

## Effect of Psychographics and Demographics on Impulse Buying Behaviour of Retail Consumers in Bilaspur

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### Abstract

Buying behaviour of each and every consumer is different which is almost driven by individual and social characteristic. The purpose of research was to determine the effects of psychographics i.e. lifestyle and demographic factors i.e. (gender, age, education, occupation and marital status) on impulse buying behaviour of consumers. The study has focused on effect of consumer's attitude their interest and opinion and its effect on decision making process which affects the impulse buying. The need fulfilling behaviour of consumers may sometimes be based on the logic and matter of fact or at times may purely be unreasoned, irrational and impulsive. Consumer's impulse buying behaviour is mostly set through cognitive as well as non-cognitive learning and experiences. Data is collected through self-administered questionnaire and total of 100 respondents were found for valid interviewed to understand the psychographics and demographics and their relationship with impulse buying. ANOVA analysis is performed to study the variance of respondents. Collected data is tabulated, coded and analysed through SPSS tools. It has been found that impulse buying of consumer groups differ significantly in demographics. While primary data sources indicates that psychographics i.e. consumers lifestyle influence the impulse buying behaviour significantly.

**Keywords:** psychographics, demographics, consumer lifestyle, impulse buying behaviour, attitude, opinion, interest, consumer behavior

### Introduction

In changing scenario of the market and consumer behavior impulse buying has attracted the marketing researchers and marketing professionals because there appears to be a contradiction between what people say and what they do. While literature indicates that impulse buying is normatively wrong. A substantial volume of purchases across a broad range of categories could be classified as impulsive (Lim, C.F. 1992, <sup>[15]</sup> Warren, W.E., R.E. Stevens, C.W. McConkey. 1990, R.J. Fisher. 1995). While in the process of decision-making, consumers generally recognize a problem or unmet need and may undertake an information search prior to purchase, to resolve these problems (Stemthal & Craig, 1982). During the information searching stage, his attitude opinion and interest decide the product to purchase. At the time of purchasing both internal and external search can take place. Internal searching occurs when information is accessed from an individual's long-term memory; whereas external search occurs when information is actively paused from external sources (Bettman, 1978) <sup>[2]</sup>. To understand the effect of psychographics one of the most widely-used models for understanding consumer behaviour was developed by Engel, Kollat and Blackwell (1973), which represent consumer behavior. Model indicates that there are five-stage decision process which includes: problem recognition, search, alternative evaluation, choice and outcome. The EKB model defines that search as a "motivated exposure to information with regard to a given alternative resulting when existing information, beliefs and attitudes are found to be inadequate" (Engel. Kollat & Blackwell, 1982). While, the degree of search is outlined as: the cost benefit of searching for

information, choice environment factors information availability, difficulty of the choice, time pressure and the level of conflict or uncertainty about the decision (Bettman, 1978) <sup>[2]</sup>. Demographic variables work as a foundation for segmenting the market for any product and services (Lim, C.F. 1992, <sup>[15]</sup> Warren, W.E., R.E. Stevens, C.W. McConkey. 1990). Consumers within who have the same demographic group can exhibit very different psychographic dimensions.

### Purpose of research

The purpose of this study is to identify and gain understanding of the effect of demographic factors and psychographics on impulse buying behavior of Bilaspur city. The study will improve our understanding of influence of these demographic variables and lifestyle on buying consumers towards impulse buying. This will help to retailers by improving their decision making and marketing planning capabilities. The study will also help consumers to understand their own buying behaviour.

### Psychographics

The concept of psychographics first came into the light by the introduction of Demby (1974) by putting together psychology and demographics. While the term Psychographic and Lifestyle both are used interchangeably which refers to consumers' Activities, Interests and Opinion (AIO).

### Lifestyle

This term has number of definitions and it is one of the subject area of research for the marketers as well as academicians. Lifestyle of a person has always been of great

interest to marketers because they every day deal with the feelings, attitudes, interests and opinion of the people. This concept was first introduced by Bell (1958), While William Lazer (1963) establish the relationship between lifestyle and marketing.

