



# Exploring the Influence of Situational Factors (Money & Time Available) on Impulse Buying Behaviour among Different Ethnicities

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## ABSTRACT

One of the most important discussions in consumer behavior and marketing sciences is choice of product and buying behavior. Most behavioral researchers make an effort to make in behavior models. In this research, the effect of situational variables (time available, money available) on impulse buying investigated among different ethnicities in Malaysia. These variables influenced to urge to buy impulsivity & at last this variable influenced to impulse buying. Data were collected in Malaysia (Chinese, Indians, Malay people). In this study, Path Analysis used to measure effect of variables. A descriptive statistics (Frequencies, Means, and Standard deviations) is used to describe the quantitative data. For measuring the validity and reliability of items, we used CFA (Confirmatory Factor Analysis) and Alpha Cronbach Coefficient respectively. Results revealed that the situational variables (money available and Time available) were influence to the felt urge to buy impulsively and impulse buying. Beside that positive effect has mediating role between situation variables and impulse buying.

**Key words:** Impulse buying, Mood, Felt urge to buy, Consumer Behavior.

## INTRODUCTION

The area of shopping especially impulse buying for many retailers and marketers is attractive and fascinating. Sellers tend to control of process of shopping and create an environment to pursue people to buying goods. Researchers in psychology confirm the process that leads to recreational shopping and impulse buying. The study of (Hausman, 2000) indicates: "some studies show that between 30-50 percent of all buying can be classified by the buyers themselves as impulse purchases and beside that many people almost 90 percent make buying on impulse occasionally. For this reason, marketers tend to increase knowledge and understanding of the process, of influential factors and of effects of impulse buying. In other hand marketing has many process and they introduce and bring business products consumers (Hair, Bush, & Ortinau, 2003). Consumer behavior is a complex process of high and low involvement purchases. Marketing has been focused on

consumers purchasing attitudes to try to anticipate their expectations of spending. Objectives of this research are:

- To determine the influence of the time available on impulse purchase among different ethnicities.
- To determine the influence of the money available on impulse purchase among different ethnicities.
- To determine the influence of the mood of buyers (positive) on impulse purchase among different ethnicities.
- To determine the influence felt urge to buy impulsively on impulse purchase among different ethnicities.

This study could provide better understanding of shoppers and impulse buying. Also it could give basic and fundamental information about variable influencing on this kind of purchase. Retailers could control many variables through selecting specific parts of market and related strategies. Most of retailers could affect customer perception through the

variables of this research. The proposed model indicated in figure 1.

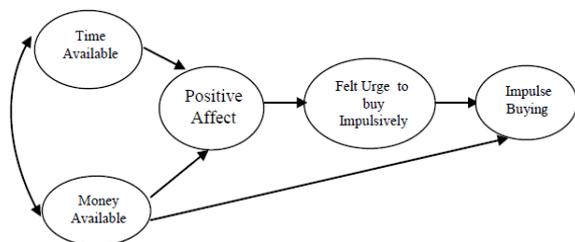


Fig 1. Proposed Model

## LIERATURE REVIEW

Impulse purchasing is often triggered suddenly in shopping environment (Verplanken, Herabadi, Perry, & Silvera, 2005). It refers to a consumer sudden interest in buying a product triggered by different factors: internal or external. The former contains "self feelings, moods and emotional states" and the latter contains "marketer controlled and sensory factors, like displays, cash machines, sounds, or smells" (Youn & Faber, 2000). The phenomenon of impulse buying has been studied in consumer research as well as for instance in economics marketing since the 1950s. Impulse buying has been an important source of revenue for retailers in brick-and- mortar retailing. Several researches such as (Dholakia, 2000 ; (Verplanken et al., 2005) believe, many studies on impulse buying directly concern causes or antecedents of an impulse purchase . Dittmar has shown "linked economic, social and cultural change in advanced economic have created a climate in which individuals make consumer decisions".

This variable relates to feel of shoppers about amount of time, which has available in one day (time available) and it is opposite of time pressure (Beatty & Elizabeth Ferrell, 1998) Time pressure has a negative effect to unplanned purchase and will reduce that. This result has required with one experiment by Iyer in 1989. Beside in front of that, when a shopper searches activity in a retail setting time available has positive effect for that activity (Beatty & Smith, 1987) So in this situation individuals who have more time, they browse longer in stores.

Beatty and Ferrell (1998) believe , given the strong influence of available time on in-store browsing, sellers must attempt to affect the time shoppers think they have available in the store. The retailers make do this by making shopping more efficient, such as by helping the buyer in finding her or his planned items more quickly. Consequently, as consumer spent more time in shopping environment, they also more likely to make more impulse buying and it has even been argued that discretionary unplanned buying has become part of the core meaning of consumer society today, as individuals buy goods and services with discretionary income intentionally, but without prior planning (Mesrinata,2009). Consumers who have low entertainment values for shopping will be more efficient, spend less time in the store, and see a lower net benefit of engaging in unplanned purchasing.

