive buying behavior.

H2:
H0 = There is a relationship between Attractive Display of Product and impulsive buying behavior.
H1 = There is a no relationship between Attractive Display of Product and impulsive buying behavior.

H3:
H0 = There is a relationship between In-store environment and impulsive buying behavior.
H1 = There is a relationship between In-store environment and impulsive buying behavior.

H4:
H0 = There is a relationship between Price reduction and impulsive buying behavior.
H1 = There is a relationship between Price reduction and impulsive buying behavior.

Survey Development:
In this study used survey format. 16 Questions were adopted in this research with the help of supervisor. The questionnaires consist of five sections to measure respondents of impulsive buying behavior (question numbers 1-4), segment two determined impact of promotional approaches on impulse buying behavior (question numbers 5-7), segment three determined impact of attractive display of product (question numbers 8-11), segment four determined impact of in-store environment (question numbers 12-14), section five determined impact of price reduction (question numbers 15-16) (Table 1), the last section consisted of questions to determine the respondents’ demographic profile, such as gender, age.

DATA COLLECTION METHOD:
Questionnaire served as a research tool, questionnaire was distributed between 140 respondents, the collected questionnaire was 115 and only 100 were completed. There are 16 items measured along with 5 point Liker scale that range start from (1) Strongly Agree to (5) Strongly Disagree. Statistical Packages for Social Science’s (SPSS) software and Structural Equation Modeling (SEM) with Linear Structural Relationships (LISREL) was used to data analysis.

DATA ANALYSIS METHOD:
To estimation the impact of Promotional approach (PA), attractive display of product (ADP), in store environment (ISE) and price reduction (PR) on the impulse buying behavior (IBB) in Pakistan, a regression is used among PA, ADP, ISE and PR and the IBB. First, descriptive statistics and cronbach alpha test used to check reliability in the data, than ‘Multiple Linear Regression (with no-intercept) Model’ is used in this study. The Multiple Linear Regression Model is given as:
Here:
IBB = Impulse Buying Behavior
PA = Promotional Approach
ADP = Attractive Display of product
ISE = In Store Environment
PR = Price Reduction
ε = Error Term

FINDING AND RESULTS:

Table 1

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
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<tbody>
<tr>
<td>Impulsive buying behavior</td>
<td>2.6302</td>
<td>.80294</td>
<td>96</td>
</tr>
<tr>
<td>How to promote our products</td>
<td>2.5139</td>
<td>.82351</td>
<td>96</td>
</tr>
<tr>
<td>Attractive display of product to customer</td>
<td>2.6406</td>
<td>.86436</td>
<td>96</td>
</tr>
<tr>
<td>Environment of store</td>
<td>2.6250</td>
<td>.75122</td>
<td>96</td>
</tr>
<tr>
<td>Discounting in products</td>
<td>2.6250</td>
<td>.93752</td>
<td>96</td>
</tr>
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</table>

Table 2

<table>
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<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Sig. F Change</th>
<th>Durbin-Watson</th>
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<tr>
<td>1</td>
<td>.401*</td>
<td>.161</td>
<td>.124</td>
<td>.003</td>
<td>2.010</td>
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Table 3

<table>
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<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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<td>1 Regression</td>
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<td>4</td>
<td>2.468</td>
<td>4.371</td>
<td>.003*</td>
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<tr>
<td>Residual</td>
<td>51.375</td>
<td>91</td>
<td>.565</td>
<td></td>
<td></td>
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<tr>
<td>Total</td>
<td>61.247</td>
<td>95</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4

Table 1 show that in Descriptive statistics we showed the standard deviation and mean of variables. Mean of impulsive buying is 2.6302, promotional approach 2.5139, attractive display of product 2.6406, in store environment 2.6250 and price reductions mean is 2.6250 and standard deviation is .80294, .82351, .86436, .75122 and .93752.

Table 2 shows that Cronbach’s alpha tells us about reliability of our data. If it is between .50 to .80 it means data is reliable. Our Cronbach’s alpha is .68 which it shows that our data is reliable.
Table: 3 show that Coefficient of determination (R²) is .161 and Adjusted R² is .124. It means that the 16% of variations in the independent variable are explained with the help of dependent variable i.e.

Table: 4 show the overall significance of the model. For this purpose the Analysis of Variance (ANOVA) or F-Test approach is used. The value of the F-Statistic is 4.7 significant.

The above graph show that our data is normally distributed.

CONCLUSION:
A result of the study proves that there is a positive relation between promotional approach, attractive display of product, in store environment and price reduction with impulse buying behavior. We use primary data. As our findings and result, we accept the null hypothesis (Ho) that there is a positive relationship between independent and dependent variables and we reject the alternate (H1). Finding of this study shows that promotional approach, attractive display of product, in store environment and price reduction in impulse buying behavior has positive effect.

LIMITATIONS OF THE STUDY:
We have to use quantitative method for this research to check the validity of our hypothesis. We have to focus only for impulsive buying for clothing but there are a lot many things a person use in his daily life, further study would be conducted on, shoes, Perfumes, i.e.

ACKNOWLEDGEMENT
All the praises and thanks to Almighty Allah, for bestow upon us the courage and talent to complete this task.

REFERENCES


Determinants of Impulsive buying for clothing

I'm the student of MBA at COMSATS Sahiwal, initiated to carry out a research on impulsive buying of clothing’s. Therefore, it is requested you to fill this questionnaire carefully. Your given time will be highly appreciated.

Name: (optional) Gender: [ ] male [ ] female

Email address: __________________________

Education: [ ] post graduate [ ] graduate [ ] intermediate [ ] matriculation

Age group: [ ] 18-25 [ ] 25-35 [ ] 35-45 [ ] 45-55 [ ] 55 or higher

Your Income (ps): [ ] 25000-50000 [ ] 50000-75000 [ ] 75000 or above

Answer criteria


Impulsive buying

I also buy products other than those which are on my shopping list. [ ]

Intend to buy clothing if I really like it irrespective that it was planned. [ ]

I am less concerned with the price of the clothes. [ ]

I am actually impulse shopper. [ ]

Promotional approaches

I buy clothes if I can get good offer. [ ]

Attractive advertisement triggers me to buy impulsively. [ ]

Usually I buy clothes to get the attractive discount offer. [ ]

Attractive Display of Product

Sometimes I only visit shops because there window displays are beautiful. [ ]

I pay attention to shop’s window display. [ ]

I am interested in shopping at well-designed window shops. [ ]

Sometimes I buy clothing in effect of shop’s window display. [ ]

In-store environment

In-store scent motivates me for unplanned purchasing. [ ]

Good music motivates me to do unplanned buying. [ ]

I do not do unplanned shopping at crowded place. [ ]

Price reduction

Low price offers motivates me for unplanned buying of clothes. [ ]

I am a price sensitive person. [ ]