Cooper (1984), described that study of consumer demography do not give a complete picture and thus psychographic segmentation is occurs to in segmenting the whole market to its full potential. While Bone (1991), stated that demographic variables such as age, income and employment status can be misleading factors while segmenting markets. Jayasree Krishnan (2011), in his study of lifestyle concluded that there is a great impact of Lifestyle characteristics on the purchase behaviour of consumers. *Lifestyle* is “a pattern of consumption that reflects a person’s choices on how to spend time and money” (Solomon, 2009).

**IAO (Interest, Attitude &Opinion) Concept**

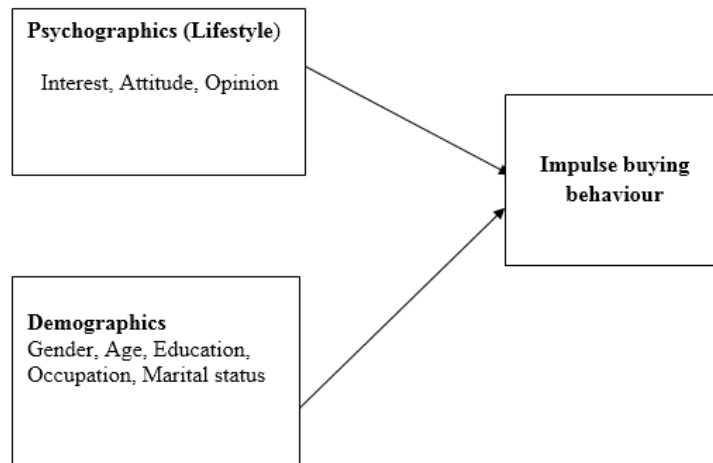
IAO variables are psychographics factors also can be expressed in term of lifestyle variables, activities (what we do in terms of work, hobbies, and social events, etc.).

Interests indicates that (what we want in terms of family, home, job, fashion, food, media, achievement etc) and opinions of the consumers imply that (what we think in terms of oneself, social issues, politics, business, economics, etc) which are often made into the acronym AIO (Cahill,

2006).IAO is a construct through a large battery of Likert type statements (requiring respondents to indicate a degree of highly agreement or highly disagreement). Nevertheless, most IAO studies include additionally demographic variables to understand the category of the respondent. Methodology introduced into marketing research by William Lazer in (1963) which operationalizes (i.e. makes measurable) the lifestyle. Attitudes are positive as well as negative standings toward most of the persons, objects, ideas, or situations. (Lu, 2008). While Values depend upon the personality based on are according to Maslow essentially equivalent to *needs*, and they are hierarchical in nature (he used values and needs interchangeably). Other authors clarify values as more enduring than attitudes and thus occupying a more central position in our cognitive system. Therefore, values of a person shall be determinants of attitudes and behavior of a person and hence provide us with more stable and inner-oriented understanding of consumers (Homer, *et al.*, 1988).

**Demographics**

Consumer Demography (Gender, Age, Education, Marital status and Economy etc) play an important role in case of impulse buying. Most of the Literatures indicate that there are negative relationship between age and impulse buying while women are more impulsive buyer in comparison of male.



Source- Authors

**Fig 1:** The effect of Psychographics, &demographics, on impulse buying behaviour

**Literature Review**

Literature review has carried out to identify the previous research and directions related to present topic. Iyer (1989) described impulse buying as a special case of unplanned buying. Iron (1991) defined impulse purchase based on four criteria-impulse purchases are unplanned, decided “on the spot”, stem from reaction to a stimulus and involve either a cognitive reaction, or an emotional reaction, or both. Rook and Gardner (1993) defined impulse buying as an unplanned behaviour involving quick decision-making and tendency for immediate acquisition of the product. Rook and Fisher (1995) defined impulsive buying as a consumer’s tendency to buy spontaneously, unreflectively, immediately and kinetically, different buying situations lead to different impulse buying behaviours. Beatty and Ferrell (1998) described that Impulse buying refers to immediate purchases which are without any

