

IMPORTANCE OF SUB CULTURAL FACTORS IN IMPULSE BUYING

BEHAVIOUR OF YOUNGSTERS IN NORTHERN INDIA

DEEPAK JOSHI

Assistant Professor, Management, Department of Fashion Communication,
National Institute of Fashion Technology, Kangra, India

ABSTRACT

As we have been seeing that there has been an increase in impulse buying behavior of consumers, relying on the same marketers / retailers are leaving no stone unturned to entice customers and escalate his buying at the point of purchase / shop. We have seen youngsters are shopping extra items or are making their decisions at point of sale. This study tries to understand, if there is any role of gender, background area and domicile of a particular state as subcultural factors in impulse buying. It also finds out what youngsters feel about impulse buying. It is interesting to note that most of the youngsters are interested in impulse buying. While majority of them, who are not interested consider it to be, wastage of money.

KEYWORDS: Consumer Behaviour, Impulse Buying, Culture, Subculture

INTRODUCTION

As we know, that Consumers generally view themselves with respect to their culture and react to their environment based upon the cultural frame work that they are a part of. Each individual has a perception of the world, products, brands and companies through his own cultural lens. Subculture is a distinct cultural group existing as an identifiable segment within a larger, more complex society.

In Indian context it may be understood as a subdivision of Indian culture that is based on some specific unifying characteristic. The members of a subculture share similar patterns of behavior that may be very distinct from those of the national culture.

Marketers generally use a variety of demographic characteristics to identify various subcultures like, age, religion, race, income level, gender, family type, occupation, geographic level.

Thus we will find that all consumers are simultaneously are members of more than one sub-cultural segment. The busy schedules, long office hours, etc which increases shortage of time in consumer's personal life has added the habit of impulse purchase.

According to Phillips (1997), the modern consumers are more educated, more sophisticated and more cynical. Thus, these consumers are postponing their decision making until at the point of purchase. This has given boost to impulse purchase and brand switching, and consequently a decline in the power of branding and traditional marketing approaches.

OBJECTIVES

- To study the current buying pattern of youngsters in terms of planned purchase.
- To study the opinion of youngsters in terms of impulse buying.
- To analyze the importance of Gender, Domicile State & Background (Rural / Urban) as subcultural factors with respect to impulse buying.

HYPOTHESIS

Following hypotheses are being proposed on the basis of secondary study:-

- H1: There is no significant difference in impulse buying as far as area of living (rural/urban) is concerned.
- H2: There is no significant difference in impulse buying as far as Gender is concerned.
- H3: There is no significant difference in impulse buying as far as different States (Subculture) are concerned
- H4: There is no significant difference in impulse buying opinion as preparedness for buying is concerned

LITERATURE REVIEW

Consumer Behaviour

As per Schiffman, G.L and Kanuk, L.L (2010), 'Consumer behaviour is the behaviour that consumers display in searching for, purchasing, using, evaluating products or services and ideas that they expect will satisfy their needs'.

Kotler, Philip, Keller K.L e'tal (2009) says 'Consumer behaviour is the study of how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and wants'.

Factors Impacting Buying Behaviour

A Consumer's buying behavior is influenced by cultural, social, and personal factors and Cultural Factors exert the broadest and deepest influence (Kotler, Philip, Keller K.L e'tal, 2009). It is further said by them that, culture, subculture, and social class make a very important impact on consumer buying behavior.

Culture shapes up the persons needs into want and thus is a fundamental determinant of consumer behavior. Similarly social factors like reference groups, family, roles, and social status. In addition to these, personal characteristics also influence the buyer's decision. The age, stages in life cycle, economic condition, occupation, his personality attitude, self concept, values, lifestyle and interest of a person makes an indispensable impact on his behavior as a consumer.

Schiffman and Kaunk (2010), says that culture satisfies needs of the people in the society. It guides all aspects and phases of decision making and problem solving of a consumer by providing direction and order towards 'tried and tested' methods of satisfying all types of needs including physiological and social. Even culture is the factor which makes a society and a person to consider products as a necessity or view it as a luxury.

According to, Jacqueline J.Kacen & Julie Anne Lee (2002), both regional level factors (individualism–collectivism) and individual cultural difference factors (independent –interdependent self-concept) systematically influence impulsive purchasing behavior.

