



Study on Online Impulse Buying Behavior of Millennials towards Electronic Gadgets in Hyderabad

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ABSTRACT

Pandemic has paved the way for rapid growth in online buying of electronic products. According to an article published in Indian Retailer.com in the year 2021, Electronic gadgets were one of the top searched and compared categories on the internet. It has now become a leading e-commerce category in recent times, with the highest GMV share of total e-commerce sales. Millennials online shopping habits specially for electronic gadgets is really fascinating in terms of the factors they consider before making an impulse purchase. Electronic gadgets like smart phones, laptops, Tablets, Bluetooth etc. are most widely purchased through online by the Millennials for both academic and entertainment purposes. The aim of this paper is to study and understand millennial Impulse buying pattern of electronic gadgets based on various parameters. The demographic information is used to find the parameters affecting the Impulse buying pattern of millennials. Descriptive statistics, ranking, percentage analysis and correlation coefficients are also used in this study.

Keywords: Electronic Gadgets, Millennial's, correlation, e commerce

1. Introduction

1.1 Indian Consumer Electronic Market

Indian Consumer Electronic Market is growing at a lightning speed. According to a survey conducted by Grand View Research, Electronic market in India consumer was valued at USD 71.17 billion in 2021 and is expected to grow at a compound annual growth rate (CAGR) of 6.5% from 2022 to 2030. Indian market for electronic gadgets is mainly attributed by changing lifestyles of individuals, easier access to credit, and rising disposable incomes.

1.2 Millennials and Impulse Buying

People who are born between 1980 and 2000 are considered as Millennials. Millennials are dominating in the area of impulse purchase due to digital speed and convenience at their hands in the form of smart phones. Millennials' ability to glance at the world through the digital lens makes them a unique customer segment. Due to increased earning potential and free lifestyle, Millennials form an essential category of customers for electronics manufacturers and retailers. According to Rhonda Daniel, manager of market research for CEA, Millennials not only seek electronics at a high rate for themselves, they also exert a great deal of influence on the CE purchases of others in their circles".

1.3 Impulse Buying Characteristics

According to Kacen, J, Jacqueline, Julie Anne, (2002) The following are the characteristics of impulse buying:

1. There is lot of interest for the product being sold
2. There is a feeling to have the product sold immediately.
3. Consequences of buying the product are ignored
4. Satisfaction is developed among customers

5. Conflict of passion and control exists in a customer
6. In Impulsive Buying, customers pay very low attention to the negative impacts of it.

2. Literature Review

Dhananjay Datta, Bhaskar Sharma (2017), studied the impulse buying behavior of millennials in the superstores at Agartala. The study focused on understanding the millennial consumer impulse buying behavior based on the variables discount, schemes, promotional activities, store offers, product display, behavior of salesman, product popularity, customer income levels and reference group influence. The study analyzed the factors influencing impulse buying and the stimuli triggers of impulse buying among the sample of 110 respondents. The study concluded that millennials are susceptible to impulse buying and companies should build their strategies based on consumer external stimuli as quality and design of product and internal stimuli as need, curiosity and trend.

Cavazos-Arroyo, J.; Máñez-Guaderrama(2022), suggested Impulse buying tendency influences impulse buying behavior through mediating roles of normative evaluation of impulse buying on internet. The study also identified that gender and generation are demographic variables that influence impulse buying. Structural equation model with partial least square method was used as an analysis technique. The study was conducted among the millennials and centennials of Mexico. According to demographic characteristics total of 142 centennials, 270 millennials participated in the survey. Results were analyzed using Common Method Bias, PLS-SEM, Structural Analysis and Multigroup Analysis. The study sated that IBT directly and positively influences OIBB, IBT positively influences NE. Millennials have greater urge to buy impulsively online and expect products to get faster than previous generations. There is no significance difference of OIBB among men and women. The study suggested further research to evaluated the proposed model for other generations, other platforms like mobile applications and also considering other variables like privacy and security.

Lee, Y.Y., Gan, C.L. & Liew, T.W.(2022), conducted a study on E Wallets factors influencing the Gen Y and Gen Z of Malaysia for impulse purchasing. The authors explored the perceived enjoyment and satisfaction of using E Wallets for online impulse buying. Stimulus -Organism- Response (SOR) model was used to evaluated customers behaviour. The study validated that perceived enjoyment and emotional response significantly influence impulse buying and E Wallets could encourage consumers for impulse purchases. Extrinsic factors like Cashback and convenience are suggested for future research. The research focused on cross sectional approach of social media for data collection.