pre-shopping objective either to purchase the specific product category or to fulfil a specific need. Bayley and Nancarrow (1998) defined impulse buying as a “sudden, compelling, hedonically complex buying behaviour in which the rapidity of an impulse decision process precludes thoughtful and deliberate consideration of alternative information and choices.” Hedonic behaviour is marked with pleasure; in contrast to the utilitarian behaviour where the shoppers seek for functional benefits and economic value in the shopping process. Block and Morwitz (1999) and Kacen and Lee (2002) enunciated the definition of impulse purchase as consumer buying an item with little or no deliberation after the result of a sudden, powerful urge. According to Engel and Blackwell (1982) impulse buying is an action undertaken without previously having been consciously recognised or a buying intention formed prior to entering the store.

Psychographics i.e. Lifestyle is often studied with shopping orientation. One's shopping style can be a reflection of one's lifestyle. Hawkins and Mothersbaugh (2010) define lifestyle as "how one lives, including the products one buys, how one uses them, what one thinks about them, and how one feels about them". Shim and Kotsiopoulos (1993) also looked at lifestyle as it related to shopping orientation in their study. They included eight lifestyle items in their instrument. One study (Gutman & Mills, 1982) found demographic differences to be "unimportant" in segmenting clothing-fashion lifestyle segments. Shim and Kotsiopoulos (1993) found a relationship between shopping orientation segments and demographics, but it was strictly between the apathetic shopper and other shopper segments. This suggests that demographics may be useful in determining who is not involved in shopping for apparel, but not specifically classifying those who are highly involved in shopping for apparel. Underhill found through strictly observational research that women remain the primary buyer in the American household, but they are beginning to have more similarities with men in their shopping behaviours (Underhill, 2009). It is not surprising that many shopping behaviour studies focus on women, as they tend to be more involved in shopping (Shim & Kotsiopoulos, 1993). Kollat and Willett (1967) presented contradictory remarks that there is no significance difference in gender on purchase behaviour. According to them men as well as women have the same degree of susceptibility to impulse purchase. Bratko, *et al.*, (2007; Gutierrez, 2004) stated that there are no any association between impulse buying behaviour with the education of consumers. Lifestyle is often studied with shopping orientation. One's shopping style can be a reflection of one's lifestyle. Hawkins and Mothersbaugh (2010) define lifestyle as "how one lives, including the products one buys, how one uses them, what one thinks about them, and how one feels about them". Shim and Kotsiopoulos (1993) also looked at lifestyle as it related to shopping orientation in their study.

### Objective

1. Effect of Demographics (Gender, Age and Education, Occupation and Marital status) on impulse buying. Effect of
2. Psychographics (Lifestyle) on impulse buying.

### Research Methodology

This study has been conducted to find out the impulse buying behavior of in Ballarpur city. The primary data have been collected through structured questionnaire through mall intercept survey in Bilaspur Chhattisgarh at the exit of the mall of total 100 respondents, 40 from Magneto Mall, 30 from Big Bazaar and 30 from 36 city Mall. The questionnaire has been divided in to three parts. The first part consists of demographic data age ( with class interval of five years in which lower range is 15 year and upper range is above 60), Gender (Male, female) and Education (Bellow 10,10+2,UG, PG & others) of respondents. The second part consists of questions related to the factors that influencing impulse buying. To measure the buying behaviour of the consumers towards impulse purchase of products. In this research, 5-point Likert scale, ranging from strongly agree =5 to strongly disagree=1, is used to measure each variable. Questionnaires are distributed to 120 respondents, a total of 100 fully filled

questionnaires are taken for the research and rest of the questionnaires is not included due to incomplete response.