**H1:** The more time available an individual feels she/he has available the more the degree of positive effect.

In the impulse buying process, availability of money has important role, for example it can be a facilitator role (Beatty & Elizabeth Ferrell, 1998), since it increase the buying power of the people. If the people don't have required money, they will avoid the buying and shopping environment. Many investigates have another results and they indicate individuals have money available then affect to positive affect then positive affect influence impulse buying, but some researches indicated money available affect to avoid people from impulse buying (Heidarizade & Taherikia, 2010).

**H2a:** The more available money the individual feels she/he has) the higher the degree of positive affect.

**H2b:** The more available money the individual feels she/he has the likelihood of making an impulse purchase.

The positive affect and negative affect are two distinguishable dimensions, which are orthogonal to no another. Consumers' emotions or affective states are regarded as potent internal triggers for impulse buying (Watson & Tellegen, 1985). Impulsive buyers may be more responsive (or sensitive) to their emotional conditions than non-impulsive buyers and beside that mood has been identified as a variable that strongly influences a number of actions including impulse buying (Rook & Gardner, 1993), since their affective states can stimulate pursuing the immediate gratification that buying provides. Impulse buying can be explained as a struggle between the psychological forces of desire and willpower since impulse buying may be influenced by internal states or traits of consumers (Hoch & Loewenstein, 1991). Pre-existing mood, affective disposition and reaction to current environmental encounters (e.g., desired items and sales encountered, etc) can influence to positive affect in individuals (Beatty & Elizabeth Ferrell, 1998) Positive affect is a complex communication of individual and situation variables (Beatty & Ferrell, 1998). The focus on the affect which create in the environment, although the pre-shopping mood effect is also likely to be meaningful, if it could be successfully distinguish from in the environment and do not influence the later measurement of affect (Jeon, 1990).

The psychology researchers believe that when individuals in a good mood (i.e., experiencing positive affect), they are more likely to engage in approach behavior than avoidance behavior. In other hand, results of researches suggest that positive moods cause individuals to reward themselves more generously ,to feel as if they have more freedom to act ,and will produce behaviors aimed at maintaining a positive mood state (Isen, 2001).

In the shopping context, emotions are conceptualized generally as positive (e.g., pleased, excited) and negative (e.g., hostile, unhappy). Positive emotion in general seems to lead to more positive evaluations, including more positive consumer satisfaction judgments (Mano & Oliver 1993). An individual's positive emotion is influenced by a pre-existing mood, affective disposition, and reaction to current environmental encounters (e.g., desired items and sales promotions). Consumers in more positive emotional states tend

to reduce decision complexity and have shorter decision times (Youn & Faber 2000).

**H3:** The greater the positive effect, the greater the felt urge to buy impulsively.

Beatty and Ferrell (1998) believe that the distinction made between urge and impulse buying is important. Their model assessment provided evidence of the distinction between these two variables. The felt urge or desire to purchase from the physical proximity with the object, due to in store browsing, a tendency to engage in impulse buying, and positive feeling experienced while shopping. It appears to be an important intervening variable between an actual impulse buying and several precursors: browsing, positive effect, and possessing a tendency to engage in impulse purchase.

**H4:** The higher the frequency of felt urges to buy impulsively, the greater the likelihood of making an impulse purchase.

**H5:** There is a significant difference about impulse buying among different ethnics.

**METHODOLOGY**

The data were collected over two week period including two weekends during the month of April. The sampling method was convenience method and the complete instrumentation delivered by researcher personality will administer the survey and questionnaire to the participant. First, we conducted a thorough pre-test with several students in UKM (National University of Malaysia) for two or three day prior to plan data collection and will determine any problems. The data collected one period and we need over 100 samples for analysis (Kotrlík & Higgins, 2001).

For this reason we distributed 130 questionnaires we hoped after clearing of data and eliminating respondents with excessive missing values, result in a final sample of 98 of who made purchase that potentially could classify as impulsive. Instrument was a questionnaire includes items which measure constructs.

For measuring the variables we used these items: The items were from (Beatty & Elizabeth Ferrell, 1998). Also, measure validity and reliability were assessed by a confirmatory factor analysis and alpha Cronbach's established inter-item reliability between items for each construct. Following table (1) shows the result of reliability and validity of constructs. Coefficient alpha for the scales was over 0.74, indicating a high degree of internal consistency among the items on the scales.

