

## An Exploratory Study of the Impulse Buying Behaviour of Urban Consumers in Peshawar

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**Abstract**—Marketers and researchers have always had interest in the phenomenon of impulse buying since several decades but most of the studies have focused on examining it in the developed countries. This study attempted to investigate the relationship of demographic factors with impulse buying tendency of consumers in the urban areas of Pakistan, a developing country. Results indicate that only age has a significant negative relationship with the impulse buying tendency whereas gender and income are not significantly related to it. The low R2 value suggests that demographic variables only have an indirect effect on impulse buying tendency.

**Keywords**- impulse buying; Pakistan; demographics; developing; point-of-purchase

### I. INTRODUCTION

The importance of impulse buying behaviour is recognized by marketers and researchers all around the world and phenomenon has been extensively studied by researchers during the last 60 years. The earliest studies on impulse buying include the DuPont Consumer Habits Studies in 1940s to 60s [1] and studies such as by Patterson in 1960s [2] which were sponsored by the Point-of-Purchase Advertising Institute. These studies on impulse buying have been carried out in different countries but the focus has been mainly on consumers in United States and it has been found that consumers in U.S. are more impulsive than other countries [3]. About 80% of purchases in certain product categories in U.S. are made impulsively [4]. Similarly, in another study in U.S. [5], it has been reported that about 90% of the consumers make occasional purchases on impulse. A study found that only in the categories like Candy and Magazines, an amount of \$4.2 billion was estimated to have been generated as an annual store volume through impulse buying [6]. Many authors suggest that the consumers' purchasing on impulse have the potential to grow further with the new technologies like internet and television shopping channel; and marketing innovations such as 24-hour convenience stores as they provide both the convenience to make impulse purchases as well as the accessibility to products and services [3].

Impulse buying is simply defined as the sudden and immediate purchase decision inside a store with no prior intention to buy the specific product or products [7] [8]. "Impulse buying occurs when a consumer experiences a sudden, often powerful and persistent urge to buy something immediately. The impulse to buy is hedonically complex and

may stimulate emotional conflict. Also, impulse buying is prone to occur with diminished regard to its consequences" [9, p.191].

The scope of research on impulse buying behaviour is quite diverse and beside the theoretical and methodological issues, covers areas such as its relationship with shelf location in retail stores and the amount of shelf space [2] [10]; the influence of culture on it [3]; the effect of mood and emotional state [11]; the relationship of self-identity [12] and its relationship with demographic characteristics [7] [13].

Although the literature on the impulse buying behaviour is diverse and rich but majority of the studies have examined the phenomenon in western and developed countries, with very little focus on underdeveloped and developing countries. These countries exhibit several cultural differences and cultural factors significantly influence consumers' impulsive behaviours [3]. Reference [14] have emphasized on the importance of cultural differences in understanding the behaviour of consumers even in today's increasingly becoming globalized markets.

This study therefore, is aimed at understanding whether the relationship of demographic factors such as age, gender and income with impulse buying, which has been found in other countries, also exist in Pakistan, a developing country or there is a difference in such behaviour. The relationship of age with impulsive behaviour has been examined in several studies [15] [16] [17] [18]. Reference [15] examined the age-impulsive buying relationship in an adult sample in U.S. and found a non-linear relationship between them. His result shows that the tendency for impulse buying increased in the consumers from ages 18 to 39 but then declined after the age of 39. Reference [17] found that younger people show more impulsivity than the older people. Similarly, in another study, it was found that customers under the age of 35 showed more impulsive behaviour the older customers [16]. References [13] argue that younger people are more likely to be pioneers in adopting new lifestyles. They buy new and fashionable products, enjoy shopping in new markets and therefore, are prone to more impulse buying. The older people, on the other hand, are likely to be calmer and stable who have the ability to control their urge to make spontaneous purchase decisions.

In Pakistan, the young urban consumers are exposed to new and fashionable products. The media has significantly influenced their lifestyles and they are adopting lifestyles of urban consumers in developed countries. This study, therefore, hypothesizes an inverse relationship between age and impulse buying behaviour as given below:

H1: Age has an inverse relationship with the impulse buying behaviour of urban consumers in Pakistan.

Several studies which examined the role of gender in impulse buying behaviour have mostly found that there exists a relationship between gender and impulse buying but the findings are inconsistent [12] [7] [13] [19]. For example, [19] conducted a study on the impulsive behaviour of adolescents' in Taiwan and found that female adolescents had a higher tendency to impulsive buying than the male adolescents. A similar relationship was found in other studies [7] [16] [12] [15]. However, [13] and [20] found the opposite relationship. They found that men were more likely to make impulse purchases than female.

In urban areas of Pakistan, there is an increasing tendency by female consumers to do most of the grocery shopping like the food and other items. Since impulse buying mostly occurs in the low priced convenience goods, it is expected that female consumers have more tendency towards impulse buying than the male consumers. The following relationship is therefore, hypothesized:

H2: Female shoppers in Pakistan are more involved in impulse buying than the male shoppers.

