The Effect of Situational Factors on Impulse Buying and Compulsive Buying: Clothing

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Abstract

The aim of this study is to identify the effect of situational factors on impulse buying and compulsive buying. For achieving the goal, through a review of past studies, factors that were involved in this issue, were identified. Time pressure, available money, variety of selection, store environment, word of mouth, social norm, impulse buying and compulsive buying are variables that designed our model. The present study is a quantitative research with descriptive approach, where required data were gathered through questionnaires. Iranian purchasers who purchase clothing were selected as the research population. Data was analysed using LISREL Software. The results of the research show that available money and word of mouth have significant effect on impulse buying and impulse buying has significant effect on compulsive buying. Also it was found that variables of time pressure, variety of selection, store environment, and social norm have no significant effect on impulse buying.

Keywords: Situational factors, impulse buying, compulsive buying.


Introduction

A quick growth in shopping has surprisingly begun since the second half of twentieth century and this is more significant in shopping centres, malls, inexpensive-goods market, and second-hand goods market. Costs and expenses have surpassed incomes, and this, as a value, has replaced savings. Shopping is presently defined as investigating goods and services from stores and collecting related information with or without the intention of

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buying. Today shopping is an activity which brings about both profitability and pleasure, and simultaneously includes both economical and recreational activities (George and Yaoyuneyong, 2010). Today, the scope of buying forms an important part of the consumer’s behaviour. Therefore, not only psychologists have found it necessary to acquire knowledge in this scope to be able to predict and control human behaviour, but also marketing researchers and academicians have tried to identify the factors affecting consumers’ buying behaviour so that they can maintain their position within the present competitive market (Harmancioglu et al, 2009).

Impulse buying is one of the current forms of buying. This form of buying is a controversial issue for researchers of consumers’ behaviour not only due to its complexity but also because it is observed among a wide range of product (Sharma et al, 2010). Impulse buying is defined as a sudden strong tendency to buy products which the customer had not planned to buy them and has bought them without deep contemplation (Tifferet and Herstein, 2012). Therefore with regards to the fact that all consumers will sometimes be involved in impulse buying, one can claim that all categories of products are likely to be bought impulsively (Piyush et al, 2010). Hence with regards to the strong effects of impulse behaviours on consumers’ buying, it can be said that conducting a comprehensive study within the domain of impulse buying is of great importance (Park et al, 2006).

Another form of buying that is common among consumers is compulsive buying that is the dark aspect of consumer’s behaviour. This form of buying is defined as the persistent frequent buying that is the first response to negative incidents and feelings (Taheirkia and Naderi, 2012). Since few experimental studies have been conducted on cognitive processes of consumers and the factors affecting impulse and compulsive buying, this seems necessary to perceive how the consumers decide on buying various products and what factors affect this decision making. Among these factors, one can refer to situational factors such as the store environment, variety of choices, time pressure, available money, social norms, and mouth advertisement. A better understanding of impulse buying and compulsive buying behaviour situations can be valuable to researchers and marketers since it provides useful information about marketing and shopping behaviour of Iranian consumers and it may help to identify different types of consumers and show the warning signs of problematic excessive buying behaviour. This research hopes to achieve the goal of providing a recognizable insight into the study of impulse buying and compulsive buying, especially regarding the situational influences on impulse buying and compulsive buying behaviour.

**Literature review**

**Situational factors**

Situation consists of all factors related to the time and place of observation and follows personal knowledge and leaves a provable and systematic effect on buying behaviour (Mihic and kursan, 2010). Situational factors are those external factors which originate from the store environment while the customer buys a particular product impulsively. In this moment, the customers may feel a sudden need for buying a particular product which attracts them. Some studies suggest that the consumer’s behaviour depends on the
situation. 4-43 per cent of the individuals’ behaviours refer to situational factors. Store environment, variety of choices, time pressure, available money, social norms, and mouth advertisements are the situational factors that have been studied here.