Yanhong Chen, Yaobin Lu, Bin Wang, Zhao Pan (2019) studied the urge to buy impulsively through signaling theory, cognitive trust, affective trust and product affection. They revealed that urge to purchase a product impulsively is based on the affective trust in the recommender and affection for the recommended product. Therefore there will be dual influence of both recommender-related signals (information quality and similarity) and product-related signals (vicarious expression and aesthetic appeal).

Millenials are often called as 'digital natives', who have grown playing with digital gadgets (Adeola et al., 2020). They are the latest generation born between 1995 and early 2010s (Priporas et al., 2019). These are the people who utilize the digital content more than any other age groups. They spend close to 11 hours reading, liking and sharing the content through the devices daily (Adobe, 2018). Gen Z are more likely to get attracted to digital advertisements on social media (SM) and it is found that Gen Z check their Instagram at least five times a day (Chen, 2018; Emmanuel, 2019; Vitelar, 2019). They prefer to communicate with images unlike the earlier generations who communicate with text and content (Prakashyadav and Rai, 2017; Priporas et al., 2017). It is considered to be the most materialistic (Flurry and Swimberghe, 2016), desire instant results (Passport, 2018), and appreciate the communication of brands on social media (Vitelar, 2019) particularly through micro-celebrities as they find them more authentic (Wolf, 2020). These characteristics make it potentially attractive to study this generation's impulse buying behaviour. Generation Z is the largest generation, constituting approximately 32% of the global population (Miller and Lu, 2018) and is expected to have a significant impact on consumer sales on a global basis, thus it is important to conduct research on this potentially powerful generation cohort (Wolf, 2020). Research on different generational cohorts allows to explore changes in consumers' views over time (Dimock, 2019).

According to generation cohort theory (GCT) populations can be divided into generational segments on the basis of their ages. Previous research based on GCT found clear differences in consumer behaviour of different generations, for example, Baby Boomers and Generation Z (Gilal et al., 2020). GCT suggests that every generation that share similar political and social events at early stages of their lives will develop same set of values and beliefs. Limited research has been conducted on impulse purchasing in relation to social media, which can uncover some fruitful findings to understand this particular age group.

NEED FOR THE STUDY:

In today's market there is lot of competition in every sectors especially in electronic goods it is very high. In this way there is a higher pressure on the companies to know their consumers in a better way. Once the company understand the requirement of the consumer, they can create a plan of action to complete successfully and placed their product in the market according to the taste and choice of the customer.

OBJECTIVES:

The primary objective of the study is to understand impulse buying behavior among the millennials in Telangana, India. In line with the primary objective, the following Secondary objectives were framed:

1. To find out the significant effect of Brand Identity on Purchase Intention for E Gadgets
2. To find out significant effect of Purchase Intention on millennials Buying Behaviour for E Gadgets
3. To find the significant effect of Brand identity on Consumer Buying Behavior
4. To understand cognitive and affective impulse buying behavior of millennials based on the demographic attributes.

RESEARCH METHODOLOGY:

- The approach used for the study will be Survey Method. □
- Literature Survey was carried out. Area chosen for the study: Hyderabad city in Telangana
- Target Population of the Study Customers of age groups between 18 years and 35 years.
- Sample Size: The sample size consists of 150 respondents

METHOD OF DATA COLLECTION

The data was collected from 150 respondents aged 18 to 35 in Hyderabad. The study was validated and reliability test was conducted to determine the returned value of 0.81. The data was collected using Google Forms and other social media platforms like LinkedIn, Facebook, Twitter etc to share the questionnaire. The survey was limited to Electronic Gadget and Millennial consumers.

The instrument is divided into three parts, containing the respondents' demographic information and four-point Likert scale questionnaire. Finally, the factors were considered regarding deciding the purchase decision for electronic device online. Partial Least Squares (PLS) was also used to know the effect of the variables from brand identity to purchase intention which lead to understand the consumer's electronic gadget buying behaviour online.