In addition to the demographic characteristics of age and gender, the role of income has also been examined by several scholars. Reference [10] found a positive relationship between the adolescents' pocket money and their impulse behaviour. The impulse purchases of adolescents increased with the increase in their pocket money. Similarly, reference [21] also found a positive relationship between income and impulse buying and they point out that one of the reasons for more impulsive buying by consumers in US than the other countries is the higher income level of American consumers. Reference [13] argue that consumers with higher income have less constraint in acting on their impulses as they have less difficulty in making payments for them. They however, did not find a significant positive relationship with income in their study. Based on the findings of most of the studies and the common logic that higher income customers are freer and relaxed to make payments for impulses, a positive relationship is hypothesized as follows:

H3: There is a positive relationship between income of the consumers and their impulse buying behaviour.

## II. METHOD

### A. Sample

To test the hypotheses of the study, primary data was collected from customers who shopped at some of the prominent retail stores of Peshawar, the capital city of Khyber Pakhtunkhwa province of Pakistan. These stores included Wadud Sons, Need Super Store, Jan's Arcade, The Mall Super Store and Garrison Department Store. A total of 100 shoppers willingly participated and their responses have been included in the analysis.

### B. Instrument

A structure questionnaire comprising of two sections was used for collecting the data. The first section sought information about the demographic characteristics of the

respondents and the second section consisted of 7-items on a five point Likert scale to measure the impulse buying tendency of consumers. These items were adopted from Rook and Fisher [22]. The Rook and Fisher's scale has been widely used in research studies on impulse buying tendency [19] [13] [3]. The reliability of the scale for this study was examined through the Cronbach alpha and it was found to be at satisfactory level ( $\alpha = 0.620$ ).

### C. Procedure

Respondents were shoppers at these stores who were requested to participate in this survey once they exited from the stores. The data was analyzed by using multiple regressions through the Statistical Package for Social Sciences (SPSS).

## III. RESULTS AND DISCUSSION

The results are presented in Table 1 as given below. The results in Table 1 show that among all the independent variables, only age has a significant relationship with the impulse buying tendency. Therefore, **H1** which hypothesized

a negative relationship between age and impulsive behaviour of consumers is supported. However, **H2** which hypothesized a positive relationship between gender (female) and impulse buying tendency is not supported. The relationship though as predicted is positive but it is not significant. Similarly, **H3** which hypothesized a positive relationship between income of the consumers and their impulse buying tendency is also not supported, as the relationship is not significant. The value of  $R^2$  is 0.001 which is quite low.

TABLE I. RESULTS OF REGRESSION ANALYSIS

\*Reference category for dummy variables

Independent Variables	Dependent Variable	Stand. Coeff. Beta	T value	Sig.
H1 : Age (-)	Impulse buying tendency	-0.108	-0.619	0.040
H2: Gender Male*  Female(+)	Impulse buying tendency	-0.011	-0.072	-0.943
H3 : Income (+)	Impulse buying tendency	0.012	0.202	0.840

The relationship of demographic variables with the impulse buying tendency of urban consumers in Pakistan was examined in this study. The result shows that out of all the three demographic variables, that is, age, gender and income, only age has a significant negative relationship with the impulse buying tendency of consumers. This means that young consumers are more involved in impulses buying than

the old consumers. This finding is consistent with findings of several other studies where a similar relationship has been found [17] [16] [13].

There may be two possible explanations for the insignificant relationship between income and impulse buying tendency. First, the retail stores selected as target population for the study target the affluent class who seem to have almost similar income levels. The difference in income levels therefore, could not be captured and subsequently a relationship has not been found to exist. The second reason may be that people in Pakistan generally do not correctly disclose their income levels. They exaggerate their income levels to appear socially better than the others. This act on their behalf might have diluted their responses.

An explanation for the insignificant relationship between gender and impulse buying tendency may be that the data was collected in Peshawar where people are relatively more conservative than the other cities of Pakistan. Female which are more educated and social personally visit stores for making household purchases. However, conservative families are male dominant and most of the purchases are made by the male members. The male members are therefore, more prone to make impulse buying in these families. This mixed culture of the city might have influenced the result.

#### *A. Limitations and Suggestions for Future Research*

The target population of the study consisted of retail stores which mostly target the affluent class of the city. The behaviour of the customers who are less affluent could not be portrayed. It is therefore, suggested that a larger, more representative sample including other stores of the city be considered to verify the differences in their behaviours.

The low  $R^2$  value indicates that demographic variables do not play an important role in influencing the tendency of customers towards impulse buying. Their influence seems to be indirect and there can be other factors such as the shopping environment, product display, shelf location and space and mood which may have a direct impact on the impulse behaviour. The influence of these factors therefore, needs to be examined in future studies.

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