**Impulse buying**

Impulse buying is an important aspect of consumer’s behaviour which contains an interesting point for understanding the marketing efforts. In marketing literature, impulse buying is defined as experiencing a tendency for shopping that is sudden, strong, and tempting (Arnold et al, 2004).

Impulse buying takes place when an individual immediately purchases a product unplanned and without thinking. This form of buying is unintentional because the individual has not been looking for a particular product and did not have the slightest intention of buying. Being unintentional and unplanned are two necessary components of impulse buying but are not the only criteria for the buying to be placed in this category (Dawson and Kim, 2009). One who is involved in impulse buying is less likely to consider the consequences of this act of buying. This individual focuses on immediate satisfaction of meeting a tendency for buying and does not think of solving a problem that has previously been created (Burgess et al, 2014).

After an immediate sense to buy a product without considering the logic of buying the product, impulse buying behaviour happens. This type of coercion is sometimes unmanageable, and causes the buyers to temporarily disregard the results of this kind of shopping (Vohs and Faber, 2009).

Impulse buyers mostly tend to accept the ideas related to buying a good and satisfy their feeling toward that good as soon as possible. Often it is the mysterious attraction of a good that makes this type of buyers purchase the good without any planning (Dawson and Kim, 2009). Recent studies on impulse buying behaviour have shown that the consumers who have bought a product in this manner not only do not regard it as a mistake but also have a good assessment of their behaviour. Particularly, Rock’s studies indicated that a relatively low per cent of individuals (only 20%) have reported negative feelings concerning their shopping and surprisingly, a large proportion of individuals (41%) have reported positive feelings concerning their impulse buying. Although studies have shown that a large group of individuals regard this behaviour as anomalous, they cannot control it because this reduces their negative feelings and they are involved in it unconsciously (Hausman, 2000).

**Compulsive buying**

Compulsive buying was first studied in psychological texts by Kraepelin in 1915 under the title of buying insanity. Although forced buying may create short-term positive feelings in the individual, in long term this leads to disruption in normal living and has significant negative consequences (Shahjehan et al, 2012). This type of buying is done to compensate stress, disappointment, despair, and lack of self confidence in life. Compulsive buying is a constant behaviour in process of buying (Phau and Woo, 2008).
Compulsive buyers feel a tendency for extreme buying of goods and services which they do not need and even sometimes cannot afford (Tustin, 2011).

Compulsive buying is a major social concern. Compulsive buyers apply the act of buying in the same way as those who are addicted to alcohol and drugs act. Like other addicts, they are also trying to examine their self-concept, but when they finish experimenting the product, they hate themselves more and are exposed to not confirming other people, which, in turn, may create sins. They try to get rid of this self-hatred through re-experimenting. According to some psychologists, this experiment is not pleasant even while the individual is buying (Scherhorn, 1990).

**Research Background**

Numerous studies have been conducted on the relationship between impulse buying and compulsive buying and their effective factors during different years, in this section, a brief summary of their findings is presented in Table 1 and Table 2.