Variables	Indicators	E(X)	σ
Brand Identification	Picture or Image	3.51	0.595
	Quality	3.8	0.463
	EWOM	3.6	5.30
Buying Intention	Interest	3.04	0.824
	Mindset	2.65	0.902
	Financial Status	3.69	0.451
Millennial's online Electronic Gadget Buying Behavior	Income	3.21	0.373
	Personality	3.09	0.749
	Perception	3.80	0.675

Table:1 Explains the mean and standard deviation of the variables brand identity, purchase intention, and millennial's online electronic gadget buying behaviour used in this study.

Variables	E	P
Mediating Effect of Buying Intention	0.065	0.121
Moderating Effect of Buying through Online Platforms	0.052	0.260

Table 2: Illustrates the results of the mediating and moderating effects of Purchase Intention and Purchasing Channel through Online Platforms

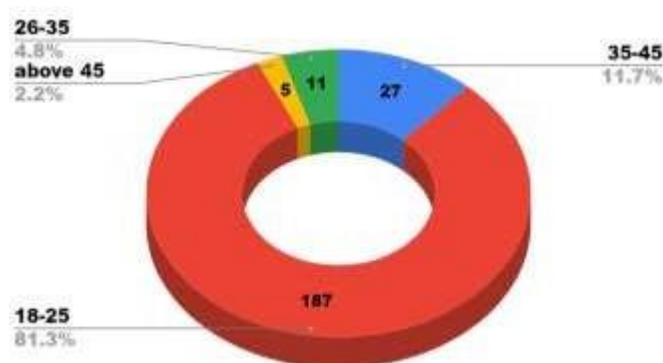


Figure1: Age Group Wise Analysis

Figure 1 shows that the young and energetic people of the age group of 18-25 years are mostly interested in online shopping. 35 to 45 years of age group people are less interested in online shopping compared to others.

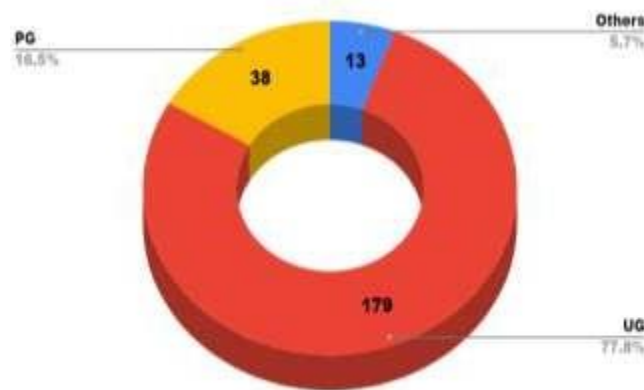


Figure 2: Educational Qualification Analysis

Table 3 clearly shows that those who have completed or are studying in under graduation are more aware of online shopping compared to postgraduates and others.

