



Social Presence and Factors Driving Consumers Impulsive Online Buying - A study W.R.T. Bengaluru Urban.

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ARTICLE INFO ABSTRACT

Purpose : Impulsive buying is instant buying without any pre plan. It happens because of emotional or psychological trigger which makes a consumer to complete a buy spontaneously which did not originally intended to buy. The main intention of the present study is to probe the impact of social presence on consumers impulsive buying behavior in online shopping. Further, the study also conducted to know how the demographics impacts impulsive buying and factors driving consumers impulse buying behavior on social commerce online.

Theoretical framework : The study reviewed the available literature belonging to different theories affecting consumer while buying goods online. Largely it confirms to different models of consumer behavior like Maslow's theory of need hierarchy i.e., (ready to eat), psychological model (mood upliftment) and economic model (about seeking discounts).

Design: A well drafted and previously well known questionnaire was administered as schedule as the sample was only 50. The study conducted in select locations of Bengaluru Urban where one can find the presence of different e-commerce players. The study consider both primary and secondary data. Following area sampling method, qualitative response were gathered from respondents and qualitative analysis has been done.

Findings : The study found all the demographics impacting on the study and it was further found that there exist high degree of significant variables and relationship between the attributes. Among the variables of characteristics of online buying the statement unplanned stood as the highest and the unintended is the second highest variable factors which are ranked after obtaining "WA" are trustworthiness, website case of use and social interaction factors as the second ranked and browsing as the third ranked variables of factors impacting online impulse buying.

Keywords: Impulse buying, consumer behavior, decision unintentional, creativity, browsing, serendity.

Introduction:

Social commerce platforms (SCPs) and its new form focuses on images sharing has emerged in 2006. The new form SCPs focused on a specific segment of consumers, like women, and specific products like soft goods (fashions and style) (Turban et al, 2011). The study by User Interface Engineering (2001), about 40% of the money spent online is about 40% is attributed to impulse buying (User Interface Engineering, 2001). Social presence is the perception formed by participants during their online participation which focuses on satisfaction in video conferencing interactions (Mingming Zhana et al., 2022). It was first defined by parker and short in 1976 as a measure of the degree to which individuals can perceive others when communicating (Beicheng Liu, 2023). It has profound impact on the general consumers attitudes, beliefs and actions (Ango & Dahl, 2020; Cambia Fierzo et al., 2021; Hsu and Lin 2016; Kelmen, 1958; Mi et al., 2019). Social presence mechanisms like creditability of leader, micro influencer, blog influencer, celebrity influencer, have thoroughly changed the way of product promotion and communication with users boosting product sales (Argo & Dahl, 2020; HSU & Lin, 2016; Mi et al. 2019).

The rapid development of online were based technologies has significantly improved social media tools and concepts which has led to the development of novel technologies that influence E-commerce process (Huang, Z, et al. 2015). There are E-commerce also underwent massive evolution leading to the emergence of a novel phenomenon known is social commerce (S. Commerce). It makes use of social media and enables consumers to share their knowledge regarding the products and their online shopping experience (Lin, X, et al. (2017). Understanding the buy behavior of consumers in this fast changing world has become a great challenge for businesses. In order to succeed in this competitive scenario changing patterns, business houses are turning towards Social Networking Sites (SNS) to attract, connect with, retain and engage customers profitably. These SNS play a significant role in the influencing consumers purchasing decisions (Wegmann et al., 2023; Xiang et al., 2022). The previous research in this area clearly shows that consumers are clearly shows that consumers are clearly familiar with SNS such as youtube, facebook, Twitter and Instagram (Siriara et al., 2019). SNS Provide an opportunity to connect users with each other (Aragoncillo et al., 2018; Shiva & Singh, 2019). The prevalence of social media has contributed to a rise in impulsive buying and unplanned decision to make a purchase (Amos et al., 2014; Stern, 1962). Social media has emerged as the main choice for the recommendation of all brands of products (Akram et al., 2018).