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Year</th>
<th>Research population</th>
<th>Variables of impulse buying</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silvera et al</td>
<td>2008</td>
<td>University students in Canada</td>
<td>Negative feeling</td>
<td>Confirmed</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Positive feeling</td>
<td>Confirmed</td>
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<td></td>
<td></td>
<td></td>
<td>Social effect</td>
<td>Confirmed</td>
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<td></td>
<td></td>
<td></td>
<td>Self-interest</td>
<td>Confirmed</td>
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<td></td>
<td></td>
<td></td>
<td>Self-efficacy</td>
<td>Partially Confirmed</td>
</tr>
<tr>
<td>Harminchi Aghlo et al</td>
<td>2009</td>
<td>Consumers in the U.S</td>
<td>Buying for entertainment</td>
<td>Confirmed</td>
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<td></td>
<td></td>
<td></td>
<td>Emotion-based need</td>
<td>Confirmed</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Respect-based need</td>
<td>Confirmed</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Awareness of presenting new product</td>
<td>Confirmed</td>
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<tr>
<td>Ghani, and Ali Jan</td>
<td>2011</td>
<td>consumers in the urban areas of Pakistan</td>
<td>Age</td>
<td>Confirmed</td>
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<td></td>
<td></td>
<td></td>
<td>Gender</td>
<td>Rejected</td>
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<td></td>
<td></td>
<td></td>
<td>income</td>
<td>Rejected</td>
</tr>
<tr>
<td>Sharma and nanda</td>
<td>2012</td>
<td>Indian consumers</td>
<td>impulse buying tendency</td>
<td>Confirmed</td>
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<td></td>
<td></td>
<td></td>
<td>browsing</td>
<td>Rejected</td>
</tr>
<tr>
<td>Pornpitakpan and Han</td>
<td>2013</td>
<td>102 Singaporean and 88 American working adults in Singapore</td>
<td>Culture</td>
<td>Confirmed</td>
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<td></td>
<td></td>
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<td>service quality</td>
<td></td>
</tr>
<tr>
<td>Park and Choi</td>
<td>2013</td>
<td>Korean and American consumers</td>
<td>Normative influences</td>
<td>Confirmed</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Cultural aspects gender</td>
<td></td>
</tr>
<tr>
<td>Chang et al.</td>
<td>2014</td>
<td>118 female consumers of an outdoor retail store in the western region of the USA.</td>
<td>design characteristics</td>
<td>Confirmed</td>
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<td></td>
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<td>emotional responses</td>
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<td>Money availability</td>
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<td>task definition</td>
<td></td>
</tr>
</tbody>
</table>
Table 2. Summary of previous studies on compulsive buying

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Year</th>
<th>Research population</th>
<th>Variables of compulsive buying</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Xu</td>
<td>2008</td>
<td>University students in the U.S</td>
<td>Compulsive buying tendencies of young consumers Public self-awareness materialism</td>
<td>The relationship between Compulsive buying tendencies of young consumers and both of the studied variables was confirmed The relationship between public self-awareness and compulsive buying is modified through the variable of materialism</td>
</tr>
<tr>
<td>Elif</td>
<td>2010</td>
<td>Turkish consumers</td>
<td>Gender Income Age feeling of remorse/guilt urge to spend all of the money</td>
<td>Confirmed Confirmed Confirmed Rejected Confirmed</td>
</tr>
<tr>
<td>Kukar-Kinney et al.</td>
<td>2012</td>
<td>Customers of retail sale of clothing</td>
<td>Awareness of the prices of the store Awareness of the probable price The Value of interactions The quality of deducing the price Prestige sensitivity Awareness of the brand</td>
<td>Confirmed Confirmed Confirmed Confirmed Confirmed Confirmed Confirmed Confirmed</td>
</tr>
<tr>
<td>Eren et al.</td>
<td>2012</td>
<td>University students in Turkey</td>
<td>Material values Values concerning pleasure and joy</td>
<td>Confirmed Confirmed</td>
</tr>
<tr>
<td>Roberts and Roberts</td>
<td>2012</td>
<td>82 (46 girls and 36 boys) seventh graders</td>
<td>Gender Stress</td>
<td>Rejected Confirmed</td>
</tr>
<tr>
<td>Müller et al.</td>
<td>2014</td>
<td>102 patients</td>
<td>Temperament Depression Material values</td>
<td>Rejected Confirmed</td>
</tr>
</tbody>
</table>
Research Hypotheses and the Primary Conceptual Model

According to the related literature and similar studies conducted on impulse buying and compulsive buying, also with regard to the expertise poll carried out during this research, the situational factors that affect impulse buying and compulsive buying have been identified. Later, while studying the variables, we will present the hypotheses and form the model presented in Fig. 1.

