Factors Influencing Impulse Buying of Algerian Shoppers

Nadira Bessouh¹, Ali Iznasni², Abderrazak Benhabib³

The Preparatory School of Economics, Business Studies and Management Science, Tlemcen-Algeria

¹Lecturer of Marketing at the Preparatory School of Economics, Business Studies and Management Science, Tlemcen-Algeria.
²Lecturer of Marketing at the Preparatory School of Economics, Business Studies and Management Science, University of Tlemcen-Algeria.
³Professor of Economics & Management and Director of Laboratory MECAS, University of Tlemcen, Algeria.

Abstract: Impulse buying is of strategic importance to distributors. Currently, distribution companies rely heavily on contextual variables (music, smells, colors, sound, design ...) in order to push customers towards purchase and consumption. As such, a crucial way for commercial brands to increase sales is to stimulate impulse buying. For this reason, this study aims at identifying the factors that encourage consumers to make impulse purchase. Thus, we try to show, upon a field survey of 590 buyers, the impact of situational elements of both the store and the product on achieving impulse buying.

Keywords: Algerian shoppers, impulse buying, shopping environment, situational variables, product.

1. Introduction

During the last decades, there has been an incredible increase in consumption for fun and entertainment. Society is changing from one of consumption into another of leisure that produces a rewarding experience for the consumer who is seeking hedonism in his act of purchase (Caru & Cova, 2006). In addition, some factors such as the development of modern forms of distribution, growth in personal income, increasing rate in women's activities, and technological development have led to fundamental changes in the behavior of individuals, particularly, Impulse buying that has become a profitable market. These changes require an accurate understanding of consumer needs and desires that has triggered to date, much research devoted to impulsive buying behaviors, as well as to impulse purchases at sale points (Stren, 1962; Rook, 1987; Beatty and Ferrell, 1998; Piron, 1991). This field enabled researchers to identify the factors behind these behaviors and their consequences (functional and dysfunctional impulsive purchase, Dickman, 1990).

Unplanned or impulsive purchases loom large in modern consumption to such an extent that they constitute between 45% and 65%, according to figures from Credoc. The phenomenon is constantly increasing, and the concept has become an important area of study in marketing by considering the central place it holds in the study of consumer behavior. Today, sales strategies and lifestyle development of individuals encourage impulse buying. At the same time, the activities of consumers are very difficult to predict, and are therefore hardly explainable from general theories. For this reason, behavioral studies face the challenge to find fair and verifiable answers related to the actors that motivate impulse buying at points of sale. Thus the main issue is to know how the point of sale could lead the buyer to make impulsive purchases.

To deal with this issue, we propose to test the following two research hypotheses:

H1: The situational variables of the point of sale encourage impulse buying.
H2: The product plays an important role in triggering purchase pulses.

This research will enable one to assess the possibility for distributors to encourage the adoption of an impulsive buying behavior at their points of sale, and identify variables and circumstances that trigger impulse purchases. The paper is structured as follows:

1) First, will be presented a literature review on the concept of impulse buying.
2) In a second step, we will empirically test our hypotheses through a quantitative study. The results will then be presented and discussed.

2. Literature Review

According to Hetzel (2002), we are now in a consumer seduction phase. Knowing the consumer and his behavior is a key parameter for distribution companies. Today, consumers buy under the influence of passion, i.e. from pulses which aim at breaking the daily routine and seek new personal feelings, in other words “treat oneself” (Gultekin & Ozer, 2012).

Impulse purchase is the result of changes in consumption patterns. Observing and grasping consumer behavior inside the store is of fundamental importance for firstly, understanding the structure of the physical behavior within a store and secondly, determining its dimensions by studying its influence on purchases and thirdly, analyzing the way this behavior is influenced by variables that are specific to the consumer and the context that makes him visit the store. As several studies show that the consumer decides to buy once

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he gets inside the point of sale (Amine, 1999), retail points of sale are investing increasingly large sums of money to arrange their stores and improve their merchandising policy. The percentage of impulse buying is estimated to be 62% by Luo (2005). Moreover, Roeder (2008) shows that this figure may rise to 80% in some product categories. It is, therefore, undoubtedly very important to know the needs, desires and preferences of consumers in order to enhance impulse purchase. We shall present some definitions and characteristics of Impulse buying, followed by the impact of point of sale environment on impulsive buying completion, then, the impact of situational factors on impulsive buying, and finally, the interaction between product-related variables and impulse buying.

