

A STUDY ON THE IMPACT OF HEDONIC SHOPPING VALUE ON IMPULSE BUYING AMONG CONSUMERS IN KOLKATA

Sumana Chaudhuri,

Department of Management
Birla Institute of Technology
Mesra, Ranchi, India.

ABSTRACT

In India, the shopping environment has been changed from the primitive or the unorganized retail shops to the modern day's retail stores and the shopping malls. It has been observed that the consumer behaviour changes, with the change in the shopping environment. As the retail environment is experiencing a huge change with the introduction of new formats and the entry into retail industry by the global investors there is a huge scope for research and analysis and thus it is necessary to understand the impulse buying behaviour of the consumers in such an environment. The purpose of the present study was to investigate the impulse buying behaviour of the Indian shoppers when they visited the shopping malls or the retail outlets. The major objectives of this study are to examine the impact of hedonic shopping value on the impulse buying and the effect of demographic characteristics (age, income and gender) of the customers on impulse buying behaviour. Data was collected using survey method from the customers present in three different zones (i.e. north, south and central) of Kolkata, India. Both impulse buying and hedonic shopping value emerged as bidimensional. The results of this study provided an in-depth understanding of the hedonic shopping value and how it influenced the impulse buying. The findings also provided an important understanding of the impact of demographics (age, income and gender) on impulse buying. As this study is exploratory in nature, certain limitations are identified and based on that suggestions are offered for future research.

Keywords: Hedonic Shopping Value, Impulse Buying, Indian Retail Sector.

INTRODUCTION:

The shopping environment has been changed from the primitive or the unorganized retail shops to the modern day's retail stores and shopping malls. It has been observed that the consumer behaviour changes, with the change in the shopping environment (Sinha & Uniyal, 2005). As the retail environment is experiencing a huge change with the introduction of new formats and entry into retail industry by the global investors, there is a huge scope for research and analysis. Thus it is necessary to understand the impulse buying behaviour of the consumers in such an environment. Research on impulse buying behaviour has been conducted in numerous contexts but very few empirical researches exist about the Indian consumers' impulse buying behaviour. As the shopping malls or the retail outlets are growing at a rapid rate, the Indian retail business houses should understand the behavioural changes in the consumers towards shopping at shopping malls. The shoppers who enjoy shopping involve in more of exploratory shopping in these shopping malls. The fact that the consumers' enjoy shopping is a good news for these modern retail formats and the shopping malls. These modern retail formats and the shopping malls along with store promotions are likely to encourage impulse buying. Therefore, it is necessary for the retailers to find out ways to attract the consumers and understand their tendency to impulse buy (Sinha & Banerjee, 2004). This study would concentrate on the impulse buying behaviour of the consumers when they visited the shopping malls or the retail outlets. The study would also explore the consequences of hedonic shopping value that lead to changes within the store activities (impulse buying) and how these change with the change in demographics (age, income and gender).

HEDONIC SHOPPING VALUE:

Previous research on shopping values focused mostly on the utilitarian part of shopping (Bloch & Bruce, 1984). There was a lack of research in examining the hedonic shopping value when compared to the utilitarian shopping value (Sherry, 1990). Babin, Darden and Griffin (1994) defined hedonic shopping value as the perceived entertainment and the emotional worth provided through shopping experience. Research studies have recognized and included fun, pleasure, recreation, freedom, fantasy, increased arousal, heightened involvement, new information, escape from reality, and others in hedonic shopping value (Darden & Reynolds, 1971; Tauber, 1972; Hirschman & Holbrook, 1982; Babin, Darden & Griffin, 1994). It encourages increased arousal, heightened involvement, perceived freedom, fantasy fulfillment and escapism (Bloch & Richins, 1983; Hirschman, 1983). Hedonic shopping value may or may not include purchases. Some customers enjoy the product's benefits even without buying it (MacInnis & Price, 1987; Markin, Lillis & Narayana, 1976).

