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## Is Impulse Buying a Consumer's Tendency in the State of Goa?

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### ABSTRACT

Every consumer ends up purchasing extra items which are never thought of purchasing before entering the store. Most of the time a consumer ends up buying unplanned items from the retail store. This unplanned buying behavior is termed as 'Impulse buying.' Impulse buying is an urge to have the product to fulfill short term desire. This urge of buying extra is mostly build up by the retailers by using various factors like promotional schemes, discounts, low pricing of products, product display, etc. The retailers use these factors in order to earn profit and increase their market share. In this research paper, an attempt has been made to study impulse buying behavior of consumers in Goa. The consumers were divided into urban consumers and semi-urban consumers. Fourteen factors are considered which activate the impulse purchasing behavior of consumers in Panjim (urban) and Sanquelim (semi-urban). Results reveal that the consumers of Goa (Panjim and Sanquelim) do influence by most of the factors of impulse buying. This is because impulse buying happens when one gets caught up in the hype of a situation and buys something without thinking much about it. Research findings suggest that emotions and feelings play a decisive role in purchasing.

### Introduction

Consumer behavior is unpredictable; sometimes consumers themselves get confused while they are shopping. Consumers buying behavior keeps on changing time to time due to different variables such as consumer characteristics (age, gender, culture, mood, impulse buying tendency, shopping enjoyment, etc.); store characteristics (store layout, presence of salesperson, store atmospherics, store type, etc.); product characteristics (product

category, product price, etc.) and other situational factors such as time, money, the presence of others, in-store browsing, temptation to try latest products, getting influenced by store offers and so on. As the behavior is uncertain the consumers tend to lose control while shopping when they get influenced by above factors and this is how we end up buying extra items. Most of the consumers prepare a shopping list and leave the house in anticipation that we are going to buy things which are present in the list but most of the time we consumers end up buying extra items than what was actually required. Sometimes, when consumer buys impulsive product and after a moment realizes that the product was not actually required there is no choice rather than using it somehow.

Most of the impulse buying takes place in malls, departmental stores, supermarkets, etc. wherein we see wide range of items. When a consumer has too many options to choose from there are chances that she may get confused and

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tend to do impulse buying. We may also get tempted when we see our favorite item and then we forget everything and just buy the product. Impulse buying can be described as a rat trap where in the retailers place a bait in the form of discounts, promotional schemes, offers, etc. and when the consumers get influenced by these factors they get trapped. To prevent getting into the trap of impulse buying consumers should be wise enough while shopping.

### Literature Review

Dennis W. Rook (1987) defines impulse buying as "Impulse buying occurs when a consumer experiences a sudden, often powerful and persistent urge to buy something immediately." At many times our inner urge or temptation to purchase a particular thing intensifies to such an extent that without a degree of planning we jump into purchase (Shweta Choudhary, 2014). An impulse purchase or impulse buy is an unplanned decision to buy a product or service, made just before a purchase (Verma Priyanka and Verma Rooble, 2012). Impulse buying disrupts the normal decision making models in consumers' brains. The logical sequence of the consumers' actions is replaced with an irrational moment of self-gratification (Kannan and Vinayagamoorthy, 2014).

Today, retailers are increasingly making use of various in-store influencers for converting browsers to spenders. However, success depends on how the customers perceive these influencers (Mohd. Rumzi Taushif and Manisha Gupta, 2013). The purchasing power of the people has really gone up and thus the impulse buying of the commodities is on a great increment mainly due to price strategies (Kannan and Vinayagamoorthy, 2014). Now, the producers and marketers turn to induce the consumers to make impulse buying. Results of the marketing strategies and promotional methods, they try to change the consumer decision making style through impulse buying (Vidhya & Tamizhijyothi, 2014). One thing leads to another, and before the shopping extravaganza is over there are more bags than one can carry and more money spent than intended. However, there are so many exquisite items purchased and some even bought at discount prices. Impulse buying as a marketing tool is a concept that has been explored dating back to the 1950's (Andrea Kruszka, 2012).