2.1. Impulse buying: definitions and characteristics

Impulse buying has been revealed since the 50s by researchers in social psychology and marketing (Clover, 1950; Dupont Studies, 1950, 1955; Applebaum, 1951; West, 1951; Nesbitt, 1959). Studies on impulse buying are often regarded as inconsistent decisions over time, i.e, decisions that would not have been made if consumers had taken enough time to consider, in a dispassionate manner, their long term consequences. There has always been much controversy concerning impulse buying definitions: one of the difficulties in delimiting impulse buying is that under the same denomination appear different types of impulse purchases in a psychological continuum (Reminder impulse purchase, planned impulse purchase, suggestive impulse purchase and pure impulse purchase), according to the typology proposed by Stern.

![Figure 1: Typology of impulse buying, proposed by Stern (1962)](image)

The existing impulse purchasing definitions are essentially operational in nature. For this approach, impulse buying is a purchase made, although not planned, before entering the store. According to Filser (1994), an impulsive purchase occurs spontaneously, for example by seeing the product at the point of sale. The economic importance of impulse buying is significant, as it is generally estimated to account for nearly half of all purchases in free-service marketing. However, to reach such a proportion, it is necessary to mix impulse purchase and reminder purchases at the point of sale.

He noted that there are two types of impulse purchases:
- Impulse buying which corresponds to an unplanned purchase of a brand not previously bought.
- Reminder of a previous purchase decision under the influence of some situational factors.

Beatty and Ferrell (1998) defined "impulsive buying urge" as similar to the impulse of "a state of desire felt when seeing an object in the environment." Both authors proposed a model that explains the various variables that lead to impulse buying and its impact on buyer behavior (positive emotion vs negative emotion).

![Figure 2: Beatty and Ferrell model (1998)](image)


According to Giraud (2002), impulse buying occurs when a person experiences a sudden and uncontrollable desire. Through these definitions, one can say that theoretical debates on the definition of impulse buying strongly give a general impression of heterogeneity. Distributors need to know what triggers impulse buying in order to improve their knowledge in order to build effective marketing strategies.

2.2 The impact of point of sale environment on impulsive buying completion.

Most studies focus on the influence of the shop environmental factors on impulse buying. Impulse buying is not a preplanned action of the consumer; it is driven by its reaction to a phenomenon that stimulates one of his senses in the presence of an offer. This reaction may be due to the

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Awareness of the role of the shopping environment, as a predictor of an individual's behavior, has been extensively studied within the marketing domain. Given the great number of environmental attributes, it is difficult to define the concept of environment and present exhaustively its various components. This concept can be referred to as "the store environment", "the ambience", "the physical element", "the ambient factors", "the surrounding attributes."

The term “point of sale atmosphere” refers to all the elements in the store that can influence the consumer and instil in him affective, cognitive, physiological and/or behavioral reactions.

Kotler (1974) is one of the first researchers to be interested in the atmosphere as a marketing tool. The atmosphere is a very important situational factor. He defines the atmosphere as "the deliberate design of space to create certain effects within the buyer." He states that "The atmosphere at the point of sale corresponds to the effort made to create shopping environments that give the buyer specific emotional effects which increase the probability of purchase." As for Daucé and Rieunier (2002), they considered only the physical environment, which consists of the ambient factors (or sensory factors), and the social environment see Table 1.

### Table 1: Daucé and Rieunier (2002) Environmental factors

<table>
<thead>
<tr>
<th>Environmental factors</th>
<th>Examples of components of various factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tactile factors</td>
<td>The materials (carpet, furniture, floor …), The temperature within the store, humidity</td>
</tr>
<tr>
<td>Sound factors</td>
<td>The music played, The noise generated by the store</td>
</tr>
<tr>
<td>Taste factors</td>
<td>The tastings offered at the point of sale, The products offered in cafes and restaurants inside the store</td>
</tr>
<tr>
<td>Olfactory factors</td>
<td>The scents released, Odors linked to the store and its immediate environment (products, people, materials …)</td>
</tr>
<tr>
<td>Visual factors</td>
<td>The colors of the décor, The light used, The interior architecture Store cleanliness, The arrangement of items inside the store (merchandising) The aisle space available</td>
</tr>
<tr>
<td>Social factors</td>
<td>The sales staff, The style and customer density</td>
</tr>
</tbody>
</table>


### 2.3 The impact of situational factors on impulsive buying

Obviously, buying a product on impulse is particular to the point of sale. There is a feeling of closeness to the product; "it appeals us", in some way. Since the early works on the hedonistic shopping experience (Holbrook and Hirschman, 1982; Holbrook, 1986; Ladwein, 2002), various studies have been conducted in retail outlets (products or services, general or specialized), or in shopping centers (Rieunier et al., 2002). The situational approach seems to provide an answer to unstable behaviors; we cannot predict and anticipate the reactions of individuals based on their personal characteristics, but we can anticipate them according to the situations they will face. Many consumer behavior studies advocate studying the effects of the situation on buyers' reactions (Daucé and Rieunier, 2002). The literature strongly emphasizes the influence of the situation on the consumer’s behavior, which has now become a full-fledged research field. It emphasizes the notion of time, the determination of roles and previous states of the individual, the factors specific to a place and to an observation period.