IMPULSE BUYING:

Impulse buying is defined as immediate purchase without any previous intention to buy the commodity (Beatty & Ferrell, 1998). According to Parboteeah (2005), the three characteristics of impulse buying are unplanned buying, a response to stimulus and instantaneous. There are two dimensions of impulse buying (Verplanken & Herabadi, 2001) of which first dimension is the lack of planning, thinking and reflecting whereas the second dimension is related to the internal excitements or exciting senses. Hedonic shopping value is consistent with impulse buying as a trait (Hafstrong, Chae & Chung, 1992; Kolodinsky, 1990; Smith, 1989; Sproles & Kendall, 1986). Gutierrez (2004) found that there is no relationship between hedonic shopping value and impulse buying.

OBJECTIVES:

The main objectives of the study are:

1. To examine the impact of hedonic shopping value on impulse buying.
2. To examine the impact of demographics (age, income and gender) on impulse buying.

METHODOLOGY:

SAMPLING:

Of 440 responses initially targeted, only 350 usable questionnaires with proper responses were collected. The shopping malls and the retail outlets located in the three different zones (north, south and

central) of Kolkata, India were selected. In this study, convenience sampling method was employed and survey method was used to collect data. Respondents belonged to different gender, income and age groups. A brief summary of sample characteristics is given in the Table 1.

Table 1: Summary of Sample characteristics

Demographic Characteristics	No.	Percentage (%)
Gender		
Male	170	48.57
Female	180	51.43
Age		
21-25	160	45.71
26-30	91	26
31-35	34	9.71
36-40	22	6.29
More than 40	43	12.29
Income (in INR)		
20,001-25,000	170	48.57
25,001-30,000	69	19.71
30,001-35,000	42	12
35,001- 40,000	31	8.86
40,001 and above	38	10.86

MEASURES:

A brief description of the various measures is presented below:-

HEDONIC SHOPPING VALUE:

In this study, hedonic shopping value was measured using 11 items. Hedonic shopping value scales in this study was adapted from Babin, Darden and Griffin (1994). The reliability (alpha coefficient) for experiential value perception was 0.90 and 0.85 for escapism perception. Since the Cronbach α values are greater than 0.7, it indicates a high quality of internal consistency (Nunnally, 1978).

IMPULSE BUYING:

In this study, impulse buying was measured by a scale of 9 items depending on the scale used by Lin and Lin (2005). The reliability of the instrument is measured using Cronbach’s alpha. A variable or factor is said to be reliable when Cronbach’s alpha (α) > 0.6 (Hair, William, Babin & Ralph, 1998). The reliability coefficient of Cronbach’s alpha for negative perception for impulse buying and positive perception for impulse buying was 0.70 and 0.64. Therefore the factors or variables are reliable. A summary of the tool characteristics for each of the above scales is given in Table 2.

Table 2: A Summary of Tool Characteristics

Factors	No. of items	Mean	S.D	Alpha Coefficient
Experiential Value Perception	4	18.04	5.44	0.90
Escapism Value Perception	7	15.41	4.25	0.85
Negative Perception for Impulse Buying	5	13.64	3.77	0.70
Positive Perception for Impulse Buying	4	10.03	2.97	0.64

RESULTS AND DISCUSSION:

The study was conducted in an exploratory framework using survey method to examine the strength of association among the variables. The data was subjected to statistical analysis for drawing inferences.

Multiple Regression Analysis (MRA) was used to examine the strength of association among hedonic shopping value and impulse buying. Independent sample *t*-test is used to analyze the impact of gender of the customers on impulse buying. Analysis of Variance (ANOVA) is used to analyze the impact of age and income of the customers on impulse buying.

FACTOR ANALYSIS RESULTS:

The data was subjected to factor analysis to identify the factors and establish the construct validity. The factor analysis was done using principal component with varimax rotation, as they appeared to be interrelated with each other. A summary of the factor analysis results for different scales is presented below.

HEDONIC SHOPPING VALUE SCALE:

The factor analysis for 11-item scale of hedonic shopping value was performed, which resulted in two distinct factors, namely Experiential Value Perception and Escapism Perception. They have Eigen values of 5.89 and 1.48 respectively and together accounted for 67.06 per cent of variance. A summary of the factor analysis results along with their loading is presented in Table 3.

