

Factors Influencing Impulsive buying behaviour: A case of Indian Consumers

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Abstract

This study tries to explore the mediating role of brand preference between consumer materialism and compulsive buying behaviour in Indian adolescents. The research data were collected by using questionnaire survey from 281 Indian adolescents. Structural equation modelling was used to examine the mediating role of brand preference. The major finding of this study is that brand preference partially mediates the relationship between consumer materialism on compulsive buying. The study suggests useful implications for the professionals. Limitations of the present study and the future research directions are also discussed.

Keywords: Adolescents, Brand Preference, Compulsive Buying, Consumer Materialism, Indian Study

1. INTRODUCTION

Researchers differed in terms of their ways of defining the concept of compulsive buying behaviour. In 1915, Kraepelin coined the word 'oniomania' that signifies compulsive buying that leads to an uncontrollable urge to buy repeatedly regardless of the economic means. In cognitive psychology, oniomania has been considered as an impulse disorder often characterized by the inability to resist shopping, especially when we are feeling depressed. Also, the current generation is characterised by tech savviness, fashion consciousness, inflated self-esteem, and a greater need of social acceptance (Heaney, 2007).

2. LITERATURE

2.1. Consumer Materialism and Brand Preference

Audrin et al. (2017) reflected that material affects the importance of brands and consumer preferences. Also, Sharda and Bhat (2018) suggested that acquisition of material possessions (materialism) influenced the luxury brand preference in young Indian consumers. This was further supported by Mainolfi (2019) in his research wherein the researcher established that consumer ethnocentrism moderates the relationship between materialism and consumer brand preferences. Based on the literature, we hypothesize:

H1: Consumer Materialism positively affects the Brand Preference in Indian adolescents.

2.2. Consumer Materialism and Compulsive Buying Behavior

Roberts et al. (2006) suggested that divorce affects the consumer materialism and compulsive buying in young adolescents. Faber (2010) established that there is a significant relationship between impulse, materialism, emotions and consumer well-being and compulsive buying in the consumers. Further, Moschis (2017) focussed on the dark side of marketing wherein the researcher supported that materialism affects the urge of buying in consumers. Hence, we hypothesize the following:

H2: Consumer Materialism positively affects the Compulsive Buying Behavior in Indian adolescents.

2.3. Brand Preference and Compulsive Buying Behaviour

In 2011, Kumar et al. suggested that consumer prefer certain brands over others that determine their purchase behaviour. Compulsive buying is “the act of shopping and is experienced as an irresistible–uncontrollable urge, resulting in excessive, expensive and timeconsuming retail activity” typically prompted by negative affectivity (Dittmar, Long, & Bond, 2007; Faber & O’Guinn, 1989, Nagananthi and Mahalakshmi (2016) further, highlighted that consumer’s brand preference significantly affects their buying behaviour in terms of cosmetics.

H3: Brand Preference positively affects the Compulsive Buying Behavior in Indian adolescents.

2.4. Brand Preference as a mediator

In 2005, Kamineni established that is associated with materialism and brand preferences. Also, Siahtiri and Lee (2019) established that materialist choose prominent brands in emerging markets. According to Ebrahim et al. (2017) brand preference acts as a partial mediator between consumer purchase intention and buying behaviour. Therefore, we hypothesise that:

H4: Brand Preference mediates the relationship of Consumer materialism and Compulsive buying in Indian adolescents.

The proposed model based on the literature is as depicted in Figure 1.

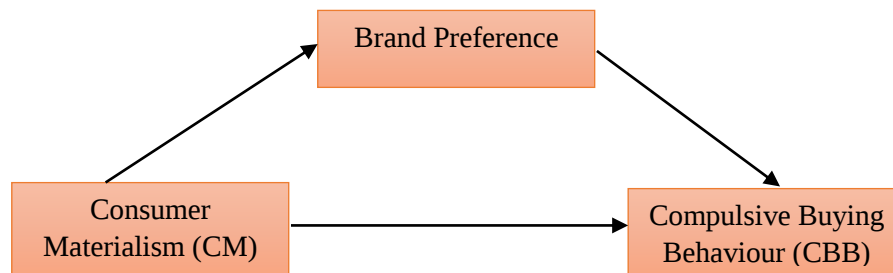


Figure 1: Proposed Model

3. RESEARCH METHODOLOGY

The data were collected from the adolescents aged between 15 to 18 years of age. The final sample included 178 girls (63.3 percent) and 103 boys (36.6 percent). Also, the study used adapted version of scales i.e. Consumer Materialism by Richin's scale (2007; 9 items), Brand Preference Hellier et al. (2003; 3 items) and for Compulsive Buying behaviour by Faber and O'Guinn's scale (1992; 6 items).