Table (1) Reliability and validity of constructs

Constructs	No. of Items	Reliability	Variance	Factor	KMO
Impulse Buying	6	0.91	72%	1	0.78
Felt urge to buy	5	0.86	671%	1	0.75
Mood (Positive)	3	0.88	80%	1	0.68
Time Available	3	0.76	68%	1	0.69
Money Available	3	0.85	84%	1	0.75
No of responses	98				

**RESULTS AND DISCUSSION**

The demographics of this research are presented in following table.

Table (2) Demographic Finding

Characteristic		Frequency	Percentage
Gender	Male	35	35.7
	Female	63	64.3
Ethnics	Malay	33	33.7
	Chimes	38	38.8
	Indian	7	7.1
	Others	20	20.1
Total		98	100

Hypotheses are tested with a linear regression analyses. The application of linear regression analysis in this study is also because this data analysis technique is one of the common means of detecting predicts and effects. Results are presented in Table (3). In this table, the first group of models examines the relationship between the independent variable and the mediator (Mood). As it indicated in table (3) H1 predicted that the time available should positively relate to positive mood. The results completely supported H1 (Time available:  $\beta=0.52$ ,  $p < 0.01$ ). Time available significantly, influenced on positive mood.

Table (3) Coefficients\*

Model	Un-standardized Coeff		Standardized Coeff	T	Sig.
	B	Std. Error	Beta		
Constant	1.886	0.875	-	1.156	0.034
Time	0.543	0.115	0.520	4.725	0.000
Money	0.276	0.102	0.297	2.695	0.008

\* Dependent Variable: positive affect

As it indicated in table (3) H2a predicted that the money available should positively relate to positive mood. The results completely supported H2a (Money available:  $\beta =0.297$ ,  $p < 0:01$ ). Money available significantly influenced Positive mood. As it indicated in table (4) H2b predicted that the money available should positively relate to impulse buying. The results completely support H2b (Money available:  $\beta =0.648$ ,  $p < 0:01$ ). Money available significantly influenced impulse buying.

Table (4) Coefficients\*

Model	Un-standardized Coeff		Standardized Coeff	T	Sig.
	B	Std. Error	Beta		
Constant	8.950	1.760	-	5.085	0.000
Money	1.068	0.128	0.648	8.338	0.000

\*Dependent Variable: Impulse buying

As it indicated in table (5) H3 predicts the greater the positive effect, the greater the felt urge to buy impulsively. The results completely support H3 (Positive effect:  $\beta=.573$ ,  $p < 0:01$ ). Positive effect significantly influences felt urge to buy impulsively.

Table (5) Coefficients\*

Model	Un-standardized Coeff		Standardized Coeff	T	Sig.
	B	Std. Error	Beta		
Constant	5.538	2.286	-	2.423	0.017
Positive affect	1.237	0.180	0.573	6.859	0.000

\*Dependent Variable: Felt urge buy

As it indicated in table (6) H4 predicted the higher the frequency of felt urges to buy impulsively, the greater the likelihood of making an impulse purchase. The results completely supported H4 (felt urge to buy impulsively:  $\beta=0.605$ ,  $p < 0.01$ ). Felt urge to buy impulsively significantly influenced on impulse buying.

Table (6) Coefficients\*

Model	Un-standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	12.807	1.471	-	8.707	0.000
Urge to buy	0.496	0.067	0.605	7.437	0.000

\*Dependent Variable: Impulse buying

As it indicated in table (7) H5 predicted the difference about impulse buying level among different ethnics. The results completely rejected H4 ( $f=0.719$ :  $\beta=0.605$ ,  $p > 0.05$ ). There is no significantly an influence on impulse buying among different ethnics.

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Table (7) ANOVA

Impulse buying	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	98.282	3	32.761	0.719	0.543
Within Groups	4284.626	94	45.581		
Total	4382.908	97			

## DISCUSSION

Obviously, this research has the traditional limitations associated with survey research, such as measurement error, selection error and non-response error. Additionally, our sample unconduted in a regional mall, It is obviously neither truly random nor necessarily representative of any larger population. Given researchers interest in relationships between variables rather than population descriptions, this may not be a major problem in this research (Calder, Phillips, & Tybout, 1982). Our object was to determine the influence of the exogenous situational difference variables (Time available and Money available) on impulse purchase among different ethnics in Malaysia and it can be indicates the relationship these factors among students in difference ethnics. Besides that, the result showed positively influence the money shoppers feel that they have available to spend by providing easy credit lines or discounts tied to opening a charge card. Noting the positive influence of affect and browsing on urges and impulse purchases, retailers need to constantly work at creating positive shopping environments such as interesting displays and events, appropriate aromas and lighting.