Table 3: Summary of Factor Analysis for Hedonic Shopping Value

Factor 1		Factor 2	
Experiential Value Perception		Escapism Perception	
Item	Loading	Item	Loading
1	0.84	7	0.74
2	0.73	8	0.76
3	0.85	9	0.78
4	0.82	10	0.72
5	0.76	11	0.74
6	0.69		
Eigen Value	5.89	1.48	
Percentage of Variance	53.57	13.49	
Total variance explained = 67.06 per cent			

For the case of Hedonic Shopping Value, Kaiser-Meyer- Olkin (KMO) measure of sampling adequacy (KMO = 0.92) value is very high and excellent, because it is much higher than the recommended value of 0.6 (Kaiser, 1974). Bartlett’s test results also show that the values are significant and thus acceptable (Table 4).

Table 4: KMO and Bartlett’s Test Results for Hedonic Shopping Value

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.92
Bartlett’s Test of Sphericity	
Approx. Chi-Square	2241.15
df	55
Sig.	0.01

IMPULSE BUYING SCALE:

The factor analysis for 9-item scale of impulse buying was performed, which resulted in two distinct factors, namely Negative Perception for Impulse Buying and Positive Perception for Impulse Buying. They have Eigen values of 3.31 and 1.01 respectively and together accounts for 48.06 per cent of variance. A summary of the factor analysis results along with their loadings is presented in Table 5.

Table 5. Summary of Factor Analysis for Impulse Buying

Factor 1		Factor 2	
Negative Perception for Impulse Buying		Positive Perception for Impulse Buying	
Item	Loading	Item	Loading
5	0.65	1	0.81
6	0.63	2	0.65
7	0.49	3	0.67
8	0.68	4	0.48
9	0.74		
Eigen Value	3.31	1.01	
Percentage of Variance	36.84	11.22	
Total variance explained = 48.06 per cent			

For the scale of impulse buying also Kaiser-Meyer – Olkin (KMO) measure of sampling adequacy (KMO=0.85) value is acceptable. Bartlett’s test results also show that the values are significant and thus acceptable (Table 6).

Table 6: KMO and Bartlett’s Test Results for Impulse Buying

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.85
Bartlett’s Test of Sphericity	
Approx. Chi-Square	610.20
df	36
Sig.	0.01

Thus hedonic shopping value and impulse buying emerged as bidimensional. After examining the construct validity and identifying the factors, the proposed hypotheses were tested. The results related to the different hypotheses are presented and discussed below.

H1. Hedonic shopping value would be positively associated to impulse buying.

Multiple Regression Analysis (MRA) was performed for impulse buying using hedonic shopping value dimensions as predictors and impulse buying as criterion variable. The results regarding the negative perception for impulse buying factor showed, that the dimensions of hedonic shopping value namely, Experiential Value Perception ($\beta = 0.15$) and Escapism Perception ($\beta = 0.11$) emerged as significant predictors of Hedonic Shopping Value explaining 9 percent of the variance for the criteria measure ($F = 12.72, P < 0.01$). The findings for the Positive Perception of Impulse Buying Factor showed that the dimensions of Hedonic Shopping Value namely Experiential Value Perception ($\beta = 0.16$) and Escapism Perception ($\beta = 0.16$) emerged as significant predictors and accounted for 9 percent for the criteria measure ($F = 11.35, P < 0.01$) (Table 7).

Table 7: Summary of Regression Analysis results showing hedonic shopping value dimensions as predictors and impulse buying as criterion measure for the factors Negative Perception for Impulse Buying and Positive Perception for Impulse Buying

Predictors	Impulse Buying	
	Negative Perception for Impulse Buying	Positive Perception for Impulse Buying
Experiential Value Perception	0.15**	0.16**
Escapism perception	0.11*	0.16**
R	0.31	0.29
R ²	0.09	0.09
<u>R</u> ²	0.09	0.08
F	12.72**	11.35**

β values ** Significant at the 0.01 level *Significant at the 0.05 level

When the customers visit the shopping malls they get stimulated and motivated by the shopping environment, advertising, promotion and deals. While passing through the arcade of shops, they get very thrilled when they see the varieties of new, innovative and beautiful products and cannot control or resist their desires, emotions and feelings when they feel like buying it. In addition to that, they get excited while searching or looking for the product. They decide on the spot and buy the goods in an unplanned and in an unconstrained manner.