Majority of the customers are deciding their purchases inside the store due to in store stimuli, availability of credit cards and the influence of the sales staff or the fellow customers and sometimes because of customer's personality traits (Sagini Thomas Mathai, Haridas, 2014). According to Aastha Verma Vohra (2014) Consumer behavioral traits or characteristics are the most imperative part in the study of consumer behaviour. There are lots of factors that influence the rash decision of impulse buying of an individual such as- discount offers, behavior of the sales person, display of the product, nature of the product, situation of the customer, personal characteristics of the shopper, etc. In brick and mortar retailing, impulse behavior has become an important source of revenue for the business. The marketers attempt to practice all the tactics to tap the impulsive behavior of the consumer (Shweta Choudhary,

2014). Retailers generally take information and communication techniques such as store atmospheric design and interaction between shoppers and store employees to perform in-store marketing strategy. Shoppers' impulse purchases are the essential source for retailers to enhance sales performance and make profits especially in the electronics industry (Peiwen Jiang and Xuefei Liu, 2014).

Impulse buying happens when one gets caught up in the hype of a situation and buys something without thinking much about it. (Verma Priyanka and Verma Rooble, 2012). The proliferation of organised retail in the form of malls & brand outlets has brought in a sea change in the shopping habits of Indian customers, who consider this as an entertainment. This trend was accentuated with the buying capacity of customers. This has led to the rapid increase in impulse buying behavior (Sagini Thomas Mathai, and Haridas, 2014). It is not only the kids who resort to impulse behavior but many times the adults of rational mind displays the impulse (Shweta Choudhary, 2014).

### Methodology

In this research paper, an attempt has been made to study impulse buying behavior of consumers in Goa. The data required for the study are collected through a questionnaire and personal interviews. The respondents were asked to tick mark (✓) the appropriate option. The responses collected were tabulated and compiled in suitable form for the purpose of analysis. The sample size is 100 (50 from Panjim and 50 from Sanquelim). The questionnaire is framed as per likert scale. Likert scale includes strongly agree=5, agree=4, neutral=3, disagree=2 and strongly disagree=1. Cluster sampling technique was used to distribute the population of the sample. Cluster sampling is a sampling technique used when "natural" but relatively homogeneous groupings are evident in a statistical population. It is often used in marketing research. In this technique, the total population is divided into these groups (or clusters) and a simple random sample of the groups is selected.

The analysis is basically on consumer behavior on the factors of impulse buying. The analysis is undertaken with the help of SPSS. Chi square Test has been used. Chi square test is a statistical method assessing the goodness of fit between a set of observed values and those expected theoretically. 5% level of significance is considered.

### Formulation of null hypothesis

H<sub>0</sub>: There is no difference in behavior of various age categories with respect to impulse buying factors.

H<sub>0</sub>: There is no difference in impulse buying behavior between males and females i.e. they behave in the same manner.

H<sub>0</sub>: Customers of different occupation do not behave differently with the factors of impulse buying.

H<sub>0</sub>: There is no change in behavior between different types of customers with regards to factors influencing impulse buying.

## Results and Analysis

Table 1: Table showing the Results of Sanquelim Town (Semi-Urban)

Cross Tabulation Variables	Sanquelim					Age		Gender		Occupation		Customer Type	
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Chi Square Value	P Value	Chi Square Value	P Value	Chi Square Value	P Value	Chi Square Value	P Value
	(5)	(4)	(3)	(2)	(1)								
Discount price	17	20	10	3	0	13.496	0.334	1.515	0.679	4.01	0.911	21.055	*0.050
Promotion scheme	16	15	11	5	3	14.875	0.534	2.125	0.713	10.413	0.580	11.568	0.773
Low price	14	16	13	5	2	28.877	0.025*	0.448	0.978	17.692	0.125	16.97	0.388
Offers organized by superstore	6	17	14	13	0	12.025	0.444	.672	0.880	8.594	0.476	9.798	0.634
Display of product	7	17	15	8	3	23.385	0.104	0.523	0.971	17.83	0.121	22.691	0.122
Salesman's demo	4	12	18	8	8	21.486	0.161	8.267	0.082	13.75	0.317	11.168	0.799
Popularity of product	7	20	14	7	2	12.381	0.717	5.844	0.211	15.137	0.234	18.61	0.289
Income status	14	12	14	9	1	19.531	0.242	1.367	0.850	9.418	0.667	11.528	0.776
Childs influence	8	15	20	6	1	14.154	0.587	4.794	0.309	6.083	0.912	20.223	0.210
First sight attraction	10	11	19	8	2	13.25	0.654	3.572	0.467	11.764	0.465	17.642	0.345
To try latest	11	19	9	7	4	14.151	0.587	2.47	0.650	9.853	0.629	17.746	0.339
Friends influence	4	16	13	12	5	7.97	0.950	1.533	0.821	6.142	0.909	20.971	0.180
Mood	7	15	13	9	6	14.854	0.535	8.026	0.091	9.717	0.641	15.267	0.505
Senses	8	19	13	5	5	13.428	0.641	3.318	0.506	24.829	*0.016	16.914	0.391