A study by K. Abraham & G. Subramanyam (2013) in Andhrapradesh, India concludes that the factors which impact and create relationship between low income group consumer and marketer in their area are, low price, familiar shopkeeper, quantity, quality and other benefits like discounts, gifts, offers, prizes etc.

PacoUnderhill (1999), states that many purchases / purchase decisions are made in the store premises itself on the basis of impulse.

Dittmar et al. (1995) concluded in their study that impulse purchases are made more in the items that symbolize the preferred or ideal self and as such are affected by social categories such as gender. They indicated that women value their possessions for emotional and relationship-oriented reasons (social identity reasons), while men value their possessions for functional and instrumental reasons (independent).

According to Triandis (1995), says collectivism is a social pattern that consisting of individuals who see themselves as an integral part of one or more collectives or in-group and people who are more collectivist are often motivated by norms and duties imposed by the in-group, give priority to the goals of the in-group, and they try to emphasize their connectedness with the in-group. He defines individualism as a social pattern that consists of individuals who see themselves as autonomous and independent. The focus on group preferences and group harmony in collectivist cultures enables to repress internal (personal) attributes in certain settings. Thus, people in collectivist cultures are able to shift their behaviours depending on the context or what is "right" for the situation. Among collectivists a person is generally seen as more mature when s/he puts personal feelings aside and acts in a socially appropriate manner rather than in a way consistent with personal attitudes and beliefs.

Consumers often feel a sense of guilt or shame for making purchases that violate their better interests (Faber and O'Guinn 1992).

Kotler Philip (2009), mentions that though five stages have been identified in decision making of a consumer (Problem Recognition, Information Search, Evaluation of Alternatives, Purchase Decisions and Post Purchase Behaviour), however consumers don't always pass through all five stages. They may skip or reverse some. When you buy a convenience product or has a particular shop patronized you may skip information search and evaluation.'

Study by Parker, (1997) indicates that 70% of consumers' buying decisions are made at the point of sale.

RESEARCH METHODOLOGY

A secondary research was done to arrive at the relevant facts that formed a base for the objectives and Hypothesis. Then a primary research was done by introducing a comprehensive questionnaire to the respondents. The respondents were administered till the correct responses from the desired samples were achieved. The wrong, uncompleted questionnaires were discarded meanwhile.

PRIMARY DATA

Quota was allocated to take responses from males and females. Sampling was done among the college going youth of 18 to 25 years of age nearby a college in a developing city of a state college premises in Delhi. It was ensured to have 10 samples of males and females each from 8 different northern states /UT of India, namely Bihar, Chandigarh, Haryana, Himachal, Punjab, Rajashtan, Uttarakhand and Uttarpradesh. To keep study more relevant and unbiased Samples

belonging to Delhi NCR were not included in the data analysis. Thus, 1st year Graduate Students were identified for sampling so as to minimize the variance in terms of age, education, and other potential impact factors.

SAMPLE SIZE

As data was collected by 10 samples of males and females each from 8 different northern states, hence sample size for the study was 160.

TOOLS AND TECHNIQUES

The data collected through questionnaire were tabulated and analyzed by using excel. Chi-square Test was done to prove the Hypothesis.

RESULTS AND DISCUSSIONS

Table 1: Impulse Buying and Background (Rural/Urban)

| Interest | Rural | Urban | Total |
|---------------------|-----------|-----------|------------|
| No Impulse Purchase | 32 | 25 | 57 |
| Impulse Purchase | 40 | 63 | 103 |
| Total | 72 | 88 | 160 |

Source: Primary Data

It is evident from the Table 1 that majority of the respondents represented by 64% of the total are interested in impulse buying. It also reveals the fact that almost 79% of the urban respondents are comfortable with impulse buying, while still 40% of the rural respondents do not consider impulse buying to be ok.

Hypothesis Testing (H1)

H1: There is no significant difference in impulse buying as far as area of living (rural/urban) is concerned.

Chisquare was tested on the basis of Table. 1. Since calculated value 4.434 of chi square is greater than the table value of 3.84 at 1 degree of freedom and 5% level, hence proposed hypothesis is rejected. There is a significant difference in impulse buying as far as rural & urban background is concerned. Thus as per data impulse buying is less evident in the people belonging to rural areas.