Time pressure

The main source which the customers spend while shopping is time (Punj, 2012). The time after entrance to the store can affect the time that the customer can spend on searching for the goods and shopping. It can be said that one of the most effective factors in the process of buying, impulse buying particularly, is time pressure. Lack of time decreases impulse buying. In equal conditions, those with more time for shopping have more opportunity to deal with the goods within the store and it is probable that, in addition to what they had listed before, they buy some goods for which they had not planned. Hence, available time positively affects impulse buying (Foroughi et al, 2012)

Iyner states that the more time the consumer devotes to shopping, the more likely he is to be involved in impulse buying. However, some researchers believe that impulse buying takes place within the first five minutes of shopping and as the time passes, its probability decreases (Graa et al, 2014). With regards to the significance of time pressure in process of shopping, it is studied in this research.

H1: Time pressure has a significant effect on impulse buying.

Available money

Available money plays an important role in the process of impulse buying. It can function as a facilitator because it can increase consumers’ purchasing power. If individuals do not have enough money, they will avoid shopping. Since many people are tended to impulse buying to reduce their negative emotions like depression, Money available can lead to impulse buying (Foroughi et al, 2012). Therefore, the present study tries to investigate the following hypothesis:

H2: Available money has a significant effect on impulse buying.

Variety of selection

Dealing with various choices while shopping makes the process more pleasant. This also provides the consumers with the possibility of comparing goods in order to choose the better choice (Roehm and Roehm, 2005). Changing social situations causes individuals to have various selections to adjust themselves to different conditions. For instance, while buying a cloth, the individual has different choices depending on whether he wants it for a formal ceremony or an informal party (Sharma et al, 2010). According to what just mentioned, we also try to investigate the following hypothesis in this paper:

H3: Variety of selection has a significant effect on impulse buying.
Store environment

Sellers are well aware to design the space of their store in a way that increases positive feelings in customers, assuming that this results in desired behaviour on the part of the customer. For example he spends more time in the store. The significance of the store environment in increasing customers’ purchases is already proven. This environment affects impulse buying behaviour; it impacts on emotional responses of the customers including pleasure and excitation, and these emotional responses increase the probability of unplanned buying (xu, 2007). The characteristics of the store environment which can lead to impulse buying include:

1. **Good design**: good design of the store encourages the customers to buy impulsively.

2. **The staff**: the staff within a store may stimulate the customers’ tendency to buy impulsively.

3. **Store atmosphere**: this is a stimulant which can affect the popularity of the store and may increase impulse buying.

4. **Store size**: this also affects buying behaviour; large stores increase the probability of impulse buying (Virvilaite et al, 2009).

Therefore, we have assumed that

**H4: The store environment has a significant effect on impulse buying.**

WOM

One of the first researchers who studied the effects of WOM on consumers’ behaviour was Arndt. He defined mouth advertisement as “an oral and face-to-face relationship between a presenter and a receiver, in which the receiver person receives a message of information about a product, brand or a service through a non-commercial channel (Stokes and Lamay, 2002). Word of mouth has a great influence on consumers’ decision making for buying impulsively and plays an significant role in conveying the knowledge and awareness of new products and innovations of consumer. it can be stated that word of mouth effects on consumers strongly and can lead them toward impulse buying. Therefore, we have assumed that:

**H5: WOM has a significant effect on impulse buying.**

Social norm

Although social norms are regarded as a broad concept in explaining human behaviour, few studied have been conducted to investigate their application. Human’s social life is governed by social norms. However in human societies, Social norms are shaped in different levels and their feedback is reflected in people’s behaviour (Nakamaru and Levin, 2004).

**H6: Social norm has a significant effect on impulse buying.**
Impulse buying and compulsive buying

Impulse buying is defined as a sudden strong tendency to buy products which the customer had not planned to buy them and has bought them without deep contemplation (Tifferet and Herstein, 2012). Compulsive buying is defined as a persistent and frequent buying which is a primary response to negative feelings. It creates immediate and short-term satisfaction but ultimately hurts the doer or other individuals (O'Guinn and Faber, 1989). Solomon (2004) regarded compulsive buying as a persistent behaviour in the process of shopping. According to him, compulsive buyers tend to excessive buying of goods and services which they do not need and even sometimes cannot afford. In a study conducted in 2012, Shah Jahan et al. concluded that there is a significant relationship between these two types of buying. Therefore, the present study tries to investigate the following hypotheses:

H7: Impulse buying has a significant effect on compulsive buying.

