

Psychological antecedents and impulsive buying in online shopping

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Abstract: Impulse buying or also called unplanned purchase is the behavior of the person in which the person is not planning something in shopping. Consumers who do impulse buying do not think to buy a particular brand or product. Online shopping or online retailing is a form of electronic commerce allowing consumers to directly buy goods or services from a seller over the Internet without an intermediary service. The main objective of this study is to determine the relationship between website design, promotional approaches, and usage of credit and debit cards to do impulse buying while shopping online. Non probability technique was used to select the sample. The study was causal and effect in nature with survey method used as a tool for data collection. The overall sample size for the current study was 200 respondents. This study provides insights for customer impulse buying behavior in online shopping. The result of study shows there is positive relation between psychological antecedents and impulse buying.

Keywords: Impulse Buying, Online Shopping, Psychological Antecedents, Website Usage.

I. INTRODUCTION

Impulse buying or also called unplanned purchase is the behavior of the person in which the person is not planning something in shopping. Consumers who do impulse buying do not think to buy a particular brand or product. They instantly make purchases because of the interest in the brand or product right away. Impulse buying occurs when a consumer experiences a sudden, often powerful and persistent urge to buy something immediately (Ghani and Ali).

II. ONLINE SHOPPING

Online based shopping or web based retailing is a type of electronic trade enabling customers to straightforwardly purchase products or administrations from a vender over the Internet without a middle person administration. An online shop, e-shop, e-store, Internet shop, web-shop, web-store, online store, or virtual store inspires the physical similarity of purchasing items or administrations at a blocks and-mortar retailer or strip mall. Web based shopping has developed in prevalence throughout the years, for the most part since individuals think that it's helpful and simple to deal shop from the solace of their home or office.

III. REVIEW OF LITERATURE

Dharmesti and Nugroho (2012) experienced an examination and the outcome demonstrated that the impacts of data quality, security (protection), installment framework, conveyance, and client administration toward client

reliability are essentially intervened by consumer loyalty. Two different antecedents that are exchange capacity and reaction have no noteworthy impact to both consumer loyalty and client dedication. While 2 different antecedents that are website composition and item variety just have a direct critical impact to client devotion.

Floh and Madelberger (2013), in his study distinguish the antecedents of web based shopping, for satisfying their target they have Followed the S-O-R model, based on a similar they have built up an exploration model that incorporates the natural attributes of an e-store model with the structure of Baker (1986) and Eroglu et al. (2003). The findings of the quantitative study of online customers proposed that the environmental signals of an e-store when all is said in done, and the structure and simplicity of route specifically, decidedly impact online drive purchasing conduct and consumption. Interestingly, the examinations uncovered a non-critical, negative impact of the accessibility of item data.

Whereas Value consciousness is negatively related to online buying impulsiveness as this study proposed and positively related to conscientiousness. Their study has also confirmed that the materialistic dimension of the impulse buyer, who had higher materialism scores as well as higher scores on impulse buying which was earlier supported by Troisi (2006).

Chen and Lee (2015) led an examination and distinguished the antecedents of internet purchasing and findings of their investigation demonstrated that three basic characteristics - agreeableness, need for arousal appropriateness and requirement for material - are the significant indicators of online shopping. They have additionally concurred on that Middle level trait of value consciousness is mediating the effect of conscientiousness and negatively affecting consumer's buying impulsiveness online. Though Value consciousness is negatively related to online buying impulsiveness as this study proposed and positively related to conscientiousness.

IV. HYPOTHESES

H01: Psychological profile is positively predicts impulse buying

H02: Credit/debit card usage affects impulse buying

H03: Promotional approach is positively related to impulse buying

H04: Website design predicts impulse buying positively.

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V. RESEARCH DESIGN

The Study: The study was explanatory in nature. The population included individuals buyers from two three tier cities of central India, namely Agra and Gwalior in the age category of 18 to 60 (both male and female) using online shopping modes for some of their purchases. The data was collected from various modes such as mailing, physical questionnaires and facebook. The care has been taken that the respondents must necessarily be those who use online shopping mode for purchases and visits online sites frequently. The questionnaire included two statements related to this where questions asked were “I use online shopping for making purchases”, “I visit online sites frequently to make purchases”. Those who responded positively were considered for further responses.

To collect responses from the respondents on psychological antecedents, standardized questionnaire used by Tao Sun, Guohua Wu and Seounmi Youn (2004) was used. Whereas self designed Questionnaire was used to collect responses from the respondents on impulse buying in online context. The scales were considered as reliable as alpha was 0.733 for Impulse Buying, 0.734 for Credit/Debit card usage, 0.758 for Website design and 0.755 for Promotional Approach. There are many evidences indicating that cronbach’s alpha higher than 0.7 is good enough (Nunnally, 1978).

VI. RESPONDENTS PROFILE

Table No.1 Demographic Profile of Respondents

VARIABLE	CATEGORY	FREQUENCY	PERCENT (%)
Gender	Male	116	58
	Female	84	42
Age Group	Below 25	112	56
	25 – 45	46	23
	Above 45	42	21
Occupation	Business	48	24
	Govt Job	28	14
	Other	20	10

	Industry		
	Student	96	48
	Unemployed	8	4
Education	Non Graduate	72	36
	Above Graduate	40	20
	Professional Courses	58	29
	Non Professional Courses	30	15

Descriptive statistics of demographic variable shows that the majority of respondents 116 (58%) are male and female respondents are 84 (42%). Major parts of the respondents is having age group below 25 years is 112, followed by age group 25-45 are 46 and respondents having age group above 45 is 42. Occupation is divided into five categories in which most of the respondents is student 96, followed by businessman 48, Govt job 28, other industry 20 and unemployed 8. Education is divided into four categories in which majority of respondents is non graduate 72, followed by professional courses 58, above graduate 40 and respondents belongs to no professional courses are 30.