**Note: \* mark indicates that the null hypothesis is rejected**

In all the cases we accept the null hypothesis except for:Age\* low price, occupation\*senses and customer type\* discount price that means there is change in behaviour.

Table 2: Table showing age - low price Cross tabulation of Sanquelim Town (Semi-Urban)

S. No.	Age	Low Price					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Below 18	1	0	2	4	3	10
2	18-25	0	0	6	1	0	7
3	26-35	0	1	1	5	6	13
4	36-45	0	1	1	5	1	8
5	45 and Above	1	3	3	1	4	12
Total		2	5	13	16	14	50

In all the cases we accept null hypothesis except for one i.e. there is difference in behavior among the different age groups when it comes to low pricing. As we can see in the above table customer in age category between 26-35 years is more price conscious so they will opt for impulse buying only because they are getting the product at low price. Followed by customers below 18 years of age category don't earn any income they are students so they can spend only from their pocket money, so they will spend on least priced products and customer 45 and above are aged customer who will try to save while picking up things. So low pricing can influence these three age groups. Now, customers of age group of 18-25 years and 36-45 years for them quality will matter a lot and they are ready to pay more for the product as they are searching for branded and quality products.

**Table 3: Table showing occupation - senses Cross tabulation of Sanquelim Town (Semi-Urban)**

S. No.	Occupation	Senses					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Self-Employment	1	1	0	1	4	7
2	Service	0	2	1	10	2	15
3	Student	2	2	7	4	1	16
4	Others	2	0	5	4	1	12
Total		5	5	13	19	8	50

So we do not accept null hypothesis for senses i.e. people of different occupation behave in different manner with respect to their senses associated with the store. In the above table under strongly agree column, Self-employed customers they are more

influenced by the senses i.e. the environment of the store. But rest of them i.e. customers from service, student and other occupation they don't pay much attention to the senses of the store because their main aim is to shop.

**Table 4: Table showing type of customer - discount price Cross tabulation of Sanquelim Town (Semi-Urban)**

S. No.	Type of Customer	Discount Price				Total
		Disagree	Neutral	Agree	Strongly Agree	
1	Economic	1	3	4	1	9
2	Convenience	1	2	3	2	8
3	Image	0	0	7	0	7
4	Variety	0	4	3	9	16
5	Loyalty	1	1	3	5	10
Total		3	10	20	17	50

We do not accept null hypothesis in case of discount factor because the customer of different type will behave differently when they get discount.

In the above table under strongly agree column variety oriented customers and more influenced by discount factor. Then there are loyal customers who stick to their brands so if their brand provides discount or even if their brands don't provide discount they will still by the product.

Whereas, convenience oriented customer will look for easy shopping and hence discount factor does not affect them. Image oriented customers they will look for branded products and ready to pay high price. Economic oriented customers they will not get easily influenced by this factor as they do their shopping within their budget.