Research methodology

The present study is a descriptive research with quantitative approach conducted in 2014. Primarily, the effective situational factors on impulse buying and compulsive buying were identified through study of literature and expertise poll. Then the main objective of the research that is to investigate the effect of situational factors on impulse buying and compulsive buying were achieved. In order to achieve the goals of the research, buyers within shopping centres of Iran were chosen as the research population were chosen as the research population. The sampling method of this research is random sampling. Data collection tool is a questionnaire that was designed after identification and study of the related literature and similar studies and expertise poll. Content validity has been used to examine the validity of the research. The use of standard models adapted from research background and the opinions of the experts in preparation of the
questionnaire is indicative of its validity. In order to measure the reliability of the questionnaire, Cronbach's Alfa coefficient was calculated, and the obtained value was 0.92 which shows acceptable reliability of the research tool.

**Data analysis**

Data analysis via structural equations model has been used to examine the conceptual model and the hypotheses. In this section, results of confirmative factor analysis of the research model are examined.

![Figure 2. Standard estimation model base on binary correlation coefficients of the conceptual model]
The relationships between item-aspect and aspect-criterion are shown in the standard estimation model. If the amount of this relationship is more than 0.5, the questions are well explanatory and the significance of each parameter is shown in model of significant numbers (T-value). If the obtained constant is larger than the absolute value of 1.96, the parameters of the model are significant. With regard to the fact that some significant numbers of the parameters of the model are larger than the absolute value of 1.96, hypotheses of the corresponding variables are confirmed.

Table 3. Results of measuring model with significance level of 0.05

<table>
<thead>
<tr>
<th>Research Hypotheses</th>
<th>t-value</th>
<th>Standard estimation</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time pressure has a significant effect on impulse buying.</td>
<td>0.28</td>
<td>0.02</td>
<td>rejected</td>
</tr>
<tr>
<td>Available money has a significant effect on impulse buying.</td>
<td>5.34</td>
<td>0.57</td>
<td>confirmed</td>
</tr>
<tr>
<td>Variety of selection has a significant effect on impulse buying.</td>
<td>0.01</td>
<td>0.00</td>
<td>rejected</td>
</tr>
<tr>
<td>The store environment has a significant effect on impulse buying.</td>
<td>0.67</td>
<td>-0.08</td>
<td>rejected</td>
</tr>
<tr>
<td>WOM has a significant effect on impulse buying.</td>
<td>2.51</td>
<td>0.43</td>
<td>confirmed</td>
</tr>
<tr>
<td>Social norm has a significant effect on impulse buying.</td>
<td>-1.93</td>
<td>-0.25</td>
<td>rejected</td>
</tr>
<tr>
<td>Impulse buying has a significant effect on compulsive buying.</td>
<td>5.54</td>
<td>0.73</td>
<td>confirm</td>
</tr>
</tbody>
</table>
Conclusion

Regarding the fact that purchasing behaviour in Iran is influenced by situations and excitements of the market, also because Iranian are emotional in their decision makings, particularly decisions related to shopping, existence of these kind of shopping is easily predictable among Iranian consumers. Therefore, we decided to investigate the effect of situational factors on impulse buying and compulsive buying of Iranian buyers. To achieve this goal, the Situational factors affecting impulse buying and compulsive buying were identified through review of previous studies and interviews with different experts, and the research model was formed. Hypotheses were formed according to this model and we tried to determine if they are confirmed or not. The proposal model and the research hypotheses were examined using structural equations model. According to the obtained results showing confirmation or rejection hypotheses, results of each hypothesis are presented separately and are compared with results of previous studies.