Table 2: Impulse Purchase and Gender

| Interest | Female | Male | Grand Total |
|---------------------|-----------|-----------|-------------|
| No Impulse Purchase | 28 | 29 | 57 |
| Impulse Purchase | 52 | 51 | 103 |
| Total | 71 | 89 | 160 |

Source: Primary Data

The data analysis of Table 2, shows that majority (Overall 64%) of respondents feel impulse buying is OK and is interested in impulse purchase. Out of total female respondents, 73% are inclined towards impulse buying whereas out of total male respondents 72% are interested in impulse buying.

Hypothesis Testing (H2)

H2 = There is no significant difference in impulse buying as far as Gender is concerned

Chi Square was tested on the basis of Table 2. Since calculated value 2.079 of chi square less than the table value of 3.84 at 1 degree of freedom and 5% level. Hence we accept null hypothesis no 1, i.e. there is no significant difference in impulse buying as far as Gender is concerned.

Table 3: Impulse Purchase Vis a Vis State Domicile

| Interest | Bihar | Chandigarh | Haryana | Himachal | Punjab | Rajasthan | UK | UP | Grand Total |
|---------------------|-----------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| No Impulse Purchase | 10 | 5 | 7 | 7 | 5 | 7 | 8 | 8 | 57 |
| Impulse Purchase | 10 | 15 | 13 | 13 | 15 | 13 | 12 | 12 | 103 |
| Total | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 160 |

Source: Primary Data

As per Table 3, respondents belonging to Bihar are equally divided in their opinion for interest in impulse purchase, with 50 % liking it and 50 % not interested in Impulse Purchase. It is interesting to note that in Chandigarh & Punjab has got similar impulse purchase interest, 75% each of respondents belonging to these states are interested in impulse purchase. 65 % of Haryana, Rajasthan and Himachal are interested in Impulse purchase while 60% respondents each out of UP and Uttarakhand (UK) consider impulse purchase to be OK.

Hypothesis Testing (H3)

H3: There is no significant difference in impulse buying as far as State Domicile is concerned

Chi Square was tested on the basis of Table 3. Since calculated value 2.787 of chi square is less than the table value of 14.067 at 7 degree of freedom and 5% level. Hence we accept null hypothesis, i.e. there is no significant difference in impulse buying as far as State Domicile is concerned.

Table 4: Reasons for Not Supporting Impulse Buying

| Reason for Dislike of Impulse Buy | No of Respondents | % |
|---------------------------------------|-------------------|--------------|
| Don't Know | 2 | 4 % |
| Makes You Purchase Unnecessary things | 15 | 26 % |
| You end up wasting money | 40 | 70 % |
| Grand Total | 57 | 100 % |

Source: Primary Data

Represented by Table 4, the respondents who said they are not ok with the idea of impulse buying, were asked to provide a reason for it through open ended question. The most of the answers given indicated only two options which can be expressed as you end up wasting money and you purchase un-necessary things. Almost 70 % agreed that you end up wasting money (either directly indicated or expressed in the form like you end up buying low/bad quality goods) while 26 % indicated that impulse buying makes you purchase unnecessary things. Only 4 % (2nos) did not have any idea regarding the same.

Table 5: Pre Decided Buying and Point of Purchase Decision

| Interest | Do Not Make a List, But Decide Previously | No, Decide At Shop | Yes, Make a List Prior Purchase | Grand Total |
|---------------------|---|--------------------|---------------------------------|-------------|
| No Impulse Purchase | 30 | 2 | 25 | 57 |
| Impulse Purchase | 41 | 46 | 16 | 103 |
| Total | 71 | 48 | 41 | 160 |

Source: Primary Data

To analyze if there is any impact of pre-decided buying on impulse purchase, respondents were asked whether they make any list of items required before purchase or decide previously. The results as analysed in table 5 were interesting when responses were cross tabulated with their actual opinion about impulse purchase, to avoid any biasness the said questions were not asked immediately.

Majority (58%) of those who decide previously, although do not make a list are interested in impulse buying. 96% of those who do not make a list, are ok with impulse buying. While 61 % of those, who make a list are not interested in impulse buying.