4. ANALYSIS AND RESULTS

The validity and reliability of the scales were tested. Also, the study applied structural equation modelling to test the direct relationship between the variables by using AMOS 24 version as depicted in Table 1. The results depicted that consumer materialism is significantly and positively related to brand preference. Also, significant, and positive relationship exists between brand preference and compulsive buying along with a significant relationship between consumer materialism and compulsive buying in Indian adolescents. Hence, the results support hypotheses H1, H2 and H3 of the study.

Table 1: SEM Results

Hypotheses	Path	β (standardized path coefficients)	T value	Result
H1	CM $\longrightarrow$ CBB	.23	4.026	Supported
H2	Brand Preference $\longrightarrow$ CBB	.15	5.483	Supported
H3	Brand Preference $\longrightarrow$ CBB	.93	15.250	Supported

Note: $p < .01$

Model Fit Indices

The study analysed the fitness of the proposed model, estimates was tested i.e., the χ^2/df statistic, the GFI (goodness of fit index), NFI (normed fit index), TLI (Tucker-Lewis Index; CFI= comparative fit index); RMSEA (root mean square error of approximation) were assessed. Joreskog and Sorborm (1989) suggest acceptable values to be more than 0.9 for the GFI, NFI, TLI and CFI value. The RMSEA values less than 0.06 indicate an acceptable range (Browne and Cudeck, 1993). The model (without moderation of gender and age) presented an acceptable overall fit ($\chi^2/df = 2.81$, GFI = 0.910, NFI = 0.931, CFI = 0.928, TLI = 0.925, and RMSEA = 0.057) for the current study.

4.1. Mediation Analysis

The results indicated a case of partial mediation i.e. brand preference acts as a partial mediator as depicted in Table 2. The analysis provides support to H4 reflecting that R^2 value=.91 and establishing that 91 percent of changes that occur in the compulsive buying behaviour are highly dependent on consumer materialism and brand preference in Indian adolescents.

Table 2: Mediation analysis using SEM

Outcome	Input	Standardised estimates		
		Direct effect	Indirect effect	Total effect
Brand Preference	CM	.24	-----	.24
CBB				
($R^2=.91$)	CM	.15	.21	.33
	Brand Preference	.91	-----	.91

Note: $P < .05$

5. DISCUSSION

As hypothesised the study suggested a positive and significant relationship between consumer materialism and brand preference in Indian adolescents. Therefore, Hypothesis stands accepted. This comes in the light of the changing perceptions of the upcoming generation i.e., adolescents that suggest that future growth in this segment is expected to come from the adolescents, making it necessary for marketers to gain a clear understanding of their consumer behaviour. This supports the findings of Picarille (2006) and Rhee and Johnson (2012) that highlighted that adolescents, like adults, are habitually portrayed as brand conscious consumers. Further, the compulsive buyers have a tendency to choose to 'shop' alone, rather than in the company of others. Thus, providing support to H2 and H3.

6. IMPLICATIONS

The study suggests managers should modify and recognize the importance of brand preference in strategy development and decision-making as it highly affects the consumer buying behaviour. For marketers of global status brands, the findings indicate that even demonstrating in a strong buying intention preference. Adolescent years involve the development of social skills so self-monitoring tends to increase during that time. People with a materialistic nature value possessions in the belief they indicate “success, status, and prestige”.

7. LIMITATIONS AND CONCLUSION

There are several limitations to this study which the authors acknowledge. Firstly, the study is region specific and cannot be generalised over other regions. This research considers a particular section of the population and hence, can be generalised. Further, how demographics impact the buying behaviour/ compulsive buying behaviour can also be tested in future research. Also, other factors such as service quality, interactive marketing, organisational behavior, human resource and attitude etc. can be included in the future research. Also, the results may vary in a different setting as well as from industry to industry considering the present study was conducted in the Indian scenario.

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