Statement of the problem

Many customers purchases are unplanned, sudden, initiated on the spot, influenced by a strong desire, feeling of pleasure and excitement. It was estimated that about \$4 billion is spent annually in an impulse manner (Liao, J et. al., 2009) which reflects on the economic importance of impulsive buying (Badgaiyan et al., 2016). Business houses has to clearly understand about impulsive buying, factor influencing and the importance of social media. The social commerce platforms (SCPs) should be in a position to meet the needs of consumers otherwise frustration breaks the mood of consumer and ultimately the customer may join an alternative SCP. The previous researchers reveal that in both academic and professional fields impulse buying represents about 40 to 80% of entire purchases made by the customers (Abdul Gafoor Kazi et al., 2019). In order to gain success in the present situation effective Social network Sites (SNS) are helpful to the marketers.

Review of literature

The study by Manoj et al. (2018) reveals that if website quality is good then customer go to buy the product. Trust also attracts customer to buy the product and encourage them to buy without any preplanning. Further, as per the findings the study situational variables and variety seeking also effect the customer to buy impulsively.

Li Xiang, et al. (2016) study on "exploring consumers impulse buying behavior on social commerce: The role of para-social interaction" reveals that their study suggest insights for marketers of brands to promote or sell products via image sharing social commerce platforms (SCPs). Further the researchers stated that with development of different SCPs, marketers should formulate corresponding strategies to adapt to fierce competition to gain market share.

Malathi Gottumukka et al. (2023) expressed that consumers buy products not only because of need but also because of sudden urge. Impulsive buying as power the researchers disrupts the normal decision making models in consumers brain. Further the researchers expressed that the logical sequence of the consumers action is replaced with environmental moment of self gratification.

Muruganantham et al. (2013) are of the opinion that impulse buying has been a challenge for market researchers due to its complex nature. Further, they expressed that in the emerging economics there is a need to study the impulse buying due to recent development in retailing and huge cultural differences when compared to developed economies. Dramatic enhancement in income, personal disposal of earned income, life style and credit availability have made impulse buying a widespread phenomenon across different retail formats.

Objectives of the study:

1. To study the impact of respondents demographics on the study.
2. To analyse online impulse buying characteristics.
3. To study the factors impacting online impulse buying.

Hypotheses :

H₀₁ : There is no significant variation in the demographics of respondents and hence do not impact on the study.

H₀₂ : There is significant variation in the demographics of respondents and hence do not impact on the study.

H₀₃ : There exists no factors impacting online impulsive buying.

Research questions :

1. What are the reasons behind demographics not impulsing on the study?
2. What are the characteristics of online impulse buying?
3. What factors impact on online impulse buying?

Research Methodology

The present study much depends upon both primary and secondary data. Primary data gathered by properly administered, a previously known questionnaire. The secondary data contains journals, books and internet. The researcher himself conducted direct interview with the respondent and area sampling technique was followed. Bengaluru is selected since there are many E-commerce players and sample consist for the present purpose 50. The sample includes government and private sector employees, business doing persons, startup entrepreneurs, professionals and self employed. The sample ones at Bengaluru include, Malleshwaram, Avenue Road, MG Road, Brigade Road and Commercial street to each sample respondents were interviewed using convenient sampling technique.

Survey Findings

Table - 1 let fall data about respondents demographics in the study area. There are 41 males and a females and out of 50, 42 are married and 8 remarried single. The age data reveals that 25 respondents belongs to 36-44 years, 12 > 45 years, 8 pertain to 27-35 years and 5 to the 18-26 age group. 25 respondents general degree holders, 8 completed PUC, 7 are professionals and 5 each 10th standard and post graduates. 2 are working in private sector, 6 business, 5 each government employees and self employed. Further, 5 more are startup entrepreneurs 7 professionals. The income data reveals that 25 are drawing per month in between 50-60K followed by 8 in between 40-50K 6 each in the range of 30-40K, and >60K, 3 in between 20-30K and 2 < 20K per month. 45 respondents have social media account and 28 Facebook users, 8 each Twitter and LinkedIn that 32 use < an being in a day, 10 in between 2 to 5 hours a day and 8 > 9 hours an 9 day. All the respondents prefer social media online. The preferred products purchased includes 18 mobiles, tablets and accessories, 9 movies, music, video & concern 10 fashion accessories 5 each footwear and holiday packages. All the variables are significantly varying with high degree of relationship.

