

Research on Influencing Factors of Bangladeshi College Students' Impulsive Buying Behavior

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Abstract

The impulse buying have been studied over fifty years by consumer buying researchers and marketing academician. No empirical research have conducted yet on impulse buying behavior of Bangladeshi consumers. The objective of this study is to understand factors influencing Bangladeshi college students' to buy on impulse. Presence of peer and family, sales promotions and store characteristics have taken under consideration as external stimuli factors. Product involvement, self-identity and enjoyment have selected as internal stimuli factors. Data was collected from 437 full-time Bangladeshi college respondents and analyzed using SPSS 23.0. Using exploratory factor analysis, correlation analysis and regression analysis suggested that internal stimuli factors presence of peer and family, sales promotions and store characteristics positively influence Bangladeshi college students' to buy on impulse. The biggest findings of this study are the empirical data and analysis showed self identically impulse buyer exist and strongly influence impulsive buying. However, this study did not find any effect of enjoyment on impulse buying.

Keywords

Impulsive buying, external stimuli, internal stimuli.

1. Introduction

Supermarkets, Multiplex malls, Mega marts are the new forms of the modern retailing environment in major cities of Bangladesh. According to world banks report of 2015, Bangladesh is a middle-income country. As a result of several domestic and foreign players entering the market, the retail industry in Bangladesh has emerged rapidly and dynamically. Bangladeshi consumers especially college students have diametrically changed in terms of their shopping behavior and impulse buying is emerging as a highly noticeable behavior. Shopping is a complex and multifaceted experience. Occasionally, it is conducted for the purpose of acquiring goods and services that are considered to be needed by consumers [1]. Other times, different driving force motivate the consumer to make the final purchase. Based on the nature of the purchase, motivator and consumer characteristic researcher have named each behavior differently, such a way impulsive buying have earned its name. Likewise its name, impulsive buying consists of consumer's impulsivity, several uncertain situations, and various external and internal stimuli factors.

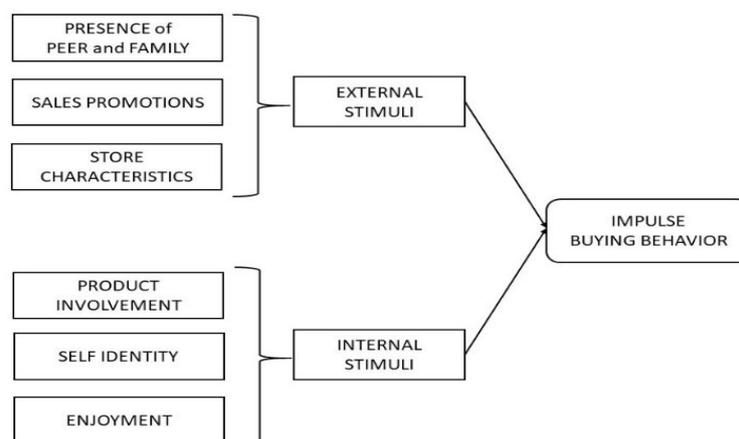
2. Literature Review

Through history, several researchers have defined impulse buying behavior though there has been a different focus on the definition throughout time. The previously researchers focused more on when the buying decision was made and the purchase itself, instead of the consumer. In 1950 impulse buying was first introduced by Clover. In general, a consumer goes through

five stages in the decision-making process, along with motivation, problem recognition or need, information search, alternative evaluations, and final purchase [2]. Customers use rational thinking during the decision making the process. Impulse buying does not run through rational ways for that impulse buying is frequently defined as unplanned buying. Impulse buying is unplanned purchase behavior because of a sudden desire to buy the product for self-gratification” [3]. Many factors could be under consideration during the decision-making the process as. Whatever, there can be stimulus factors, such as external stimuli, internal stimuli, situational factors, product-related factors, demographics, and socio-cultural factors [4]. Presence of peer and family may inspire a consumer to be impulsive. According to [5], the presence of others can increase the tendency of an impulse purchase. Promotional discount such as three at the price of two and in-store promotional activities triggers impulse purchase [6]. Furthermore promotional activities such as temporary price reductions, coupons, sampling serve as marketing stimuli and assist retailers to stimulate consumers` impulse buying behavior [7]. Store characteristics, which is consist of store layout, store environment, store type, window display, etc. have a great influence on impulse buying. According to Crawford and Melevar’s study [8], providing a good store layout can increase impulse buying behavior. Store managers can look at various environmentally friendly design variables to increase stimulation in their shop. For instance, fast tempo and high volume music increase arousal levels, warm colors such as orange, yellow and red are associated with related arousal [9].Product involvement an important factor supporting impulse buying tendencies because it generates the consumer emotions that’s why the individual how to have self-confident have some kind of knowledge about the product and its specification and they probably making a decision on it bases [10]. Internal factors are consumer’s emotion, customer knowledge and customer motivation towards certain products, including the individual’s desire to seek the variety of products that refer to the involvement of a person to the product to be bought [4].). Valaei and Nakhashemi [11] argued that self-identity “could be a good predictor of intentions because individuals are inclined to act in agreement with their identity standards.” According to the Goyal and Mittal [12], shopping enjoyment is a buyer’s individual characteristic which represents the tendency to find shopping more pleasant and to experience greater shopping amusement than others. A person who has a high characteristic of shopping enjoyment tends to perform in-store browsing longer and is than expected to feel a stronger urge to make impulsive buying [13].