**Table 5: Table showing the results of Panjim City (Urban)**

Cross Tabulation Variables	Panjim					Age		Gender		Occupation		Customer Type	
	Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)	Chi square value	P value	Chi square value	P value	Chi square value	P value	Chi square value	P value
Discount price	7	32	9	1	1	19.588	0.239	3.522	0.475	15.745	0.203	17.097	0.379
Promotion scheme	8	19	15	7	1	9.562	0.889	4.426	0.351	12.554	0.402	31.112	*0.013
Low price	10	20	15	2	3	17.44	0.358	1.000	0.910	17.649	0.127	24.361	0.082
Offers organized by superstore	3	19	22	5	1	16.269	0.434	2.189	0.701	19.034	0.088	29.064	*0.024
Display of product	3	19	16	10	2	18.037	0.322	4.762	0.313	4.704	0.967	25.208	0.066
Salesman's demo	3	13	19	12	3	19.835	0.228	0.796	0.939	7.632	0.813	12.197	0.730
Popularity of product	9	26	11	3	1	25.65	0.059	4.356	0.360	8.952	0.707	27.26	*0.039
Income status	15	14	16	2	3	12.989	0.674	4.067	0.397	23.856	*0.021	20.435	0.201
Childs influence	4	9	21	9	7	12.702	0.694	0.413	0.981	17.89	0.119	12.953	0.676
First sight attraction	4	18	17	6	5	5.191	0.995	3.218	0.522	10.031	0.613	14.716	0.546
To try latest	3	20	16	6	5	10.12	0.860	1.733	0.785	15.211	0.230	13.437	0.641
Friends influence	1	20	15	8	6	11.021	0.808	1.767	0.779	17.814	0.121	21.122	0.174
Mood	6	10	18	14	2	18.273	0.308	0.686	0.953	8.277	0.763	18.257	0.309
Senses	7	21	12	8	2	12.518	0.708	2.69	0.611	10.694	0.555	22.155	0.138

**Note: \* mark indicates that the null hypothesis is rejected**

In all the cases we accept null hypothesis except for: Occupation-income status and customer type-discount price, popularity of product and offer organized by superstore. That means there is difference in behaviour.

**Table 6: Table showing type of Occupation-income status Cross tabulation of Panjim City (Urban)**

S. No.	Occupation	Income Status					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Self-Employed	1	0	1	1	2	5
2	Service	1	0	4	4	5	14
3	Student	1	0	11	7	7	26
4	Others	0	2	0	2	1	5
Total		3	2	16	14	15	50

In the above table under strongly agree column, income status will affect more for students as they don't earn any income and they depend on their parents for money so for them income status will be the factor that influences their impulse buying behaviour. Customers those who are under service occupation their impulse buying behavior will depend on their salary.

**Table 7: Table showing type of Promotion Scheme- Customer Type Cross tabulation of Panjim City (Urban)**

S. No.	Customer Type	Promotion Scheme					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Economic	0	2	3	7	3	15
2	Convenience	0	1	5	4	1	11
3	Image	0	0	0	0	3	3
4	Variety	1	0	5	4	1	11
5	Loyal	0	4	2	4	0	10
Total		1	7	15	19	8	50

In the above table under strongly agree column we can see change in impulse buying behaviour of the customer with regards to promotional schemes. Economic and image oriented customers are more influenced by promotional schemes.

**Table 8: Table showing type of Offers- Customer Type Cross tabulation of Panjim City (Urban)**

S. No.	Customer Type	Offers					Total
		Strongly Disagree	Agree	Neutral	Agree	Strongly Agree	
1	Economic	1	2	8	4	0	15
2	Convenience	0	0	6	4	1	11
3	Image	0	0	0	1	2	3
4	Variety	0	1	5	5	0	11
5	Loyal	0	2	3	5	0	10
Total		1	5	22	19	3	50

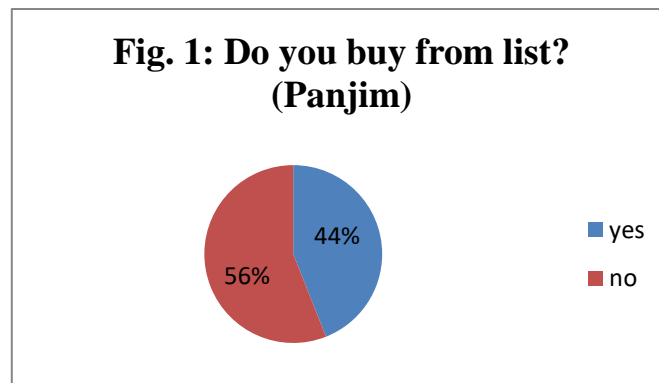
In the above under strongly agree column table we can see that offers provided by the store are not that important factor in order to influence the impulse buying behaviour of the customer.