Table - 2 highlights data about online impulse buying characteristics. 42 strongly agreed, 5 agree and 3 somewhat agree. Highest rank awarded to the characteristics, the second being unintended. The significance of "w" tested by using chi-square statistic and the calculated value being higher than the TV and hence 'w' fails to accept H_0 and accepts H_1 .

Table - 3 divulge data about factors impacting online impulse buying. To measure factors impacting weighted average technique was performed. Likert scale of points (X) was used with corresponding weights (W). The opinions expressed was defined as "f" and "fw" was obtained. The sum of "fw" divided by the sum of "w" i.e., $4+3+2+1 = 10$ to get weighted average "WA". The variables with corresponding weights and scale points were ranked. Accordingly depending upon the strength of "WA" ranks were awarded. The first rank was awarded to trustworthiness the second equal ranks were social interaction and website ease of use and third rank being awarded to branching. Thus the "WA" effectively measures the factors driving the online impulsive buying.

Conclusion:

Consumers buy goods online impulsively on account a major influence by demographic factors, behavioral and psychological factors. These psychographic factors include mood upliftment, discount sensitivity, internal urge to satisfy the need etc. Discounts largely influence impulsive buying. The study found variables like unplanned, unintendedness are the characteristics features of online buying. Further the study also features of online buying. Further, the study also reveals about the factors influencing online impulsive buying. These factors are ranked include and trustworthiness social interaction and website ease of use and browsing. Prompting impulsive buying through quality and variety ensures no regret frame customers buying decision which would accelerate or boost up sales and becomes a strategy a positive sum game. Limited sample size and geographic coverage may restrict the scope for generalizing the findings and a study in dept may be taken up to know further insights with large sample.

Table-1 : Socio economic characteristics of Respondents

Socio Economic Characteristics	χ^2	TV @ 0.05	df	Result of χ^2	"c"	Result of "c"
Gender	20.48	3.841	1	Significant	0.53	High Degree
Marital status	23.12	3.841	1	Significant	0.56	High Degree
Age (in years)	18.64	7.815	3	Significant	0.52	High Degree
Education	28.80	9.488	4	Significant	0.60	High Degree
Using social media account	32.0	3.841	1	Significant	0.62	High Degree
Variety of social media	35.20	7.815	3	Significant	0.63	High Degree
Frequency of rising social media	21.26	5.991	2	Significant	0.55	High Degree
Preferring social metric of online	50.00	3.841	1	Significant	0.70	High Degree
Category of products preferred online	17.83	11.070	5	Significant	0.50	High Degree
Occupation	40.25	11.070	5	Significant	0.66	High Degree
Income (INR)	27.28	11.070	5	Significant	0.59	High Degree

Source: Field Survey

Note : χ^2 = Chi-square

$$'c' = \sqrt{(x^2 / x^2 + N)}$$

Where 'c' = Contingency Co-efficient, N = Number of Observations

When the value 'c' is equal or nearer to 1, it means that there is high degree of association between attributes. Contingency co-efficient will always to be less than 1. High degree is considered here if 'c' is 0.50 and above.