VII. ANALYSIS & RESULTS

The data was put to statistical analysis through SPSS and to test hypotheses multiple regressions were used. The adjusted R square indicates that variance in impulse buying is very well predicted through independent variables. As 39.6% variance in impulse buying is explained through psychological profile, credit/debit card usage, website design and promotional approach. The value of Durbin Watson for Impulse buying is 1.818 indicating that the autocorrelation of the dependent variable is well within acceptable limits for linear regression.

Further F (F=57.152, p=.000) value also supports the notion that independent variables predicting impulse buying quite reliably.

Table No.5 Coefficients

Coefficients								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	5.162	1.672		3.087	.002		
	Psychoprof	.113	.018	.305	6.220	.000	.732	1.366
	Credebt	.040	.066	.027	.601	.548	.857	1.167
	Promoapp	.386	.055	.352	6.958	.000	.690	1.450
	WD	.093	.042	.113	2.190	.029	.657	1.521

a. Dependent Variable: Impulse Buying

The equation for regression analysis from the coefficient table above can be summarized as below:

$$Y = a + b_1 x_1 + b_2 x_2 + b_3 x_3 + b_4 x_4$$

Impulse Buying = 5.162 + 0.113 (Psycho profile) + 0.040 use of Credit/Debit cards + 0.386 (Promo app) + 0.093 (WD)

VIII. TESTING OF HYPOTHESIS

H01: Psychological profile is positively predicts impulse buying.

The effect of Psychological profile of the customers on their impulse buying behavior is evaluated using standardized beta value; the standardized beta value is 0.305, which is tested using t-test for significance. The value of t-test is 6.220 with a p value of 0.000. The hypothesis is supported. Therefore, the Psychological profile of Customers significantly impacts Impulse buying. Findings of Sun, Wu & Youn (2010) confirmed a relationship between Extroversion and Impulsive Buying, where as Potter (1984) and Mowen and Spears (1999) did not confirm the same. John and Srivastava (1999), Mondak (2010) confirmed a relationship between agreeableness and impulse buying. Sun, Wu & Youn (2010), Troisi (2006) et al., Guido (2007) et.al confirmed a relationship between openness and Consumer Buying Decision.

H02: Credit/debit card usage affects impulse buying.

Credit or debit card is one of the easiest mode for shopping used by customers frequently. However, there are many other options also to make purchases like, Cash on delivery, online transfer, paytm, googlepay etc. The effect of use of Credit/Debit Card by the customers on their impulse buying behavior is evaluated using standardized beta value; the standardized beta value is 0.040, which is tested using t-test for significance. The value of t-test is 0.601 with a p of 0.548 so the hypothesis not supported. Therefore, use of Credit/Debit Cards does not contribute significantly in predicting impulse buying behavior. Youn and Faber (2000) already researched on the reasons for use of credit and debit cards in impulse buying but they found other reasons too for such purchases. Deshpande and Krishnan (1980) have examined a relationship between impulse purchases, credit card usage, Impulse Buying has generated the use of credit card but Presence of credit card has also promoted the Impulse Buying (Forney and Park, 2004). From a psychological perspective, credit card is a trigger of spending behavior. This study supports the findings of Tendai and Crispin (2009) and Koski (2004) who also explained the factors for impulse buying on Internet.

H03: Promotional approach is positively related to impulse buying.

The effect of Promotional Approach used by the online seller on impulse buying behavior of the customers is evaluated using standardized beta value; the standardized beta value is 0.386, which is tested using t-test for significance. The value of t-test is 6.958 with a p = 0.000. The hypothesis is supported. Therefore, the promotional approach used by the online sellers impacts impulse buying behavior significantly. Promotion has direct impact on impulse buying (Nagadeepa, et al., 2015). The two major

indicators of Impulse buying online were Promotion and website design (Dawson and Kim, 2009).

H04: Website design predicts impulse buying positively.

The effect of Website Design used by the online seller on impulse buying behavior of the customers is evaluated using standardized beta value; the standardized beta value is 0.093, which is tested using t-test for significance. The value of t-test is 2.190 with a p value of 0.029. The hypothesis is supported. Therefore, the Website Design used by the online sellers impacts impulse buying behavior significantly. Hoffman and Novak (1996) found that quality of website design increases the likelihood of impulse purchases. Wolfinbarger and Gilly (2003) highlighted the significance of website design and contents that may enhance a website's quality to attract more online customers.

The above results can be summarized in a single statement that the effects of all the antecedents of Impulse Buying Behavior except use of credit/debit cards were statistically significant.

IX. CONCLUSION

The main objective of study establishing cause and effect relationship between all the predictors and impulse buying was achieved through multiple regression analysis. In the process of hypothesis testing, out of four independent variables except credit/debit usage does not have significant impact on impulse buying and this does not support the hypothesis that credit/debit predicts impulse buying significantly. The findings of the study reveal that the customers focus more on website design and promotional approach. Thus the managers should lay more emphasis on designing of website and sales promotional technique to induce the impulse buying in customers. Furthermore, when it comes to impulse buying if a customer decided to make purchase he find out different options that's why almost all the online sites have provision to make purchases from different modes with easy return policies. So, the usage of such cards has not been predicted as significant contributor for impulse purchases lately.

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