**Table 9: Table showing type of Popularity of the Product- Customer Type Cross tabulation of Panjim City (Urban)**

S. No.	Customer Type	Popularity Of Product					Total
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Economic	0	2	5	5	3	15
2	Convenience	0	1	2	7	1	11
3	Image	0	0	0	0	3	3
4	Variety	0	0	3	6	2	11
5	Loyal	1	0	1	8	0	10
Total		1	3	11	26	9	50

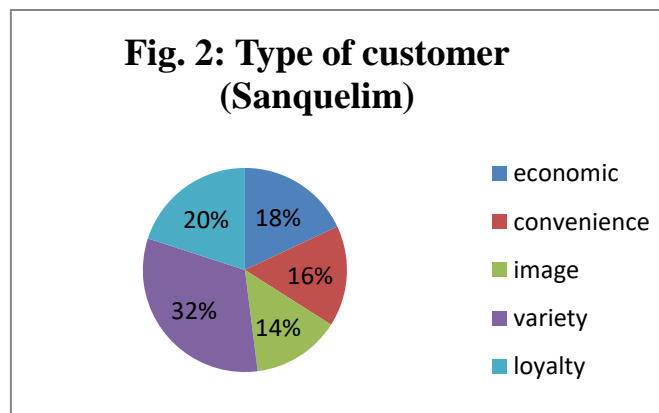
In the above table under strongly agree column Popularity of product is an important factor for image oriented customers which is obvious. And economic oriented customer will see the popularity of the product because they are the ones who will see for popular products at lower price.

**Fig. 1: Do you buy from list? (Panjim)**

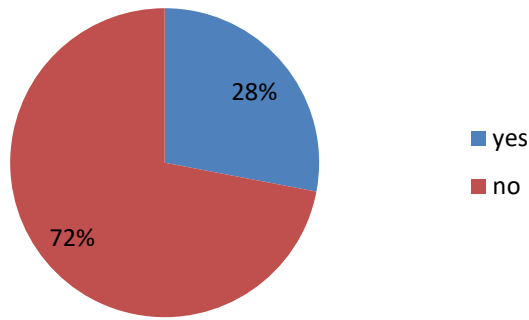


In above chart we can see that in Sanquelim and Panjim most of the consumers do not follow the list. But when compared to Sanquelim consumers we can see that more of Panjim consumers follow their list of shopping. That means in Panjim as it is a city people don't have much time to buy out of the list.

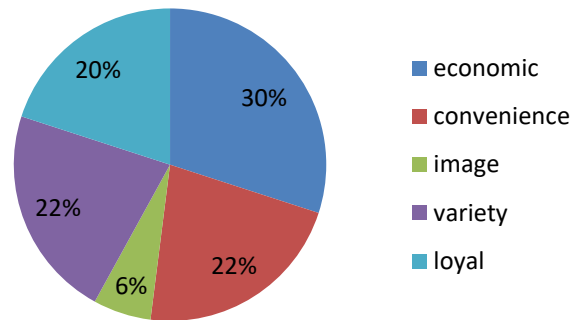
**Fig. 2: Type of customer (Sanquelim)**



