

IN-STORE TO ONLINE: A PARADIGM SHIFT IN PURCHASE HABITS AND IMPULSIVE BUYING



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ABSTRACT

The purchase patterns of people in society are an area researched by many. Impulsive buying is a type of buying behavior that has gained considerable attention in the consumer industry. With the increasing popularity of online stores and their physical presence in selected locations, impulsive buying and the techniques for promoting this phenomenon have attracted the interest of researchers and industry leaders. This article explains the definition, various stimulus factors affecting online and offline impulse buying behavior of consumers. The article identifies the important factors like internal, external, situational, demographic, and sociocultural which promote impulse buying in a store and online shopping. A change in the buying behavior of consumers due to the digitalization and technological advancement in the field of e-commerce is also noted. Online shopping, is in the upward trend due to various reasons which are also analyzed. The new normal and changing market trend is found to have made online shoppers more impulsive. The aim is to investigate the factors affecting impulsive buying in conventional shopping and research the similarity and differences in an online setting. Also, recent changes in online buying patterns are examined. The possible directions for future research are each factor discussed below and its impact on impulsive buying can be explored in detail. The transition to online shopping, hedonic shopping, and impulsive buying are other areas for further research.

Keywords	impulsive buying, buying instincts, internal-external stimulants, hedonic shopping, market trends
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INTRODUCTION

Consumer behavior is influenced by many factors and is characterized as highly intricate and difficult to forecast. Companies look into how the consumers behave and select from the different alternatives available and try to analyze the impact of products, brand on their buying decisions. They are also interested in the influence of factors like peer groups and family on consumers by exploring consumer behavior.

Impulsive buying behavior can be defined as the shopper's sudden urge to make an unplanned purchase after viewing the product. As compared to the other approaches of decision-making, impulsive buying is imprudent (Rook 1987). Rook's definition was further extended as an unexpected and immediate purchase with no prior planning to buy the specific product category or complete a specific buying task. The behavior is an immediate urge to buy without much reflection (i.e., it is impulsive). In marketing research, impulse buying behavior is irrational behavior from standard buying behavior. Moreover, research both in the academic and the professional fields has revealed that impulse buying has brought in huge sales yearly for various products and services around the world (Cobb and Hoyer, 1986; Rook and Fisher, 1995)

The process of buying goods and services via the internet is known as online shopping behavior. It is also termed as Internet shopping/buying behavior (Liang and Lai 2000). It became popular in the mid- 1990s. Researchers say that online buying has gained momentum since then due to the World Wide Web's popularity. Subsequent years saw a boom in online buying. Studies have shown that one of the motives of using the internet is to gratify their desire. Consumers tend to search for and gather information about products of interest from the web, which leads to buying the product. This is done without prior planning or placing the items of interest into their online cart, or creating a to-buy list (Close, A.G., & Kukar-Kinne y, M. (2010). There is also a change in consumers' buying behavior due to the introduction of credit cards and other online payment facilities. There are shreds of evidence of the presence of unregulated buying in the online mode. Research showed that that online shoppers are more impulsive, which is urge-driven. Surveys estimate that there is an increase in online impulse shoppers. (Robert La Rose).

REVIEW OF LITERATURE

Consumer behavior, which is said to be one of the main focus of marketing, is explained as the diverse interface of effect and perception, behavior, and the environment by which human beings reveal the exchange of characteristics of their lives(Karbasivar A., Yarahmadi H.,(2011). Consumers buying behavior is a psychological response to stimuli and events in the environment. Consumer behavior 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 (Kotler K. et al., 2013). Various factors, such as cultural, social, and personal, in addition to the external and internal stimuli, have an impact on consumer behavior.

The occurrence of impulse buying in the physical store was first recognized as an illogical behavior in the 1940s. This awakens the interest of various researchers. (Rook, 1987). The relevance of impulse buying in consumer behavior has been identified over these years. The researchers have opined that impulse purchases can be further divided based on the consumer's experiencing emotional and/or cognitive reactions other than buying behavior. A certain degree of uncertainty now exists about the role of impulse buying, both in the conventional physical store and the online channel and about which channel encourages this



behavior to a greater extent.