So the situation corresponds to "all external factors to the individual and to the stimuli-objects, gathered in one place and at the same time, to which the consumer reacts" (Petrof, 1999).

It is therefore possible to operationally define a set of several stimuli whose specific combination (the situation) causes a certain type of behavior.

The influence of the situation on the buying process was highlighted in the 1970s by the American researcher Russel Belk. A rich literature has existed from that moment, but most of it focuses only on some situational components such as crowd, lighting, anxiety levels, etc., instead of considering the entire context. Belk (1975) described the situational variable using five objective components:

- the physical environment which concerns the apparent characteristics of the situation (i.e. the decor, sound, lighting, disorder, cleanliness);
- the social environment which refers to the presence or absence of other people in the context under study (employees, customers, etc.);
- the temporal perspective; the variables studied in this dimension are, among others, the time of purchase and/or consumption of the product, the time available for the acquisition of an article;
- The definition of roles with a focus on the objectives pursued by the individual in the selected situation (for example, does he buy an article for himself or for someone else?)
- The previous states, specific to the individual, deal with his mood, his degree of anxiety, his health, etc.

In many cases, the situation influences the decision, whether one is in a hurry, in good mood, advised by a seller or accompanied by a friend. The situational approach opens an intermediate track, less ambitious, and probably more realistic (Dubois, 1996). Analysis of the effects of the situation on the buyer’s behavior allows understanding the
scope of arbitrations, and particularly his search behavior for product variety. Regarding impulse buying, it is often regarded as a response to the store stimuli. This approach has therefore placed emphasis on situational factors that trigger impulse buying.

2.4 The interaction between product-related variables and impulse buying

The qualitative research on impulse buying suggests that the process that leads a consumer to make impulse purchases depends essentially on the product and the product-related variables. Some product categories are more likely to be bought on impulse than others; clothing seems more likely to be purchased impulsively than kitchen equipment. The reason given is that impulse buying is more often associated with pleasure, although today the marketing mix plays a key role in business success. However, the product itself, design, packaging, promotions, proximity, and price significantly influence the buyers to make impulse purchases. Stern (1962) speaks of "impulse products", when he identifies nine (9) product attributes that are likely to trigger impulse purchase: low price, mass distribution, well-exposed merchandise, marginal need for the product, free-service product, mass advertising, small size product, short lifetime and ease of storage. Our empirical investigation focuses on the factors that influence impulse purchases at points of sale.

3. The Empirical Study

3.1. Research Methodology

Empirical research methodology is based on a field survey; it corresponds to the validation of hypotheses on situational variables of the point of sale and products. The survey sampling method in the field is the in-situ method (convenience sampling). The sample size is set for 590 buyers, but only 385 of the respondents made impulse purchases. Moreover, the investigation is also carried out in specialized retail stores. The choice of specialized stores is justified by the fact that the atmospheric factors could have a significant impact on the consumer’s behavior for the main reason that the client goes there more for pleasure, as opposed to general stores and supermarkets where he goes rather because he has to (Rieumer, 2002). However, according to the literature on impulse buying, it was found that impulse purchase can cover a variety of products. For this reason, the following products were specified in this study: clothing (men & women), shoes (men & women), cosmetics and children's toys. Our questionnaire was administered at the center of the town of Tlemcen (Algeria), which consists of quite popular neighborhoods and stores where people from different social classes go. These stores are selling environments where elements of ambience and design are manipulated in such a way as to influence the buyer’s behavior. The questionnaires were distributed during the summer holidays, and were then collected during the week, from 10 am to 08 pm. They were administered from June 04 to June 30, 2013. Data collection took place at the exit of the point of sale. The interviews were conducted face to face between the investigator and the respondent, to encourage spontaneous responses from the respondent and put him in situations he has been through.

Three main criteria were considered: age from 18 to 65, occupation and gender.

3.2 Results of the Empirical Investigation

The first descriptive results of our investigation are presented, before processing any data, using the principal component analysis (PCA).