H2: Gender has an impact on impulse buying

A t-test for Independent samples was conducted to examine the differences in Impulse Buying between the male and female customers'. However no significant differences were found for Negative Perception for Impulse Buying and Positive Perception for Impulse Buying (Table 8).

Table 8. Summary of Independent Sample T-Test examining differences in Impulse Buying with respect to male and female customers

	Gender	N	Mean	Std Deviation	Std. Error Mean	t-test	Sig (2-tailed)
Negative Perception for Impulse Buying	Male	170	13.62	3.99	0.30	- 0.05	0.95
	Female	180	13.65	3.57	0.26		
Positive Perception for Impulse Buying	Male	170	9.80	3.05	0.23	- 1.41	0.15
	Female	180	10.25	2.89	0.21		

H3. Age has an impact on Impulse Buying.

In order to examine the differences in the customer’s Impulse Buying across the age, Analysis of Variance (ANOVA) was conducted. Customers were divided into five different age groups starting from ‘21 – 25’ to ‘more than 40’. The results (Table 9) show that there are significant differences with regard to Negative Perception for Impulse Buying (F = 5.74, p < 0.05) and Positive Perception for Impulse Buying (F = 2.41, p < 0.05).

Table 9. Summary of Analysis of Variance (ANOVA) examining differences in Impulse Buying in age

		Sum of Squares	df	Mean Square	F	Sig
Negative Perception for Impulse Buying	Between Groups	311.047	4	77.762	5.74	0.00**
	Within Groups	4667.593	345	13.529		
	Total	4978.640	349			
Positive Perception for Impulse Buying	Between Groups	84.12	4	21.03	2.41	0.04 *
	Within Groups	3008.39	345	8.72		
	Total	3092.51	349			

** Significant at the 0.01 level

* Significant at the 0.05 level

H4. Income has an impact on Impulse Buying:

In order to examine the differences in the customer’s Impulse Buying across income, Analysis of Variance (ANOVA) was conducted. Customers were divided into five different income groups starting from ‘20,001 – 25,000’ to ‘more than 40,001’. The results (Table 10) show that there are significant differences with regard to Negative Perception for Impulse Buying (F = 4.14, p < 0.05) and Positive Perception for Impulse Buying (F = 2.61, p < 0.05).

Table 10: Summary of Analysis of Variance (ANOVA) examining differences in Impulse Buying in income

		Sum of Squares	df	Mean Square	F	Sig
Negative Perception for Impulse Buying	Between Groups	228.05	4	57.01	4.14	0.00**
	Within Groups	4750.58	345	13.77		
	Total	4978.64	349			
Positive Perception for Impulse Buying	Between Groups	90.82	4	22.70	2.61	0.03*
	Within Groups	3001.69	345	8.70		
	Total	3092.51	349			

** Significant at the 0.01 level

* Significant at the 0.05 level

CONCLUSION:

In this study, hedonic shopping value and impulse buying emerged as bidimensional. The results showed that hedonic shopping value is positively related to impulse buying. But the results showed no significant differences for ‘Negative Perception for Impulse Buying’ and ‘Positive Perception for Impulse Buying’ with respect to gender. The results show that there are significant differences for ‘Negative Perception for Impulse Buying’ and ‘Positive Perception for Impulse Buying’ with regard to age and income. Keeping in mind, the exploratory nature of the study and the methodology used for the analysis of the data, certain limitations are identified. The sample size was relatively small and drawn from a specific geographical region (eastern part of the country) which makes it challenging to generalize the findings difficult. The respondents might have been under time pressure or the burden of the number of questions may have affected their answer quality. Based on the limitations, certain suggestions are also offered for further research. The use of convenience sampling makes it challenging to generalize the findings. So it is necessary to replicate the findings using random sampling method. In this research, data has been collected using a paper based survey. Collecting data using online survey tools an internet based survey and then comparing the results with previous studies remain another area that can be explored.