3. Theoretical Framework and Hypothesis

This article focuses on variables that influence impulse buying behavior of customers. Variables like presence of peer and family, sales promotions, store characteristics, product involvement, self-identity, enjoyment and money availability



Ha1: Presence of peer and family have a significant influence on impulsive buying behavior of Bangladeshi college students.

Ha2: Sales promotions have a significant influence on impulsive buying behavior of Bangladeshi college students.

Ha3: Store characteristics have a significant influence on impulsive buying behavior of Bangladeshi college students.

Ha4: Product involvement has a significant influence on impulsive buying behavior of Bangladeshi college students.

Ha5: Self-identity has a significant influence on impulsive buying behavior of Bangladeshi college students.

Ha6: Enjoyment have a significant influence on impulsive buying behavior of Bangladeshi college students.

4. Sampling and Data Collection

A structured questionnaire was used for data collection. Sample participant of this study was Bangladeshi college student. Seven-point Likert's scale was used to caliber the responses, where '1' and '7' signified "Strongly disagree" to "Strongly agree" respectively. Of the 462 participants, 437 viable questionnaires were obtained from Bangladeshi college students' which represents 250 (57%) male, 187 (43%) female, 236 (54%) urban residence and 201 (46%) rural residence. Based on the participants' amount majority were male 57 percent and urban residence 46 percent.

4.1. Pilot Testing

The questionnaire was piloted on a judgment sample of 50 Bangladeshi college students that did not form part of the sampling frame in the main study. The pilot study was undertaken to determine the reliability of scales employed within the questionnaire before carrying out the main survey. Presence of peer and family scale (POPF1-POPF4) returned a Cronbach alpha value of 0.715, Sales promotions scale (SP1-SP3) returned a Cronbach alpha value of 0.628, Store characteristics scale (SC1-SC4) returned a Cronbach alpha value of 0.706, Product involvement scale (SI1-SI3) returned a Cronbach alpha value of 0.736, Self-identity scale (SI1-SI4) returned a Cronbach alpha value of 0.826, Enjoyment scale (E1-E4) returned a Cronbach alpha value of 0.808 and Impulse buying behavior scale (IB1-IB2) returned a Cronbach alpha value of 0.787. The recommended level of Cronbach alpha is above 0.60 [14], which requirement have accomplished during the pilot test.

5. Data Analysis

This chapter provides a discussion on the various statistical method have applied in this study.

5.1. Descriptive Statistics

Table 1 shows independent variables, self-identity, scored the highest mean (mean = 5.566), which suggest that Bangladeshi college students have a positive affective response to buying on impulse. The lowest mean was store characteristics within impulse buying behavior (mean = 4.703), this indicates store characteristics have the least impact on impulse buying of Bangladeshi college students. Other influencing factors of this study presence of peer and family, sales promotions, product involvement, enjoyment scored mean respectably 4.910, 4.777, 5.112 and 5.485.

Table 1. Descriptive statistics

Items	Means	Std. deviation	Cronbach alpha
Presence of Peer and Family	4.910	1.871	0.715
Sales Promotions	4.777	1.905	0.704
Store Characteristics	4.703	2.092	0.760
Product Involvement	5.112	1.779	0.751
Self-Identity	5.566	1.439	0.878
Enjoyment	5.485	1.354	0.783

5.2. Factor Analysis

Above table shows those highest values in a given row which are considered in this study. Factors names are presence of peer and family, sales promotion, store characteristics, product involvement, enjoyment, and self-identity. Kaiser-Meyer-Olkin (KMO) and Bartlett's test Statistic was used to explore the appropriateness of factor analysis. The KMO value is greater than 0.6 is suggested for factor analysis [15]. KMO value 0.810 found for this research which is as suggested and acceptable. the value of Bartlett's Test of Sphericity is also statistically significant and acceptable. Factor 1 is combination of 3 variables POPF1, POPF2, POPF3 and had loading 0.879, 0.871, and 0.816 respectively. Factor 2 is sales promotions, which is a combination of 3 variables SP1, SP2, SP3 and had loading 0.833, 0.835, and 0.591 respectively. Factor 3 is store characteristics, which is a combination of 3 variables SC2, SC3, SC3 and had loading 0.672, 0.813, and 0.723 respectively. Factor 4 is product involvement, which is a combination of 3 variables PI1, PI2, PI4 and had loading 0.830, 0.821, and 0.578 respectively. Factor 5 is enjoyment, which is a combination of 3 variables E1, E2, E3 and had loading 0.833, 0.753, and 0.782 respectively. Factor 5 is self-identity, which is a combination of 2 variables and had loading 0.908, 0.908 respectively.

