

The Review of Physical Store Factors That Influence Impulsive Buying Behavior

Tan Rich Sun¹

Center for Southern New Hampshire University (SNHU) Programs, HELP
College of Art and Technology, Kuala Lumpur, Malaysia

Rashad Yazdanifard

Center for Southern New Hampshire University (SNHU) Programs, HELP
College of Art and Technology, Kuala Lumpur, Malaysia

Abstract

The purpose of this paper is to study the factors that may influence impulsive buying behavior. A good store environment will encourage customers to patronize the store and this can be achieved through effective marketing activities, well-trained salespeople, and promotional activities high in emotional influence value. As a result, customers are more likely to purchase unplanned products due to the attritional value from the marketing activities.

Keywords: Physical store, buying intention, impulsive buying, store environment, store layout, salesperson.

Cite this article: Sun, T. R., & Yazdanifard, R. (2015). Review of Physical Store Factors That Influence Impulsive Buying Behavior. *International Journal of Management, Accounting and Economics*, 2(9), 1048-1054.

Introduction

In the 21st century, online shopping has become more popular in the current market due to the convenience it affords many people. When you shop online, a click is all you need and the products will be delivered to the customers' doorstep (Joonkyum & Bumsoo, 2014 as cited in Kolesar & Galbraith, 2000). However, shopping via the Internet only allows customers to judge products through photos, videos and some given information, thus allowing the chance for disappointment when products do not meet expectations. For example, the product's picture may have been illustrated and does not look like the actual product at all. Traditional shopping, on the other hand, is an entirely different experience from online shopping. Traditional shopping requires customers to travel to the physical

¹Corresponding author's email: richsun@hotmail.com

store, allowing customers to touch, see and feel the products (Joonkyum & Bumsoo, 2014). It stands to reason that sensory experiences will play a greater role in encouraging customers to make impulsive purchases, based solely on the stimulation from a pleasing environment. The ability to hold something in their hands and to physically check for defects is likely to induce customer satisfaction and willingness to make purchases.

Besides that, when a retailer meets any difficulties in creating competitive advantages, the physical store can turn the difficulties into productive opportunity for market differentiation based on factors like merchandise, price, promotion and venue. In the past, retailers have spent millions of dollars each year to design, build and refurbish the layout of stores in order to increase competitive advantages, as retailers must keep their stores up-to-date so that they may maintain their appeal with their target markets. Despite their hefty investments, retailers fail to do systematic research which allows them to examine the specific environmental factors that interplay with the buying intention. Several factors that have been shown to affect the buying intention of customers' are location, service level and pricing policies. The buying intention has also been proven to be influenced by the store environment.

General Store Attributes

Store attributes can be defined as retail environments which stimulate a consumer's desire to purchase and these include product, service and store quality (Kotler, 1974). The attributes of a retail store have been found to be one of the significant factors that influence a consumer's perception of the global store image and overall attitude of a store (Darden et al., 1983). It can also be considered as a conscious design for a shopping environment to produce specific emotional effect among consumers, in turn enhancing their purchasing probability (Zhou & Wong, 2003). Tai and Fung (1997) found that store attributes are positively related to pleasure level among consumers in the store. These attributes can be described as ambient (i.e. non-visual conditions such as store atmosphere and convenience), design (i.e. visual characteristics such as product quality) and social factors (e.g. human variables such as attitudes of retail employees) (Turley & Milliman, 2000).

The Importance of Store Environment

Store environment is a very important factor that will affect impulsive buying. The size of the store, ambience, design, and in-store marketing activities are examples of store environment (Muruganatham & Bhakat, 2013). The in-store background music, lighting, store display, scent, store promotion and prices are able to create a unique experience for customers to enjoy (Zhou & Wong, 2013). A uniquely designed store environment can induce a positive emotion for customer's satisfaction while creating a different shopping experience at the same time (Pun & Maya, 2014). Kotler (1973) states that the store environment has more influence than the product itself in purchase decision, and although retailers have invested in the store environment for this reason, it can give them a competitive advantage over their competitors.