**Fig. 3: Do you buy from list? (Sanquelim)**



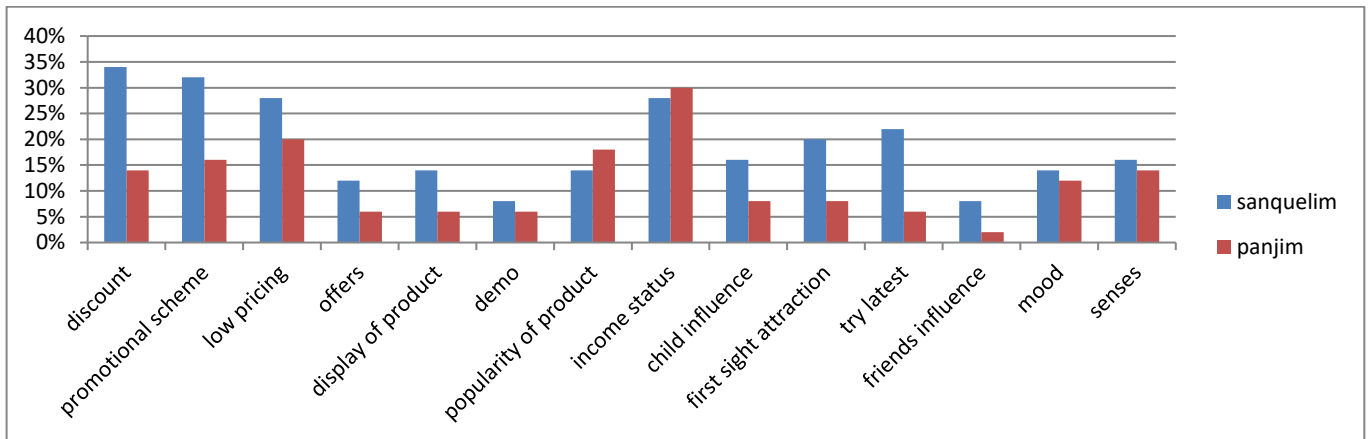
**Fig. 4: Type of customer (Panjim)**



By looking at the above chart in Sanquelim we can see more of variety oriented customers and in Panjim we can see more of economic oriented customers. In Sanquelim the customers want more of variety so that they can choose the best. Whereas, Panjim customer they are more of economic kind of customer

that is they are very conscious while spending. So, we can conclude that variety oriented customers (Sanquelim) are more prone to impulse buying.

By considering only strongly agree factor let us see who are more influenced towards impulse buying and which factor has influenced the sanquelim and panjim customers the most:



**Fig. 5**

As we can see in the above bar chart overall the Sanquelim customers are more influenced than Panjim customers. The Sanquelim customers are more influenced by discount, promotional schemes and income status. Panjim customers are more influenced by income status, low pricing and popularity of product.

**Conclusion**

From the analysis it can be concluded that the consumers of Goa (Panjim and Sanquelim) do influence by most of the factors of impulse buying. This is because impulse buying happens when one gets caught up in the hype of a situation and buys something without thinking much about it. Research findings suggest that emotions and feelings play a decisive role in purchasing (Verma Priyanka and Verma Rooble, 2012).

Sanquelim customers are more influenced by the factors of impulse buying than the panjim customers. Most of the Sanquelim consumers buy impulsive items because the consumers in panjim are economic oriented where as in sanquelim the consumers are variety oriented. When the consumers are more of variety oriented they tend to get confused and tempted when they have a large variety of goods and they end up doing impulse buying.

The customers behave differently under various age categories with low pricing, under different occupation with senses and under type of customers with discount in sanquelim area. Whereas, in Panjim, customers behave differently under occupation with income status and customer type with promotion, offers and popularity of product. Asim Ali (2013) investigates relationship between impulse buying and consumers' characteristics which include consumers' age, gender, income, geographical orientation and cultural



orientation. Gender, age and income show expected relationship, while geographical orientation expresses no association with impulse buying actions among consumers. Cultural orientation of consumers shows a relationship with impulse buying but is not significant.

The impulse buying behavior has influence because of the strategies used by the retail stores. According to Vidhya and Tamizhhyothi (2014) impulse purchasing is a common phenomenon in the modern marketing world. Consumers are classified as many types according to their decision making styles. Now, the producers and marketers turn to induce the consumers to make impulse buying. Results of the marketing strategies and promotional methods, they try to change the consumer decision making style through impulse buying.

The most effective area where the strategy is used is pricing and promotional strategy. Verma Priyanka and Verma Rooble (2012) stated that, "Impulse items may be new products, samples or well-established products at unexpected low prices." Producers and marketers tend to motivate consumers' intention to buy impulsively through various Promotional methods and marketing strategies. (J. Vidhya & Dr. K. Tamizhhyothi, 2014).

Atmosphere of the store and offers given by retailers plays a very important role encouraging the consumers to do impulse buying. Our results are inconformity with Ahsan Azim (2013) that more deal-prone and exploratory behavior peoples, at the presence of good dynamic store environment, will make more impulse purchases. Finding suggest that in order to increase the impulse buying behavior of the peoples, retailers have to give a good atmosphere to their customers inside the store; and must know about the different customers' tendency towards the sales promotions, to fully apply their activities/efforts on the right customers.

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