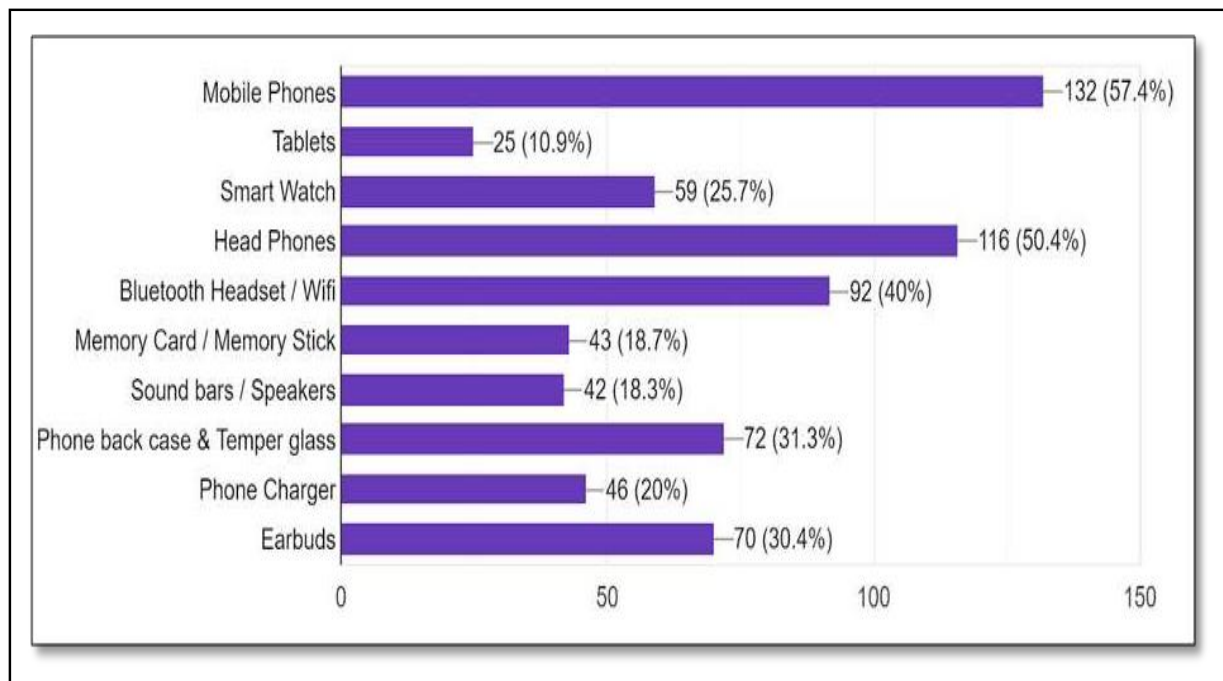


Figure 3: types of products are purchased online

It is observed from figure 3 that the most purchased products through online shopping are mobile phones, headphones, Bluetooth headsets, temper glass and ear buds.

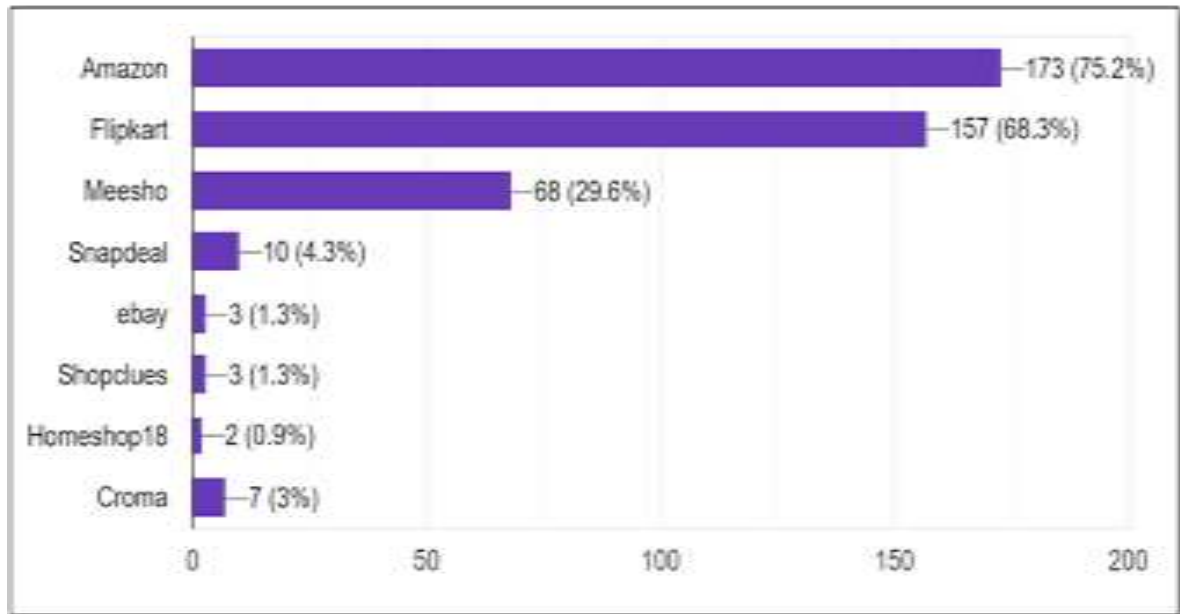


Figure 4: Website Preferences of Online Shopping

Amazon is the most wanted website for online shopping. The second level of the shop is flipkart to buy gadgets and accessories. The least usage of online shopping websites are ebay, shopclues, and home shop18.