Table - 2 : Online impulse buying characteristics

	Variables	SA	A	SWA	RT	RT ²
1	Unplanned	18	3	1	22	484
2	Unintended	10	2	2	14	196
3	Rapid Purchase decision	2	-	-	2	4
4	Spending lot of money than planned	3	-	-	3	9
5	Frequently returning after regret	2	-	-	2	4
6	Social media influence	3	-	-	3	9
7	Enjoyment tendency	2	-	-	2	4
8	Result of stimuli	1	-	-	1	1
9	Feeling quick satisfaction after online buy	1	-	-	1	1
	Total	42	5	3	50	712

Source : Field Survey

Note : SA - Strongly Agree, A - Agree, SWA - Somewhat Agree, RT - Row Total

$$SSR = \sum RT^2 - (\sum RT)^2 / N$$

$$= 712 - (50)^2 / 9 = 712 - 277.78 = 434.22$$

Use the sum of squares (SSR) in the following formula to obtain Kendall's W.

$$W = 12 \times SSR / k^2 N (N - 1)$$

$$= 12 \times 434.22 / 9 \times 9 (81 - 1) = 5210.64 / 6480 = 0.80$$

Test the significant of 'w' by using the χ^2 static

$$\chi^2 = k (n - 1) w$$

$$= 3(9-1) \times 0.80 = 3 \times 8 \times 0.80 = 16.80$$

Decision: At 8 df level of significance the TV = 15.507. The calculated value being 16.80 higher than the critical TV and hence "w" fails to accept Ho and accepts H1. Therefore it is concluded that there exist significant relationship between characteristics and impulse buying.

Table-3 : Factors impacting online impulse buying

	Variables	Weight	4	3	2	1	T	WA
		Likert	SA	A	DA	SDA		
1	Electronic word of mouth	f	42	6	1	1	50	V
		fw	168	18	2	1	189	18.90
2	Social capital	f	40	5	3	2	50	VII
		fw	160	15	6	2	183	18.30
3	Familiarity environmental legitimacy of companies	f	38	8	2	2	50	VIII
		fw	152	24	4	2	182	18.20
4	Observational learning	f	35	7	3	5	50	XI
		fw	140	21	6	5	172	17.20
5	Information quality	f	38	9	2	1	50	VI
		fw	152	27	4	1	184	18.40
6	Personalisation	f	37	8	3	2	50	X
		fw	148	24	6	2	180	18.0
7	Social interaction	f	45	3	2	-	50	II
		fw	180	9	4	-	193	19.30
8	Navigational characteristics	f	33	4	6	7	50	XV
		fw	132	12	12	7	163	16.30
9	Information fit to task	f	34	6	5	5	50	XIII
		fw	136	18	10	5	169	16.90
10	Website case of use	f	46	2	1	1	50	II
		fw	184	6	2	1	193	19.30
11	Vividness	f	38	7	3	2	50	IX
		fw	152	21	6	2	181	18.1
12	Serendipity	f	28	12	6	4	50	XIV
		fw	112	36	12	4	164	16.40
13	Creativity	f	26	13	7	4	50	XVII
		fw	104	39	14	4	161	16.10
14	Trustworthiness	f	48	2	-	-	50	I
		fw	192	6	-	-	198	19.8

15	Expertiseness	f	28	8	7	7	50	XVIII
		fw	112	24	14	7	157	15.70
16	Browsing	f	47	2	1	-	50	IV
		fw	188	-	2	-	190	19.0
17	Social & attractiveness physical	f	33	8	5	4	50	XII
		fw	132	24	10	4	170	17.0
18	Homophily	f	28	8	6	8	50	XIX
		fw	112	24	12	8	156	15.60
19	Scarcity	f	31	7	5	7	50	XVI
		fw	124	21	10	7	162	16.20
20	Product availability	f	25	10	8	7	50	XX
		fw	100	30	16	7	153	15.30

Source: Field Survey

Note : Likert scale : SA - Strongly Agree, A - Agree, DA - Disagree, SDA - Strongly Disagree

Weights : 4 + 3 + 2 + 1 = 10

Weighted Average = Total / Sum of Weights

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