Hypothesis Testing (H4)

H4: There is no significant difference in impulse buying opinion as preparedness for buying is concerned

Chi Square was tested on the basis of Table 5. Since calculated value 22.073 of chi square is much greater than the table value of 5.991 at 2 degree of freedom and 5% level. Hence null hypothesis is rejected and it is established that the impulse buying is heavily impacted by the pre decision of purchase. Thus, if someone who decides previously and makes a list of purchase items, he shall be less interested in impulse buying.

Table 6: Frequency of Impulse Buying

| Interest | Every Time When I go to Shop | Mostly | Almost Never | Yes, But Rarely | Grand Total |
|--------------------|------------------------------|-----------|--------------|-----------------|-------------|
| No | | | 57 | | 57 |
| Yes | 26 | 25 | | 52 | 103 |
| Grand Total | 26 | 25 | 57 | 52 | 160 |

Source: Primary Data

The question represented by Table 6 also served to avoid errors, the questionnaires with 'no' as answer to Interest in impulse and answering except 'almost never' for frequency for impulse, were rejected. Table 6 throws light on the fact that almost 25 % each of those respondents who are interested in impulse buying shop mostly or every time they visit a shop. While around 50 % of them rarely opt for impulse buying.

The respondents were asked to indicate through open ended question what is their most preferred item of impulse buying, those who do not feel impulse buying is fine were asked to assume if they would have bought something on impulse what would it be. Almost 24 % of the total respondents indicated Apparel, while 16 % each preferred Electronic Gadgets and Grocery Items. 11 % of the total respondents indicated for perfume and beauty products while 8% said for fashion accessories and 4 % also indicated for items related to Stationery. Around 22% of respondents did not disclose any thing.

The cross tabulation of preferred items for impulse vis a vis rural background revealed that Grocery is the most preferred item (31%), followed by apparel with almost equal liking (29% of respondents). While fashion accessories are preferred by 17 % rural respondents who indicated their preference. A significant no around 13% also prefer perfumes / beauty products for impulse. Electronic gadgets act as impulse for only 8% of respondents while stationary has a miniscule (2%) preference for impulse buying in rural areas. While the cross tabulation of preferred items for impulse vis a vis urban background revealed that Apparel is the most preferred item (32% of urban respondents who indicated their preference). It is interesting to note that almost an equal number of respondents represented by 30% prefer electronic gadgets as impulse items. Perfumes & beauty products is the third set (15%) followed by grocery item (12%). While Fashion

Accessory is indicated as their choice by 7% of respondents, Stationery is also indicated as impulse item by 4% of the respondents who chose to indicate their impulse item.

Since, most of the respondents were not conformable in disclosing the family income, the income related aspects could not be analysed.

FINDINGS OF THE RESEARCH

- Most of the people are feel it's ok to purchase based on impulse
- Chances of Impulse buying to happen are almost double in urban areas/with people belonging to urban areas, as compared to rural the times.
- It was proved through hypothesis testing that the, area of living (Rural or Urban) has a significant on impulse buying.
- As far as gender is considered, there is no significant difference in impulse buying.
- There is no significant difference in impulse buying as far as domicile of different States (Subculture) is concerned; however still 50% respondents belonging to Bihar do not like impulse purchase. While more than 60% respondents belonging to all other states are comfortable with impulse buying.
- Preparedness for buying is has a considerable impact on impulse buying opinion. The more prepared and decided a customer is for buying lesser are the chances of impulse buying.
- Most (70%) of those who do not prefer or consider impulse purchase to be ok, feel that impulse buying wastes your money (either directly indicated or expressed in the form like you end up buying low/bad quality goods) while 26 % indicated that impulse buying makes you purchase unnecessary things.
- Overall Apparel is the most preferred item for impulse purchase preferred by highest number of respondents, followed by Electronic Gadgets and Grocery Items at second level. Perfume and beauty products follows next, while fashion accessories and Stationery in respective order is preferred by remaining people.
- Maximum People belonging to rural area still consider grocery item as their top choice for impulse buying category, followed by apparel, fashion accessories and perfumes and beauty product respectively. While electronic gadgets and stationery occupies the last place respectively.
- The people belonging to urban prefer the following items in the respective order, Apparel, electronic gadgets, perfume & beauty, grocery items, fashion accessories and stationery.