According to Kotler (1973), the ideal store atmosphere is one that is cognizant of the appeal of different stimulus on the 5 senses and strives to create a harmonious balance

between them. The first is the visual factor that appeals to the sense of sight, it includes color, brightness, sizes and shapes and has the largest influence on how products are displayed and the store is decorated. This is an especially powerful influence as people have been known to make purchases based on aesthetic alone. The second is the audio factor, the sense of sound which includes the volume and pitch of the music played in-store, and it has been shown that customers are more likely to make purchases if they enjoy the music played. The third is the olfactory factor, which appeals to the sense of smell that includes scent and freshness. It is entirely logical for someone to refuse to go into a store that smells like refuse or a perfume factory exploded in it and into one that has a pleasing smell. Lastly, is the tactile factor, which is the sense of touch and is concerned with textures such as softness, smoothness and even things like temperature.

Consumers feel that shopping is a relaxing activity or rather a form of therapy to their various stresses and problems. When the various factors come together and fulfil the needs of the senses without being overwhelming, it will draw customers to the store and give the products a chance to shine, increasing chances of purchase. Thus it is important for retailers to identify the important store environment factors that are based on the consumers' expectations and needs.

Store Design Factors – Store Layout

They say you shouldn't judge a book by its cover, however that is what we as human beings do all the time. The first impression of a store forms your impression of a company and your willingness to spend money there. Therefore, it is important that the layout of the store is alluring to the random walk-in customer. Store design factors can be classified into two categories: functional, such as store layout, display, comfort and privacy, and aesthetic, like the elements of architecture, color, material and style (Pun & Maya, 2014). For example, as a fashion retailer, one can create a special store identity and increase the consumer's shopping experience by elevating these two store design elements like the designs of the shelf or the positioning of seats and fitting rooms. As a fashion retailer, a good merchandise presentation design encourages the consumers' activity through things like color coordinated displays and wide aisles as well as discounted items placed in the back so that people will see the full priced items first.

For other retail stores, store layout is referred to by the term of 'selling machine'. Pun and Maya (2014) states that, store layout design can satisfy the consumer's needs and requirements. The store layout is the physical arrangement that goes into the formation of a business. For retailers, store layout is very important. Retailers should offer customers the best store layout to maximize the customer's shopping experience (Wahida, 2011). A poor store layout can induce negative shopping experience for customers. An irregular and messy layout may reflect badly on the company and their dedication to consumer comfort which leads to a disinclination to spend time in the store.

Salesperson May Change Customer's Buying Behavior

Store personnel or salespeople are another important factor that affects customer's buying intention. When a customer walks into a retail store, the very first thing that the customer experiences is the store environment; second to the store environment is the

store personnel. The behavior of the sales personnel greatly affects the brand's image and their charm to the average customer. Employees of a company play an important role when it comes to positively influence customers. These impressions are affected by simple gestures such as giving a warm and polite welcome or just simply being reachable to the consumers when needed. A short and simple interaction may influence the customer's positive outcome and lead to a purchase when none was intended before (Christian, Michael, & Martin, 2010).

Salespeople are the personnel interacting with customers and thus the first taste of a brand that they experience. The way a salesperson presents themselves to the customer as well as their display of product knowledge will affect the customer's purchasing intention. A well-trained salesperson can decrease the frustration in a customer by directing a positive and efficient way of purchasing (Wahida, 2011). As an example, a salesperson unintentionally delivers a misguided message to the customer and thus will lead to the misunderstanding that they are being cheated or taken advantage of, leading to one less potential customer. On a larger scale, the brand's image and the customer's satisfaction in it are diminished.

Consumers are capable of observing negative behaviors in their sales personnel and a salesperson's behavior can really affect the customers' satisfaction and the reputation of the retailers. Moreover, customer satisfaction has a strong effect on impulse buying. In fact, unavailability of the salespersons or a bad attitude may cause negative consequences on sales figures (Christian et al., 2010).

The Store Environment as a Determinant of Impulsive Buying

According to Mariri and Chipunza (2009), impulsive buying is the moment when you purchase a thing without any prior planning. Consumer's emotions play a critical role during any purchase and can be engaged by a particular product or simply to a well-written message. Emotions like joy, love, fear, sexuality and hope are some of the examples that influence customers. Retailers can distinguish their stores by creating some relationship between the store atmosphere and the consumer's emotional state. Even if consumers with negative emotions enter the store, they will be emotionally influenced and instead spending more than intended. All point made are to further elaborate on the importance of affective factors influencing the consumer's behavior in impulsive buying. A practical example would be placing lots of mirrors around a fashion store which helps customers who want to see how a particular outfit would look on them and simultaneously creates the illusion of a large space, which makes people feel like they are in a far grander and high-class place than they actually are in. Conversely, warm colors and dim lighting can be coupled with soothing music to give the store a cozy feeling, inviting a customer to sit down and try on something.