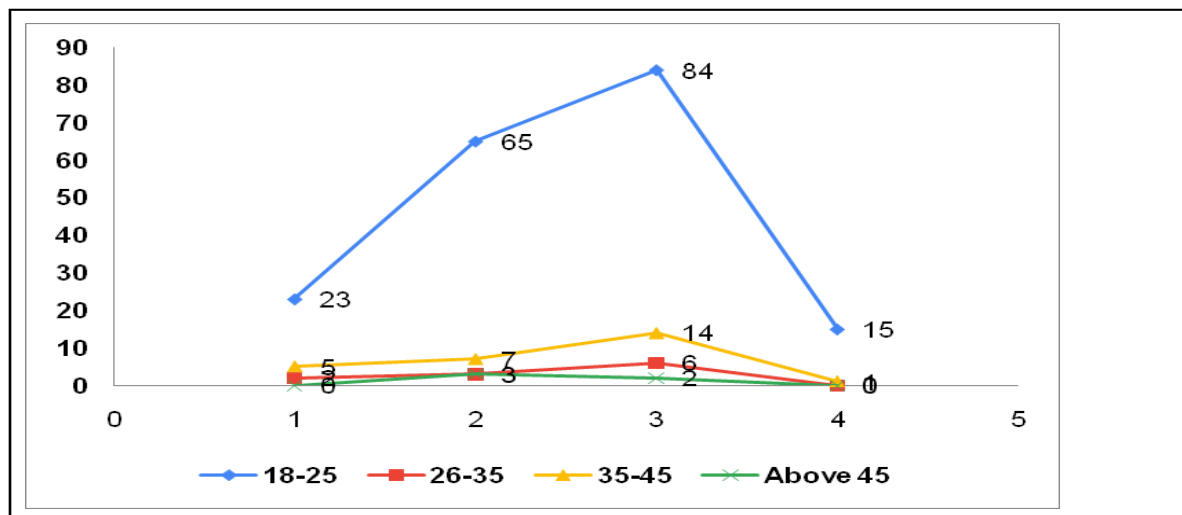


Figure 5: Age Group buying frequency of electronic gadgets

It is observed from the table that 13.04% of people frequently buy gadgets through online shopping. 10% of the age group of 18-25 years of respondents are frequently buying online shopping. In the age group of 18-25 years are moderately buy gadgets through online shopping. The Chi-square test of Table 13. Shows that there is no significance between the lengths of time it takes to buy product online based on age group.

Demographic Attributes (Gender, Age, Occupation, Income and Educational Qualification)

Table – 5.1 Findings related to the respondents opinion about cognitive and affective impulse buying behavior based on the demographic attributes.

S. No	Demographic Profile	Category of that have High tendency	Max score for Cognitive	Category of that have High tendency	Max score for Affective
1	Gender	Male	3.62	Female	3.49
2	Age	18-25	3.70	18-25	3.53
3	Educational Qualification	Upto 10+2 class	3.66	UG	3.48

Considering the Demographic profile of the respondents, it may observe that, majority of the sample respondents are cognitive compared affective impulse buying behavior towards electronic gadgets.

- Gender wise, male respondents are more cognitive than female respondents.
- Among the age group wise 18-25 are more cognitive compared to other age groups.
- Educational Qualification wise, Upto 10+2 qualification respondents are more cognitive compared to UG qualified respondents.

To generalize, the respondents who are young age and low educational qualification with low income per month are more cognitive than middle age, high income and UG qualified respondents.

CONCLUSION

Human nature has a tendency to be consumptive, which means that people constantly use items or services. Consumptive behaviour develops as a result of the market's expanding tendency. Therefore, Online purchasing is growing more popular and fashionable. More purchasers are interested in online purchasing since it offers 24-hour shopping, a vast selection of devices, and door-to-door delivery. The results of the survey shows that millennials are more interested in electronic gadgets and accessories through online shopping. According to this survey, in online shopping there is a place for gender equality. Most people are good at online shopping only because of the wide varieties, price comparison, discounts and offers. Most of the females are interested in window shopping but the male respondents moderately purchase the gadgets through online shopping.

The analysis's findings indicate that millennials in Hyderabad exhibit inclusive behaviour when making online purchases at shopee. Lifestyle shopping, hedonic shopping motivation, and reference groups are all signs of inclusive behaviour.

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