REFERENCES:

- [1] Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or Fun: Measuring Hedonic and Utilitarian Shopping Value. *Journal of Consumer Research*, 20 (4), 644-656.
- [2] Beatty, S.E., & Ferrell, M.E. (1998). Impulse Buying: Modeling its Precursors. *Journal of Retailing*, 74(2), 169 -191.
- [3] Bloch, P.H., & Bruce, G. D. (1984). Product Involvement as Leisure Behavior. *Advances in Consumer Research*, 11(1), 197-202.
- [4] Bloch, P.H., & Richins, M.L (1983). A Theoretical Model for the Study of Product Importance Perceptions. *Journal of Consumer Research*, 47(3), 69-81.
- [5] Darden, W., & Reynolds, F. (1971). Shopping Orientations and Product Usage Rates. *Journal of Marketing Research*, 8(4), 505-508.
- [6] Gutierrez, B. P. (2004): Determinants of Planned and Impulse Buying: The Case of the Philippines. *Asia Pacific Management Review*, 1061-1078.
- [7] Hafstrong, J.L., Chae, J.S., & Chung, Y.S. (1992). Consumer Decision- Making Styles: Comparison between United States and Korean Young Customers. *The Journal of Consumer Affairs*, 26 (1), 146-158.
- [8] Hair, J.F. Jr., William, C.B., Babin, B.J., & Ralph, E.A. (2006). *Multivariate Data Analysis*, 7th Edition, New Jersey: Prentice Hall International, Inc.

- [9] Hirschman, E.C. (1983). Predictors of Self-Projection, Fantasy Fulfillment, and Escapism. *Journal of Social Psychology*, 120(1), 63-76.
- [10] Hirschman, E., & Holbrook, M. (1982). Hedonic Consumption: Emerging Concepts, Methods and Propositions, *Journal of marketing*, 46(3), 92-101.
- [11] Kaiser, H.F. (1974). An Index of Factorial Simplicity. *Psychometrika*, 39, 31-36.
- [12] Kolodinsky, J. (1990). Time as a Direct Source of Utility: The Case of Price Information Search for Groceries. *The Journal of Consumer Affairs*, 2(1), 89-109.
- [13] Lin, C.H., & Lin, H.M. (2005). An Exploration of Taiwanese Adolescents' Impulsive Buying Tendency. *Adolescence*, 40 (157), 215-223.
- [14] MacInnis, D. J., & Price, L.L. (1987). The Role of Imagery in Information Processing: Review and Extensions. *The Journal of Consumer Research*, 13(4), 473-491.
- [15] Markin, R., Lillis, C., & Narayana, C. (1976). Social-Psychological Significance of Store Space. *Journal of Retailing*, 52(1), 43-54.
- [16] Nunnally, J. C. (1978). *Psychometric theory* (2nd ed.). New York: McGraw-Hill.
- [17] Parboteeah, V. (2005). A Model of Online Impulse Buying: An Empirical Study. Doktorska disertacija, Washington State University, Department of Information Systems.
- [18] Sherry, J.F. (1990). A Sociocultural Analysis of a Midwestern American Flea Market. *Journal of Consumer Research*, 17(1), 13-30.
- [19] Sinha, P.K., & Banerjee, A. (2004). Store Choice Behaviour in an Evolving Market. *International Journal of Retail and Distribution Management*, 32(10), 482-494.
- [20] Sinha, P. K. & Uniyal, D. P. (2005). Segmenting Shoppers on Behavior. *International Journal of Retailing and Consumer Services*, 12(1), 35-48.
- [21] Smith, M.F. (1989). An Empirical Investigation of Changing and Sustaining Consumer Shopping Enjoyment. Dissertation, University of Texas, Arlington.
- [22] Sproles, G.B., Kendall, E.L. (1986). A Methodology for Profiling Consumers' Decision-Making Styles. *The Journal of Consumer Affairs*, 20 (2), 267-279.
- [23] Tauber, E.M. (1972). Why do people shop? *Journal of Marketing*, 36(4), 46-49.
- [24] Verplanken, B. & Herabadi, A. (2001). Individual Differences in Impulse Buying Tendency: Feeling and No Thinking. *European Journal of Personality*, 15 (1), 71 – 83.