Gender Affects Impulsive Buying Behavior

According to Tremblay (2005), men and woman display wildly different patterns when it comes to impulsive buying. In regards to the research, it has been showed that men are more likely to impulsively buy high-tech gadgets and sport equipment, while women tend to buy fashion products such as shoes, clothes, jewelry, cosmetics and perfume

impulsively. Based on past researches, women are prone to impulsive buying especially during attractive promotions or sales events and are more likely to be influenced by marketing gimmicks. Sherhorn and Reisch et al. (1990) proposed that when women are in a stressful situation, the percentage of impulsive buying increases. This is one of the ways that helps them feel relaxed and has often been jokingly referred to as retail therapy. It has the amusing side effect of reinforcing the activity of shopping with the feeling of happiness, thus encouraging women to shop more often.

Discussion

The objective of this paper is to study the physical store factors that influence the customer's buying intention. Store environment, impulsive buying, store layout and attitude of sales personnel are the factors identified through this study. The findings of this study are crucial especially when the current market is more competitive than ever before. Thus, retailers have to be innovative in designing unique ideas to gain a competitive advantage over their business rivals. Digital technology has well integrated into the current market and customers are able to purchase via the Internet without leaving the comfort of their home. This has become a challenge for physical store retailers, but fortunately issues such as products not matching the pictures, delivery issues and payment security leave a significant number of consumers more comfortable with physically purchasing products instead of doing everything online. According to Vojvodic and Matic (2014), customers emphasize that payment by credit card and security issues are the main barrier for customers to shop online. In addition, when customers request for returns due to the return policy, the difficulties with returning goods for a refund are the second major issue that makes customers less inclined to do all their shopping online. Some customers still prefer physical stores over online shopping as this allows them to see and touch the product. Before any purchase, they would want to experience the product and choose a suitable product best suited to their taste. There is also something to be said for the experience one gets when you step into a well-designed store and there is nothing quite as therapeutic as walking into and browsing a dozen shops in a single day.

This is the reason that we insist that the store layout may change the customer's perception of a brand. Retailers should offer customers the best layout to maximize the customer's convenience and experience at the store. The marriage of both store layout and store environment (lighting, music and scent) can provide customers a comfortable environment in which they willingly want to spend time in. Once customers feel comfortable in the store, they are more likely to spend time in the shop which gives them more time to peruse the items available. In addition, a well-trained salesperson can influence customers' decision for impulsive buying. Salespeople who attentively attend to the customers and can understand their needs and wants are more likely to garner good will from the customers who sometimes make purchases based on the desire to help alone or through admiration of a salesperson's knowledge. In addition, consumers are more receptive to a salesperson that they like which puts the well-mannered employee in a position where they can properly introduce the products and services that are best suited to the customer's needs, thus giving weight to whatever purchasing decision the customer is making.

Conclusion

In this competitive era, market retailers have to create diverse forms of strategy in order to attract customers from all walks of life. These different strategies like store layout, window display, price strategy and promotion will attract curious customers to the retail store who are seeking more information. A unique store environment allows customers to have a completely exclusive shopping experience as well as improving the customer's satisfaction. Sales personnel are considered assets for how they act towards and communicate with any walk-in customers affects the willingness of customers to engage in impulsive buying. Therefore, retailers should provide the necessary training in order to enhance the worker's product knowledge and sales skills. In addition, strategic product placement in stores is necessary to induce customer's impulsive purchase. Attractive promotional ideas and affordable price strategy will enhance impulsive behavior in consumers.

Nowadays, the working life has become more stressful, and women especially like to shop in order to de-stress and relax after trying periods in their life. Retailers should design more marketing activities such as pricing strategy or value promotion to attract these kinds of recreational shoppers as they are more likely to engage in impulsive buying. A unique store environment may make customers feel special and comfortable while the high quality of value promotions will make customers more likely to increase their impulsive purchase of your product.

All in all, impulsive buying is a sudden and immediate behavior of purchasing with no prior intentions. Factors influencing this behavior are pricing strategy, store characteristic, situational factors and store promotional activities. Customer's income level is also a factor which affects the customer's ability impulsively buy. With all that has been discussed, it is vital to comprehend this phenomena of impulsive buying among clients, and as retailers it is important to acknowledge the various factors contributing to this behavior and to work on the factors that we can influence such as through the improvement of one's current stores in order to achieve a wider appeal.

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