### Characteristics of Respondents

The characteristics of the respondents, including five major factors considered in this study Gender, Age Education, Occupation and Marital status. The majority of subjects were between the ages of 20 and 30 years. After collecting the complete questionnaire, data are coded, Gender (Male-1, Female-2), Education (SSC-1,HSC-2, Graduate-3 Post Graduate -4& Others-5), Age interval (15-20=1, 20-25=2, 25-30=3,30-35=4,35-40=5,40-45=6,45-50=7,50-55=8,55-60=9 and above 60=10)Occupation(Service-1,Self Employed-2,Professional-3, Housewife-4,student-5 and others-6), Marital status(Married-1& Non Married-2) and then entered into SPSS tool for analysis. From the demographic profiles of the respondents, it is understood that 40% of the respondents are in the age group of 20 to 25 years, 39% are between age of 25 to 30 years and 21% are of other age groups. While effect of psychographics on impulse buying is based on consumer buying lifestyle which is based on primary data sources of lifestyle.

### Findings and Discussion Ho<sub>1</sub>- There is no significant effect of gender on impulse buying behaviour

#### Analysis

The outcome of the ANOVA analysis from table no.1 (B), between the gender male and female as categorical variable has significance value (p) 0.099 which is greater than 0.05. Hence we are failing to reject the null hypothesis H<sub>01</sub> as stated above. Their fore converse may be inferred that male and female respondents show the similar effect on impulse buying. Banerjee and Saha, (2012), in their research found that there is likely to be no significant relationship between the frequency of shopping. This finding gives the similar result as Kollat and Willett (1967) presented contradictory remarks that there is no significance difference in gender on purchase behaviour. According to them men as well as women have the same degree of susceptibility to impulse purchase.

### Ho<sub>2</sub>-. There is no significant effect of Age on impulse buying behaviour

#### Analysis

The outcome of the ANOVA analysis from table no.2(B) shows that age factor of students have p-value (0.053)which denotes that there is no significant effect of age on impulse buying behaviour as the p > 0.05. Hence H<sub>02</sub>cannot be rejected.

### Ho<sub>3</sub>- There is no significant effect of Education on impulse buying behaviour

#### Analysis

The ANOVA results of this research shows that there is no major association at 5% significance level between Education and impulse buying behaviour as the p-value (0.006) is less than 0.05, from table no. 3(B). Hence H<sub>03</sub> can be rejected and it concludes that there is significant relationship between impulse buying and education level of the consumers.

### Ho<sub>4</sub>- There is no significant effect of Occupation on impulse buying behaviour

**Analysis**

The ANOVA results of this research Table-4B shows that there is major association at 5% significance level between education and impulse buying behaviour as the p-value (0.006) is less than 0.05, from table no 4(B) Hence  $H_{04}$  cannot be accepted and concludes that there is significant relationship between occupation and impulse buying of the consumers.

**H<sub>05</sub>- There is no significant effect of Marital status on impulse buying behaviour**

**Analysis**

The ANOVA results of this research Table-5B shows that there is no major association at 5% significance level between Marital status and impulse buying behaviour as the p-value (0.892) is greater than 0.05. Hence  $H_{05}$  cannot be rejected and concludes that there is no significant relationship between marital status and impulse buying of the consumers.

**H<sub>06</sub>- There is no significant effect of Consumer psychographics on impulse buying behaviour**

**Analysis**

The ANOVA results of this research Table-6 shows that there is major association at 5% significance level between Consumer psychographics and impulse buying behaviour as the p-value (0.001), which is less than 0.05. Hence  $H_{06}$  cannot be accepted and concludes that there is significant relationship between Consumer psychographics and impulse buying of the consumers.

**Annexure**

**Conclusion and Suggestion**

This research reveals that the role of demographics and psychographics on impulse buying of respondents with respect to their demographic profile such as Gender a Age, and Marital status play the same role on impulse buying while Education level and Occupation level of the consumers differs on impulse buying in Bilaspur city. So in the process of framing the marketing strategies, the retailers must be taking care of Demographic variables like education and Occupation of consumers. On the basis of the above findings, the researcher concludes that Consumers demographics as well as psychographics play a significant role on impulse buying of retail consumers in Bilaspur. Retail organisation can use different tools with respect to gender, age, education, occupation and marital status as well as psychographics variables. In reference of these factors marketers should develop different marketing strategy for different consumer's lifestyle.