**H1:** Time pressure has a significant effect on impulse buying.

According to the findings, since the absolute value of t statistic is equal to 0.28 and is smaller than 1.96, Time pressure does not have any significant effect on impulse buying. So this hypothesis is rejected. However, Foroughi et al. (2012) stated that one of the most effective factors in the process of buying, impulse buying particularly, is time pressure and lack of time decreases impulse buying.

**H2:** Available money has a significant effect on impulse buying.

Results showed that since the absolute value of t statistic is equal to 5.34 and is larger than 1.96, Available money has a significant effect on impulse buying. The amount of this effect is 0.57, and is positive (direct). Therefore this hypothesis was confirmed. Studies by Foroughi et al. showed that Available money plays an important role in the process of impulse buying. It can function as a facilitator because it can increase consumers’ purchasing power (Foroughi et al, 2012).

**H3:** Variety of selection has a significant effect on impulse buying.

According to the findings, since the absolute value of t statistic is equal to 0.01 and is smaller than 1.96, Variety of selection does not have any significant effect on impulse buying. So this hypothesis is rejected. However, Sharma et al, (2010) said that Variety of selection shows that changing social situations causes individuals to have various selections to conform themselves with different conditions.

**H4:** The store environment has a significant effect on impulse buying.

According to the findings, since the absolute value of t statistic is equal to 0.67 and is smaller than 1.96, store environment does not have any significant effect on impulse buying. So this hypothesis is rejected. However, Xu (2007) stated that the environment impacts on emotional responses of the customers including pleasure and excitation, and these emotional responses increase the probability of unplanned buying (Xu, 2007, 40).

**H5:** WOM has a significant effect on impulse buying.
Results showed that since the absolute value of t statistic is equal to 2.51 and is larger than 1.96, Available WOM has a significant effect on impulse buying. The amount of this effect is 0.43, and is positive (direct). Therefore this hypothesis was confirmed. This result is in accordance with theoretical background of the research.

**H6: Social norm has a significant effect on impulse buying.**

According to the findings, since the absolute value of t statistic is equal to 1.93 and is smaller than 1.96, Variety of selection does not have any significant effect on impulse buying. So this hypothesis is rejected. However O’Gorman et al (2007) stated that social norms form and organize our daily behaviour and lead us through determining unacceptable behaviours toward performing or avoiding different tasks (O’Gorman et al, 2007).

**H7: Impulse buying has a significant effect on compulsive buying.**

Results showed that since the absolute value of t statistic is equal to 5.54 and is larger than 1.96, Available impulse buying has a significant effect on compulsive buying. The amount of this effect is 0.73, and is positive (direct). Therefore this hypothesis was confirmed. In a study conducted in 2012, Shah Jahan et al. concluded that there is a significant relationship between these two types of buying.

According to the results, some hypotheses were rejected, which led to elimination of some variables. The final model of the research was designed based on the confirmed hypotheses and is shown in Figure 4.

![Figure 4: Final model](image)

**Implications**

With regards to the main model of the study, its findings can be useful for researchers and experts of marketing. Marketing experts can identify the present opportunities through considering the factors which affect rejection or confirmation of the hypotheses of this study. The findings of the present study demonstrate that word of mouth has a significant effect on impulse buying. Since mouth advertisements are reliable and offered...
by people without personal benefits, consumers pay more attention to this type of advertisement. Given this, companies, vendors, and marketers should try to encourage word of mouth and should make their best to satisfy the consumers so that they will recommend the products to others. This makes the consumers buy other products without previous intention or planning when selecting their company or market for shopping. Also with regards to the fact that available money is one of the situational factors affecting impulse buying, vendors should try to affect the customers available money through facilitating the shopping process. For example, they can increase impulse buying through promoting programs such as permanent discounts, giving prizes, and event campaigns. According to the findings, such buyers have the potential to become compulsive buyers who buy a particular product persistently.

References