RECOMMENDATIONS/SUGGESTIONS

- People, who do not wish to fall prey to impulse buying, should prepare a list of items to be purchased before going to shop to avoid buying unnecessarily.
- It may be beneficial at time for consumers if you buy based on impulse, however buyer should evaluate the price quality relationship of the promoted product with the standard product. He should also re-evaluate the need and use of the item before final purchase so as to avoid any loss later on.

- Retailers can include various items for the impulse based on above results.
- Further as majority of respondents, all of them being youth considering impulse buying ok, retailers and marketers can take advantage by smartly pushing other items as well for sale.

CONCLUSIONS

With the latest retail evolution and advent of newer and rigorous marketing techniques including cross screen marketing etc, it has become unavoidable to ignore marketing communications. This phenomenon combined together with point of sale attracting techniques, has made it formidable for consumers to avoid impulse buying. Majority of youngsters are buying on impulse and even they consider it to be ok. Gender, region etc being important in sub cultural interaction, the role played by them in consumer socialisation is decreasing with an increase in frequency as well as ease of marketing communications. Previously female gender was supposed to be more inclined towards impulse purchase, these dimensions are changing. The Gender and state domicile as a subculture have lost its importance in impulse buying, while only factor which has significant impact on impulse buying is rural or urban background.

Although it may be beneficial at times, buying based on impulse; however as a rational consumer one needs to evaluate previous purchases made on impulse and see if they are falling prey and collecting undesirable items and wasting money.

REFERENCES

1. Clark L.H. (1958). *Consumer Behaviour: Research and Consumer Reactions*: Harper and Brother Publications Newyork
2. Dittmar, Helga, Beattie, Jane, & Friese, Susanne. (1995). Gender identity and material symbols: Objects and decision considerations in impulse purchases. *Journal of Economic Psychology*, 16,491–511.
3. Jacqueline J.Kacen & Julie Anne Lee, 2002 The Influence of Culture on Consumer Impulsive Buying Behavior, *Journal Of Consumer Psychology*, 12(2), 163–176
4. K. Abraham & G. Subramanyam (2013), *Ethnographic Study In Marketing, Emerging Trends in Fashion Footwear & Business Management*, 357-370, Bharti Publications, Delhi
5. O'Guinn, Tboimas, and Ronald Faber (1989), "Compulsive Buying: A Pbenomenological Exploration," *Journal of Consumer Research*, 16 (September): 147-157.
6. Philip Kotler, Keller K.L, Koshy. A and Jha M (2009). *Marketing Management: A South Asian Perspective*: thirteenth edition, Prentice Hall New Delhi.
7. Phillips, H. (1997) how we actually shop: the implications for the designer? *Packaging India*, August–September, 47–54.
8. Schiffman L. G, Kanuk L.L and Kumar S.R. (1994) *Consumer behavior*: tenth edition, Prentice Hall New Delhi.
9. Triandis, Harry C. (1995). *Individualism and collectivism*. Boulder, CO: Westview.
10. Underhill, Paco. (1999). *why we buy: The science of shopping*. New York: Simon & Schuster.

APPENDIX**Questionnaire**

1. Gender: Male Female
2. Domicile State:
3. Area of Domicile: Rural Urban
4. Monthly Family Income: - Less than 10 K - 10 K to 20K - 20K to 40K - 40 K to 60 K - 60K to 80 K - 80 K and above
5. Do you make a list of items (or decide items) that you need before going to an outlet?
 - a. No I do not make a list, but I decide previously
 - b. Yes I do make a list
 - c. No I never decide previously, I start doing it at the Point of Purchase
6. Do you feel impulse buying is OK, i.e you are interested in impulse buying? If No, Reasons
 - a. Yes
 - b. No.....
7. If you have ever bought anything based on impulse, your frequency?
 - a. Yes, but rarely
 - b. Yes, every time when I go to shop
 - c. Yes, Mostly
 - d. almost never

This question also served to avoid errors, the questionnaires with answer to Q. No 6 was No and answer for Q. No 7 was except option d. almost never, was rejected.
8. What is the Product that you have bought mostly based on impulse/ or may like to buy.