3.2.1. Determinants and variables that encourage impulse buying

It is first noted that Algerian buyers make a significant number of impulse purchases (65.25%). All four stores, selected for the survey, sell the following products: clothing, cosmetics, shoes and children's toys. It was noted that the products purchased on impulse were cosmetics (36%), then clothes (27%), shoes (21%) and finally children's toys (16%). Impulse purchase varies by gender; i.e. cosmetics, clothing, children's toys for women, clothing and shoes for men.

Table 2: The products that are likely to be purchased on impulse in the four selected specialty stores of the survey

<table>
<thead>
<tr>
<th>Product bought on impulse</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing</td>
<td>26.49</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>36.36</td>
</tr>
<tr>
<td>Shoes</td>
<td>20.78</td>
</tr>
<tr>
<td>Children’s toys</td>
<td>16.36</td>
</tr>
</tbody>
</table>

It is noted that, as far as for the determinants of selected products purchased on impulse, the Algerian buyer is largely attracted by bargains (low price, promotion, and rebate) and then by the emotional gratification he gets from the products which trigger love at first sight in the consumer who is looking for fun, in order to break the daily monotony.

Table 3: Determinants of choice of products bought on the basis of impulse

<table>
<thead>
<tr>
<th>Determinants</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bargain (low prices)</td>
<td>37.00</td>
</tr>
<tr>
<td>Emotional gratification</td>
<td>32.75</td>
</tr>
<tr>
<td>Searching for fun</td>
<td>29.88</td>
</tr>
</tbody>
</table>

The variables that encourage impulse buying are: low price (16.62%), promotions (14.55%), interior design (11.43%), quality product (11.17%) and special events [wedding, birthday, celebration of Aid (7.27%)].

Table 4: impulse buying Variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low price</td>
<td>16.62</td>
</tr>
<tr>
<td>Quality product</td>
<td>11.17</td>
</tr>
<tr>
<td>Interior design of the store</td>
<td>11.43</td>
</tr>
<tr>
<td>Ease of finding items</td>
<td>2.34</td>
</tr>
<tr>
<td>Wide range of choices</td>
<td>5.19</td>
</tr>
<tr>
<td>Good entertainment in the store</td>
<td>6.23</td>
</tr>
<tr>
<td>Crowd in point of sale or not</td>
<td>1.56</td>
</tr>
<tr>
<td>Music</td>
<td>2.08</td>
</tr>
<tr>
<td>New developments</td>
<td>14.55</td>
</tr>
<tr>
<td>Availability of Fashion products</td>
<td>4.94</td>
</tr>
<tr>
<td>Good brand product</td>
<td>3.38</td>
</tr>
<tr>
<td>Faster checkout</td>
<td>2.86</td>
</tr>
<tr>
<td>Warm welcome</td>
<td>5.45</td>
</tr>
<tr>
<td>Special events (wedding, etc.)</td>
<td>7.27</td>
</tr>
</tbody>
</table>
3.2.2. Influence of the shopping environment and product on impulse purchase completion

From these percentages, it is easy to see that the shopping environment and product prompt shoppers to make an impulse buying. So, the shopping environment can be a source of stimulation for the visitor to the store.

Table 5: Impact of the shopping environment and product on impulse purchase completion

<table>
<thead>
<tr>
<th>Impulse Purchase Completion</th>
<th>Percentages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related to the shopping environment</td>
<td>29.61</td>
</tr>
<tr>
<td>Related to the Product</td>
<td>26.49</td>
</tr>
</tbody>
</table>

3.2.3. Effects of the shopping environment and characteristics of the product on triggering impulse buying.

This table shows that the aesthetic and hedonic characteristics related to the products and to the situation, are more likely to arouse buying impulses and help make the transition to impulse buying. Some of these are the emotional/affective characteristics of the product, design, aesthetic characteristics of the product, ease of purchase and payment: will for immediate pleasure, shopping environment, promotion, bargains and special events (feast, sales ...).

Table 6: Effects of situational variables and characteristics of the product on triggering impulse buying

| Related to the shopping environment and Product | 34.02 |
| Other | 9.87 |

The descriptive analysis of the investigation, which enabled us to determine the highest percentages associated with the different categories of variables, was presented first, and then the two proposed hypotheses were tested; a solution to our problem was to be found.