**Managerial Implication**

This research can help the business societies, retailers and marketing professionals to frame strategies relevant their merchandise. Furthermore, as the present research is restricted at Bilaspur city, the results of this may provide oxymoronic results in other metro and non-metro cities of India, because other cities may possibly enjoy certain demographic and psychographics peculiarities.

**Table 1A**

Descriptive								
AVG_IB	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Male	49	3.4490	.54194	.07742	3.2933	3.6046	2.20	4.25
Female	51	3.2235	.78558	.11000	3.0026	3.4445	1.55	5.90
Total	100	3.3340	.68331	.06833	3.1984	3.4696	1.55	5.90

**Table 1B**

ANOVA with Gender					
AVG_IB	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.270	1	1.270	2.769	.099
Within Groups	44.954	98	.459		
Total	46.224	99			

**Table 2A**

Descriptive								
AVG_IB	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
15-20	2	4.1000	.00000	.00000	4.1000	4.1000	4.10	4.10
20-25	40	3.5488	.72567	.11474	3.3167	3.7808	2.45	5.90
25-30	39	3.1718	.64111	.10266	2.9640	3.3796	1.55	4.00
30-35	13	3.1654	.50842	.14101	2.8581	3.4726	2.25	3.80
35-40	4	2.9500	.80829	.40415	1.6638	4.2362	2.25	3.65
55-60	2	3.3000	.00000	.00000	3.3000	3.3000	3.30	3.30
Total	100	3.3340	.68331	.06833	3.1984	3.4696	1.55	5.90

Table 2B

ANOVA with Age					
AVG_IB					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.006	5	1.001	2.283	.053
Within Groups	41.218	94	.438		
Total	46.224	99			

Table 3A

Descriptive								
AVG_IB	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Completed 10+2	15	3.7900	.26268	.06782	3.6445	3.9355	3.50	4.20
Completed graduation	20	3.4250	.94500	.21131	2.9827	3.8673	2.20	5.90
Completed postgraduation	54	3.2593	.59812	.08139	3.0960	3.4225	1.55	4.25
Other	11	2.9136	.61648	.18588	2.4995	3.3278	2.20	3.85
Total	100	3.3340	.68331	.06833	3.1984	3.4696	1.55	5.90

Table 3B

ANOVA with Education					
AVG_IB	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.530	3	1.843	4.349	.006
Within Groups	40.694	96	.424		
Total	46.224	99			

Table 4A

Descriptive								
AVG_IB	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Service	23	3.1978	.57435	.11976	2.9495	3.4462	2.20	4.25
Self Employed	14	3.4500	.57278	.15308	3.1193	3.7807	2.20	4.00
Professional	12	2.8417	.51116	.14756	2.5169	3.1664	2.25	3.60
Housewife	20	3.2100	.27222	.06087	3.0826	3.3374	2.70	3.60
Student	27	3.6944	.92719	.17844	3.3277	4.0612	1.55	5.90
Other	4	3.3750	.49075	.24537	2.5941	4.1559	2.95	3.80
Total	100	3.3340	.68331	.06833	3.1984	3.4696	1.55	5.90

Table 4B

ANOVA with Occupation					
AVG_IB	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.346	5	1.469	3.552	.006
Within Groups	38.879	94	.414		
Total	46.224	99			

Table 5A

Descriptive								
AVG_IB	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Married	30	3.2850	.45640	.08333	3.1146	3.4554	2.25	3.90
Nonmarried	68	3.3566	.77339	.09379	3.1694	3.5438	1.55	5.90
3	2	3.3000	.00000	.00000	3.3000	3.3000	3.30	3.30
Total	100	3.3340	.68331	.06833	3.1984	3.4696	1.55	5.90

Table 5B

ANOVA with Marital status					
AVG_IB	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.109	2	.055	.115	.892
Within Groups	46.115	97	.475		
Total	46.224	99			

Table 6

ANOVA with Psychographics					
AVG_IB	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	23.633	29	.815	2.525	.001
Within Groups	22.592	70	.323		
Total	46.224	99			

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