The classification of purchasing patterns as planned or impulse began with the study by Stern (1962). He divided consumer buying behavior as planned, unplanned, or impulse and came up with a basic model of impulse buying by using this categorization. Planned purchases are more rational and involve time, whereas shopping decisions with no pre intentions are unplanned. Impulse buying is unplanned quick and irrational decision making that includes a sudden, strong, and irresistible urge to buy. Among the different buying behaviors, impulsive buying is prevalent. The Impulsive Buying Behavior is unplanned since the consumers do not explicitly search for some products and make no plans to purchase the item.

IMPULSIVE BUYING BEHAVIOR

Past 50 years, consumer researchers have worked to come up with a better definition of impulse buying. Early studies on this topic were viewed from organizational and seller interests, emphasized grouping products into impulse and non-impulse items. Seounmi Youn and Ronald J. Faber (2000) simply equates impulse buying to unplanned purchasing.

Rook (1987) redefines impulse as psychologically driven and is a strong and sometimes irresistible urge to act without deliberation. According to the author, it is a sudden urge one experiences to purchase something instantaneously. The inclination to buy is complex and may kindle emotional conflict. Also, impulse buying is prone to occur with diminished regard for its consequences. Therefore, there are three important aspects, i.e., emotional, or cognitive, or combined response to a sudden stimulus.

FACTORS INFLUENCING IMPULSIVE BUYING

Various aspects promote impulsive buying. Factors such as promotional factors, price offers, time-saving, store environment, product characteristics, personality traits, age, gender, culture, and socio-economic states trigger impulsive buying in-store shopping. Whereas in online shopping studies have shown that along with the above factors, various other factors such as internet knowledge, income, and education level, e-stores, supply chain, websites characteristics and quality in terms of information, agreement and settlement, convenience, risks, etc. have an impact on impulsive buying.

EXTERNAL STIMULI AND STORE ENVIRONMENT

Marketing cues or stimuli visible and used by the marketer to attract consumers into purchase behavior are termed External Factors. Various external factors such as Promotional factors, Store environment, and Product characteristics were analyzed influences on impulsive buying were studied. Factors such as point-of-purchase advertising, merchandising, and in-store promotions trigger consumers' impulsive buying (Youn and Faber, 2000). Promotion is a popular marketing strategy. It works as a catalyst to attract consumers and make buying decisions. Attractive promotional tools like coupons, free buys, and samples, buy one get one offers along with price reductions, have persuaded consumers to buy more than they expect (Vitor et al., 2013. Companies use this as a weapon to influence customers and induce buying in both online and offline environments and turn increase market share and long-term profit.

Another aspect that retails gave importance to is the store environment. In an online context, it is a virtual store environment. When visually encountering cues, consumers experience an urge to buy impulsively. In a brick and motor store layout like Point-of-purchase displays,



shelf arrangement placing, products in specific areas of the store, catchy tag lines, and signage on and around displays are used to create a sense of urgency. Point-of-purchase displays distract the buyer from planned buying and thereby increases the number of unplanned purchases (Quelch, 1983). Lighting like, spotlighting, or separate lighting for displays that differentiate it from the rest of the store's display grabbed customers' attention to induce impulsive buying. Store environments that are designed pleasantly and attractively lead to enhanced impulse buying (Hoyer and MacInnery, 1999). However, in the online context, it is slightly different customers who give importance to a different set of factors like product visuals and details, credibility and ease of routing or searching, store size, and the online store's reputation. (Beatty & Ferrell, 1998)

Product characteristics like Product appearance, Product price, and free shipping are other important external influences on the customer that prompt impulsive purchase (Verplanken and Herabadi, 2001). The risk involved is another factor that influenced impulsive buying. Risks associated with finance, product, delivery, etc., have reduced impulsive buying by 50% in the online market. (Abrar K, Naveed M, Ramay M (2017)). It is found that higher consumer trust has reduced the risk associated with online shopping.

