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An Empirical Study on the Impulsive Buying Behaviour of Online Shoppers of Z Generation



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ABSTRACT

Consumer behaviour is a complex phenomenon involving various characteristics such as time, price, situation, personality traits etc., the personality of each individual is different and is unique with respect to their physical, psychological and behavioural characteristics. An impulsive is an unintended decision to purchase a product or a service. Here, the study is confined to online impulsive buyers. The factors affecting impulsive buying behaviour were categorized under the heads marketing factors and personal factors such as satisfaction, affordability, the effectiveness of advertisement, promotional methods, delivery of the product, visual merchandising. The study was done to measure the extent of effectiveness of the personal factors and marketing factors affecting the impulsive buying behaviour of the Z Generation who shop online. This paper attempts to study the marketing factors and personal factors influencing the impulsive buying behaviour of online shoppers of the Z Generation. In order to fulfil the objectives of the study, a sample size of 300 is collected using the judgmental sampling technique and the study was done in Coimbatore city. The data were analysed using a frequency distribution table, factor analysis and "T" test. The results divulge that there is a significant relationship between personal characteristics and impulsive buying behaviour and the variables in the factor analysis shows how strong is the relationship is between the variable and the factor.

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1.0 INTRODUCTION

Generation Z members are informally defined as persons born between 1995 and 2010 who have been exposed to the internet, social networks, and mobile technologies from their childhood. In such a context, an extremely comfortable hyper cognitive generation has emerged, defined by the collection and cross-referencing of various sources of knowledge, as well as the integration of virtual and offline experiences.

Impulsive buying is an unintentional and immediate purchase a customer/ shopper makes because of the presence of a sudden stimulus object that results in the emotional state of excitement

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and happiness or the willingness to purchase (Rook, 1987). The impulse created to purchase a product is at the spur of the moment, tempting and is without replication. The buyer enters the shopping platform with no purpose but does buy with an immediate impulse which is caused by the various factors comprised of the personal factors and the factors connected to the shopping environment. Their purchase is not a deliberate purchase that is conceded out based on a thing that is out of stock at home (Beatty and Ferrell, 1998).

As online shopping becomes more popular, it is critical to examine impulse purchases made when shopping online (Floh and Madlberger, 2013). Many studies have indicated that the environment of a company has a significant effect in the amount of impulsive purchases made (Stilley *et al.*, 2010).

The population under study is the Z generations who are the greatest exposed age group to e-commerce and online shopping (Dewanti and Indrajit, 2018). They vary in their world views and the way they approach the online website and make purchases. (Mohr and Mohr, 2018). Most of the researches done so far are primarily directed at impulsive buying behaviour alone. There is no significant number of studies on online shoppers and very few studies are focused on the Z Generations which forms the research gap of the study.

The stage before and perfect for the point of actual impulse buying behavior is referred to as the stage of imprudent impulse to make a purchase (Badgaiyan and Verma, 2015).

1.1 Review of literature

"On examining various research studies, promotional measures were recognized as the most influencing reason on the buying behaviour of the respondents, which involved the price discounts and special offers which are offered at the place of sale (Angowski *et al.*, 2017)".

Besides these, other prime factors that influence the impulse buying of the customer from a particular shopping site are personal factors such as age, income group and education level, the economic well-being of the customer, his family encouragement and the time they would like to spend before making each of their purchases (Badgaiyan and Verma, 2015).

It is important to consider the feelings and attitudes that are triggered by just looking at a product or being exposed to a well-designed promotional and advertising message before making a purchase.

Many authors feel that in the conservatively socialist civilization such as India, where the need of the family members is respected other than the needs of the individual, it is very much possible that the impulsive buying behaviour of an individual might increase creating a need inside a person to buy for their family (Badgaiyan and Verma, 2015).

Fisher and Price (2014) in his paper opined that buying impulsiveness itself could be a specific trait of individuals.

2.0 METHODS AND MATERIALS

The data is collected using a questionnaire from the frequent online buyers in Coimbatore. The sampling technique used was judgmental sampling and the respondents were chosen making sure that they were the frequent buyers online and it is the non-probability-based sampling method. The questionnaire was circulated amongst 250 frequent online buyers, and the responses were obtained.

2.1 Objectives of the study

- To understand the demographic profile of the customers.
- To study if there is any significant relationship between personal factors of the customers and impulsive buying behaviour of the customers.
- To analyse the level of influence of factors affecting the impulsive buying behaviour of the consumers.

3.0 RESULTS AND DISCUSSION

3.1 Demographic Profile

Table 1 - Demographic Profile of the Sample Respondents

Demographics	Category	Frequency	Percent
Age	16-18	35	14.0
	18-20	46	18.4
	20-22	78	31.2
	22-24	91	36.4
	Total	250	100.0
	Male	134	53.6
Gender	Female	116	46.4
	Total	250	100.0
	Single	161	64.4
Marital status	Married	89	35.6
	Total	250	100.0
	Below 20,000	85	34.0
	20,000-40,000	61	24.4
Family Income per month	40,000-60,000	33	13.2
	Above 60,000	71	28.4
	Total	250	100.0
	Less than 1 year	45	18.0
	2 years	78	31.2
Tenure of online shopping	3 years	36	14.4
	3 years & above	91	36.4
	Total	250	100.0
	Amazon	105	42.0
	Flipkart	55	22.0
Preferred online website	Alibaba	22	8.8
	Snapdeal	45	18.0
	E-bay	12	4.8
	others	11	4.4
	Total	250	100.0