3.3. Testing of hypotheses about situational variables of the point of sale and product.

3.3.1. The impact of situational variables of the point of sale on impulse purchases

The effects of situational variables on making an impulse purchase (Q2) are assessed and represented by Q21, Q22, Q23, and Q24; these are the atmosphere in the store, its design, the presence of the crowd and finally the familiarity with the store. By performing a principal component analysis (PCA), there was also an attempt to explain the effects of these variables on impulsive buyers. As presented in Figure 3, two variables have a direct impact on impulsive buying completion, i.e. the atmosphere at the point of sale (Q21) and familiarity with the store (Q24). The results indicate that perception of a pleasant ambience at the point of sale has a significant positive impact on cognitive reactions (the desire to return to the store, purchase intentions and impulse purchase completion) and affective reactions (the mood) of customers.

Figure 3: Graphical representation of PCA on situational factors

3.3.2. Assessing the impact of the product-related factor on achieving impulsive purchase

The principal component analysis enables us to draw out some main findings about the following variables:

1) Design and aesthetic characteristics of the product are more important than the objective features in an impulse purchase.
2) Buying environment /ambience /atmosphere.
3) Familiarity with the store.
4) Promotion/bargain.
Having a strong impact on impulse buying completion, these variables which elicit impulse buying correspond to the most intense attractive emotions that a consumer may experience at the point of sale. These controllable factors play a strategic role in the development of impulse purchases at the point of sale. As for the other factors, which are far from the mapping center, it may be noted that they are not very important in the eyes of our consumers. If we consider the example of the factor ‘influence on sellers’, most interviewed respondents do not like seller’s involvement at the moment of their purchases. It can be concluded that the aesthetic aspect of the product as well as all related variables have a very positive influence on the behavior of buyers. To know what the effects of the product on achieving impulse buying are, a number of acronyms were used to make them visible on the perceptual map.

<table>
<thead>
<tr>
<th>Acronym used</th>
<th>Signification</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEAP</td>
<td>Emotional/affective characteristics of the product</td>
</tr>
<tr>
<td>Cph</td>
<td>Physical/objective features of the product</td>
</tr>
<tr>
<td>Design</td>
<td>Design and aesthetic characteristics of the product</td>
</tr>
<tr>
<td>Facil</td>
<td>Ease of purchase and payment</td>
</tr>
<tr>
<td>Envie</td>
<td>Will for immediate pleasure</td>
</tr>
<tr>
<td>ENVA</td>
<td>Buying environment/ambience/atmosphere</td>
</tr>
<tr>
<td>Infv</td>
<td>Influence of sellers</td>
</tr>
<tr>
<td>Famil</td>
<td>Familiarity with the store</td>
</tr>
<tr>
<td>Prom</td>
<td>Promotion/bargain</td>
</tr>
<tr>
<td>Renv</td>
<td>Frequent renewal of the offer</td>
</tr>
<tr>
<td>Reco</td>
<td>Use of smells, colors, lights</td>
</tr>
<tr>
<td>Occa</td>
<td>Special event (celebration, sales …)</td>
</tr>
</tbody>
</table>

The stores selected for our survey have succeeded in seducing the consumer. The sensory communication used made it possible to limit the consumer rationality for the purchase to be impulsive. Moreover, this study found that retailers’ merchandising efforts will be most successful with impulse buyers. It attempted to shed new light on impulse buying by introducing the concept of situational elements and the variables related to products. This has helped show what triggers impulse buying, so that the distributors can improve their knowledge regarding the strategies that elicit functional impulse buying.

However, Algerian consumers usually commit themselves without thinking of low-involvement products, which have little value and for which the perceived risk is low. They are attracted by cheap products. Therefore, favorable purchasing conditions, such as a bargain, make impulse purchase more exciting and rewarding. Our buyers turned up to be smart buyers. So, buying on impulse is a way for some buyers to have a good time, fight uncomfortable feelings and moodiness, please themselves.

**The contribution of research**

Our research aimed to be managerial

- This work should push commercial signage to get interested in the virtues of impulse purchases (increased turnovers).
- The study provides managers with a better understanding of the importance of store environment to the consumer.
- These results are promising approaches for store managers, because the atmosphere at the point of sale (music, smell, color ...) can be considered as a management tool to influence the affective, cognitive and behavioral states of the prospects.

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**4. Conclusion**

Throughout this research, the phenomenon of impulse buying and the variables that influence it were investigated. Then, a conceptual framework describing this phenomenon was applied, to finally end up with a series of results. This survey enabled us to identify the influence of situational factors on customers’ reactions and their impact on triggering impulse buying. Indeed, a visitor motivated by hedonic needs, is often in search of novelty, stimulation and surprise. The atmosphere at the point of sale influences the consumers’ behavior and can be considered as a management tool for the point of sale; i.e. a tool of differentiation and positioning. It is noted that a pleasant atmosphere increases the number of impulse purchases and consequently the amount of money spent in stores.
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