According to the American Marketing Association, utility goods are purchased on impulse in a brick and mortar store. Whereas in an online setting, researched goods are purchased on impulse due to influential factors such as website characteristics, ease of information access, a greater variety of available goods, and effective marketing promotions. One of an impulse purchase's characteristics is that it occurs quickly; hence, websites should facilitate this (Beatty & Ferrell, 1995). Various strategies and techniques are used to influence customers and achieve long term success

INTERNAL STIMULI

Internal factors are those cues within the individual that makes him impulsive. (Youn and Faber, 2000) pointed out that consumer traits such as spontaneity and optimum stimulation level, shopping gratification, or lack of self-discipline are the basis for impulse buying. Personality traits, age, gender, culture, and socio-economic status are some of the internal factors affecting impulsive buying. Personality and impulse buying remain correlated. Individuals escape from negative psychological perceptions such as low self-esteem, negative feelings, or motives. (Verplanken and Herabadi, 2001). Hedonic shopping motivations affect unplanned buying behavior. Hedonism means pleasure associated with shopping. Six broad categories of hedonic traits such as Adventure Shopping, Social shopping, Gratification shopping, Idea shopping, Role shopping, Value shopping were identified. (Merirna Cinjaresic & Kasim Tatic, 2011). Gratification shopping, idea shopping, role shopping, and value shopping influence an online context of the above traits.

Next are gender differences, which certainly influence an impulsive online purchase. According to a study by Saarela, Stoorvogel, and Zingkweg (2008), the researchers indicated that females are more attracted to online sales promotions and fashion products and are bought on impulsive whereas males prefer electronic equipment are bought on impulsive. Furthermore, age influences both online and offline impulsive buying behavior. (Saarela et al., 2008). Youngsters are more likely to indulge in purchasing impulsively than the old age group. Youngsters are more likely to engage purchase impulsively both in online and offline settings than the older generation as they are influenced by external stimuli (the time they spend in online shopping) even though they give importance to information on goods. They also differ in preferences and buying patterns.



SITUATIONAL FACTORS

Situational stimulus, where a person is present, is a significant factor that leads to impulsive buying. This section looks into the studies which analyze the facet of situational factors in impulse buying behavior. Situational Factors are related to the existence of others while shopping, way of life, store layout, time available, local market conditions, self-service, and sales personnel in the store: time and money availability influence impulsive buying. (Beatty and Ferrell, 1998). Studies have also proved that family members' presence has reduced impulsive buying, but the presence of friends has induced impulsive buying. The online context showcases website features with an environmental functional convenience, attractiveness, and representational delight induce impulsive buying. Payment options like pay on delivery, Subscription to the sites of players like Amazon, Flipkart, eBay, etc., avoids the hazels of going through several stages before buying. This feature provided by these sites and platforms has prompted the impulsive buying

DEMOGRAPHICS AND SOCIO-CULTURAL FACTORS

Demographic factors such as family background, gender influence impulsive buying. Luo's (2005) search on the "influence of shopping with others on impulsive purchasing" revealed that the presence of friends increases the urge to purchase. However, the presence of family members decreases it. Yang et al. (2011) examined other demographic factors such as age, income, and education. They identified that demographic factors affect impulsive buying decisions. There are various Socio-Cultural Factors like independence and individualism which influence impulsive buying. Consumers from individualism culture are more impulsive as they are not much bothered about the consequences after purchase. Another aspect is collectivism, a cultural phenomenon of considering others' feelings, which also influences impulsive purchasing behavior. In this culture, people are trained to control their impulsiveness, therefore, reducing impulsive buying. Other cultural dimensions such as Power Distance, Uncertainty Avoidance, and Masculinity influence impulsive buying behavior both in an online and offline context.

MARKET CHANGES

Retail businesses around the world are experiencing a paradigm shift due to the aftermath of COVID-19. New trends have emerged through everything from a fast shift in customer behavior to logistics issues. Experts say that new patterns in consumer behavior had forced organizations to change their business model. For long term sustenance, the Omni-channel model is going to be the way forward for retailers. This model uses various channels of the firm to create one unified experience for customers. This includes combining both traditional and digital channels, point-of-sale, in-store, and online experiences to create a better experience. The impact of the pandemic has also changed the entire Indian retail industry. Customers are expected to move to shop online shopping for many categories and prefer digital and low-touch activities such as online streaming and digital payments. Therefore, retailers are trying to reach them where they are.