Table 2. Rotated component matrix

	Component matrix						
	1	2	3	4	5	6	7
IB1							0.867
IB2							0.888
POPF1	0.879						
POPF2	0.871						
POPF3	0.816						
SP1				0.833			
SP2				0.835			
SP3				0.591			
SC2						0.672	
SC3						0.813	
SC4						0.723	
PI1			0.830				
PI2			0.821				
PI4			0.578				
E1		0.833					
E2		0.753					
E3		0.782					
SI3					0.908		
SI4					0.908		

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

Rotation converged in 7 iterations.

5.3. Correlation Analysis

According to Malhotra [16], it is important to assess whether there is any evidence of multicollinearity between the variables when conducting any type of multivariate statistical method. Therefore, a correlation analysis was conducted in order to assess the relationships between the factors in order to check for multicollinearity. As such, Pearson's product-moment correlation was computed. As indicated in Table 3, none of the correlation coefficients between the variables exceeded the recommended cut-off point of 0.80 [17]. As such, there is no suggestion of any apparent evidence of multicollinearity between the predictors. This suggests that regression analysis can be conducted.

Table 3. Correlation

Construct number							
Presence of P&F	1						
Sales promotions	0.263**	1					
Store Characteristics	0.179**	0.228**	1				
Product involvement	0.271**	0.336**	0.421**	1			
Enjoyment	0.355**	0.400**	0.339**	0.396**	1		
Self-identity	0.299**	0.328**	0.365**	0.436**	0.464**	1	
Money Availability	0.162**	0.269**	0.160**	0.300**	0.168**	0.081	1

5.4. Regression Analysis

To obtain empirical objective of this study, regression analysis were computed and hypothesis was tested through regression analysis. Table 4 showed that R² value of six independent variables are respectively 0.066, 0.061, 0.082, 0.065, 0.097 and 0.059. Table 4 also showed founded F-stat value which are, 7.681, 6.968, 9.690, 7.480, 11.560 and 6.813 respectively. Both of these values indicates that there is an impact of six independent variables on impulse buying behavior and overall model is reasonable.

Result of this regression analysis also showed that independent variables presence of peer and family, sales promotions, store characteristics, product involvement, self-identity have positive significant results. It means these variables positively influence impulse buying behavior of Bangladeshi college students. However independent variable enjoyment do not have any statistically significant result. So this study have found that enjoyment do not influence Bangladeshi college students positively or negatively.

Table 4. Regression analysis

Dependent Variable: Impulse buying behavior	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Gender	-0.169*** (-3.169)	-0.165*** (-3.080)	-0.152*** (-2.875)	-0.158*** (-2.956)	-0.150*** (-2.854)	-1.157*** (-2.904)
Household Residence	-0.148*** (-2.758)	-0.153*** (-2.851)	-0.163*** (-3.086)	-0.168*** (-3.150)	-0.154*** (-2.929)	-0.153*** (-2.846)
Money availability	-0.11 (-0.818)	-0.013 (-0.933)	-0.014 (-1.000)	-0.016 (-1.102)	-0.011 (-0.798)	-0.010 (-0.725)
Presence of peer and family	0.043*** (2.664)					
Sales promotions		0.037* (2.095)				
Store characteristics			0.065*** (3.837)			
Product involvement				0.051* (2.517)		
Self-identity					0.077*** (4.671)	
Enjoyment						0.044 (1.950)
N	437	437	437	437	437	437
R2	0.066	0.061	0.082	0.065	0.097	0.059
F	7.681	6.968	9.690	7.480	11.560	6.813

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

6. Concluding Remarks

Impulse buying is unique by its nature and very often occurred consumer behavior. It happens in a spur of a moment without having any pre-planned intention of buying any product. This study reveals factors that influencing Bangladeshi college students' to purchase on impulse. The findings of this study indicate that Bangladeshi college students' like to shop with peer and family. During shopping with peer and family, Bangladeshi college students' spend more and buy more impulsively. Sales promotions such as advertisements, price discount, and coupon trigger college students' as a result they buy more than they have planned. Attractive store characteristics with wonderful music, novel layout, visually pleasant layout, and skilled friendly staff often intensify consumer's impulsiveness. This research finds that consumer is impulse with those products, they are well involved. Product with attractive advertisements creates the desire to make the purchase. This research focused on college students, which is the young generation. Its study found that some amount of Bangladeshi college students' self identically thought that they are an impulsive buyer. They do not want to do any preplanned purchase instead of that, purchase during browsing is the best way for self identically impulse buyers. Enjoyment does not have any positive effect on Bangladeshi college students' impulse buying. This research focused only Bangladeshi college students. An older generation or professionals could be targeted, the income of this group would be higher than that of college students; therefore, more purchases that are impulsive can be made. This study utilized only a quantitative approach, a combination of quantitative and qualitative (for example, observation

method) is recommended. Despite these limitations, this study managed to find out factors influencing Bangladeshi college students to purchase impulsively. Through the findings of this study retailers and marketers can set more focused and effective strategies to sell more products.

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