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	1 to 5 times	67	26.8
Frequency of purchase / year	6 -10 times	89	35.6
	11-15 times	67	26.8
	More than 15 times	27	10.8
Sources of payment	Total	250	100
	Self	45	18.0
	Parents	144	57.6
	Spouse	61	24.4
Product category	Total	250	100.0
	FMCG	34	13.6
	Electronics	56	22.4
	Books	34	13.6
	Clothes	55	22.0
	Fashion accessories	54	21.6
	footwear	17	6.8
	Total	250	100.0

Table 2 – Effect of Personal Factors on the Impulsive Buying Behaviour of Z Generation

Factors	Mean	Std Deviation	t- value	"p" value	Remarks
Perception	3.14	1.103	2.82	0.004	Significant
Motivation	3.11	1.004	-2.47	0.018	Significant
Attitude/ Beliefs	2.65	0.804	-6.78	0.000	Significant
Reference Group	2.45	0.788	-9.54	0.005	Significant
Family	2.24	0.766	-4.76	0.000	Significant

Table 2 shows that whether personal factors affect impulsive buying behaviour which comprises motivation, perception, attitude/ beliefs, reference groups, family inferring that personality factors affect impulsive buying behaviour as their p-value is less than 0.05.

3.2 Factor Analysis

Factor analysis was conducted to identify the underlying factors that make the buyers purchase impulsively. The principal component method was used with varimax rotation and Kaizer normalization. Items having a factor loading of 0.4 and above were considered in the factors. The conduct of factor analysis is made possible as the computed value of KMO value and Barlett's test of sphericity satisfies the test condition.

The computed Kaiser- Meyer- Oklin (KMO) value is 0.724 which is greater than 0.5 and the chi-square value of Barlett's test of Spherecity is 0.002 which is significantly lower than 0.05. The varimax rotation converged in 10 iterations and the number of factors is decided by the eigen value criterion. Out of 21 items taken for the study, 5 factors materialized out of it and it was found that all the items had factor loading greater than 0.4.

The following Table 3 shows the result of the factor analysis with component loadings and Cronbach alpha for each factor is given below. The grouping of related factors is mentioned below:

3.2.1 Results of Factor Analysis

Table 3 - Results of Factor Analysis

Factors	Particulars	Factor Loading	Mean	Cronbach's Alpha	Cumulative variance
Factor 1 Satisfaction of the purchase	Performance	0.786		0.782	13.476
	Quality	0.784			
	Varieties	0.695	3.705		
	Easily accessible	0.688			
	Sales offers	0.625			
Factor 2 Promotional methods	Good discounts	0.629		0.755	21.124
	Effective advertisement	0.655	3.256		
	Promising offers	0.571			
	Effective advertisement through social media	0.765			
Factor 3 Affordability of the product	Financial capability	0.811	3.456	0.746	37.097
	Products worthy for the price	0.721			
	Attractive cash discounts for repeated purchase	0.678			
	Income level	0.813			
Factor 4 Delivery of the product	Safe delivery	0.677		0.653	43.144
	Prompt delivery	0.786	2.055		
	Flexible payment system	0.723	3.055		
	Reasonable delivery cost	0.678			
	Attractive digital advertisements	0.856		0.642	46.246
Factor 5 Visual Merchandising	Effective SEO	0.811	2.007		
	Informative product display	0.799	3.897 0.642		46.246
	Easy navigation	0.734			

Factor 1: Satisfaction (mean value - 3.705, Cronbach alpha-0.782)

Five items were deducted through principal component analysis. The items such as performance, quality, varieties, easy accessibility and sales offers have a total factor loading of 2.895 and the value of the cumulative variance is 13.476. The element performance has the highest loading of 0.786.

Factor 2: Promotional Methods (mean value -3.256, Cronbach alpha-0.755)

Factor 2 comprises good discounts, effective advertisement, promising offers, effective advertisement through social media. The total factor load is 3.278 and 21.124% of the variance. The highest factor loading is for effective advertisement through social media with a loading factor of 0.765.

Factor 3: Affordability of the Product (mean value -3.456, Cronbach alpha-0.746)

Factor 3 comprises financial capability, items worthy for the price, attractive cash discounts for repeated purchase and income level. The total factor loading was found to be 2.856 the variance is 37.097. The element income has got the highest loading factor of 0.813.

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Factor 4: Delivery of the Product (mean value -3.055, Cronbach alpha-0.653)

This factor comprises safe delivery, prompt delivery, a flexible payment system, reasonable delivery cost. The total factor loading is 2.493 and the variance is 43.144. Here the element prompt delivery is having the highest loading with the value of 0.786.

Factor 5: Visual Merchandising (mean value -3.897, Cronbach alpha-0.642)

This factor comprises attractive digital advertisements, effective SEO, informative product display, easy navigation. The total factor loading is 1.876 and the variance is 46.246. The element attractive digital advertisement has the highest loading with 0.856.

4.0 CONCLUSION

This research offers a brief analytical understanding concerning the various personal and marketing factors that influence the buying behaviour of the Z generation. The 5 grouping of the variable used in the study shows a significant association in arousing the impulse buying behaviour of the respondents.

5.0 SCOPE FOR FURTHER RESEARCH

The present research paper focuses on the impulsive buying behaviour of the Z generation and further, the study can be extended across X, Y and z generations and comparing the buying behaviour online for three generations. In order to obtain in-depth information from the respondents, a direct observation method and Face to face interviews can be conducted to get exhaustive information from the respondents. More robust statistical techniques can be used to obtain various results from the study as the present study is confined to exploratory factor analysis and t-test.

6.0 IMPLICATIONS FOR FURTHER STUDY

The results obtained from the study can be used by the marketers and manufacturers to define strategies that attract the Z Generation in a better way thereby further improving the impulse buying behaviour of the Z Generations.

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