Moreover, this has increased the e-commerce sales to 25%/c. The latest market research by a survey conducted by IPSOS states that online shopping has become more frequent now. Statistics show that Vietnam tops the list with 57%/c of consumers shifting to online purchases. Moreover, when it comes to India, 55 percent of Indian consumers have shifted to purchases online. Therefore, online business scope is increasing, and the study of impulsive buying is relevant even in the pandemic situation. Furthermore, regardless of the complete closedown and financial setbacks, people engage in shopping activities to overcome the fear of the



uncertain, prolonged isolation, and anxiety. This has resulted in impulse buying to make them 'feel better.' As people are making buying choices based on new and ever-changing global and local circumstances, the product categories that are being purchased are also changing. Health and safety products, Shelf-stable goods, Food, and beverage has seen an increase, Luxury goods and online apparel sales are down as people buy daily essentials

Moreover, to avoid crowds at stores, many people prefer BOPIS (buy- online-pick-up-in-store) or delivery options. According to the US chamber of commerce, Stores are anticipated to invest in creating digital experiences like in-store demonstrations that can be viewed online or virtual salespeople who can engage with shoppers. Another changing trend is compared to offline stores; shopping using a mobile can better meet the customers' needs. Online shopping using mobile devices is seen among people as they consider it as entertainment to spend their leisure in daily life. Rare product assortments are easily found in online stores. Different technologies used by online stores help them in predicting the preferences of their customers.

The use of mobile devices and virtual mobile shopping environment has effectively stimulated consumers and activate their hedonic emotions.

The pandemic situation has forced consumers to adopt new technologies and their applications. When it comes to shopping, also it is no different. The transition from offline to online mode is evident in surveys conducted. Technology breakthroughs in recent years are smartphones, the internet, and e-commerce. This has boosted online search and online ordering, which in turn have impacted the way we shop and consumer products and services irrespective of age and gender. Therefore, organizations are moving to an omnichannel model to take advantage of this situation.

The pandemic situation has increased the time spent on various social media, with Facebook, Whatsapp, and Instagram topping the list. This has brought a tremendous change among users in the way of sharing information. Influencer marketers are gaining momentum as they have millions of followers, and their impact on suggestive buying can be researched. The impact of digital technology in general and social media, in particular, is pervasive in the buyer's daily life. Uncertainty prevails whether it will break old habits.

Reach customers where they are. Complete lockdown in various has restricted consumers to go to the store or the shopping malls. This has resulted in the store coming home. So is in the case of job and schooling. This alters our daily pattern in the respective areas, which in turn influences the buying and consumption patterns. The store coming home through personalized services has enhanced convenience. Further study on this trend will reveal consumer's impulse buying and planned vs. unplanned consumption.

To sum up, these are the following changes we see during the crisis: the impact of restricted demand as there is a tendency to postpone purchases of non-essentials. As mentioned above, the demand for luxury goods and apparel has decreased. As the situation brightens, what will be the scope of pent-up demand is a question to be answered. Moreover, the influence of digital technology and the transition to the online mode of purchase by consumers is an area that has to be explored by organizations to improve their sales.

DISCUSSIONS AND FUTURE RESEARCH DIRECTIONS

This article presented a comprehensive review of the literature and content analysis from various available literature in the field of in-shop to online impulse buying. After analyzing the various factors influencing impulsive buying in both online and offline scenarios, it is grouped



under four major categories. These are "External stimuli," "Internal stimuli," "Situational and product-related factors," and "Demographics and Socio-cultural factors." We have also observed the impact of economic changes on people's buying behavior in general and various factors influencing impulse buying. This study shows that impulse buying is a result of the interaction of various internal and external stimuli. The aspects such as personality traits and socio-cultural traits could be studied further in detail to understand the consumers' impulsiveness better. The review's base work will help the researcher conduct an empirical study on impulse buying about the four broad areas discussed. Further research in this area can analyze impulse buying in different retail settings and online settings.

CONCLUSION

Impulse buying has been a challenge for market researchers due to its complex nature. This aspect of buying behavior accounts for a huge volume of the products sold every year. Consumer researchers have mainly focused on identifying the different factors that induce impulse buying. External, internal, situational, and socio-cultural factors have made impulse buying a widespread phenomenon across the different retail formats. These influences are discussed in detail here. The Impulse buying concept, its various dimensions, and its relationship with the consumer were adequately presented through the review of the literature. Some research propositions for the development of knowledge in consumer behavior research were also introduced in this article. Based on the market's changing trends in the online scenario, it is impossible to infer that impulse buying may turn into a growing area of research and could be seen across the various forms of retailing. The impact of the omnichannel model on impulsive buying is another area that can be further studied. This article provided sufficient background information for a researcher to understand various aspects of impulsive buying and its rapidly changing nature in the present online scenario.



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