
ONLINE MARKETING STIMULI STRATEGY AND IMPULSIVE BUYING TENDENCY

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Abstract: Introduction of faster and cheaper internet connection provide Indian customers a new horizon to explore for shopping at their convenience. This study predominantly deals with how online shoppers impulsive buying tendency trigger with that of marketers E-Commerce marketing strategy. Multiple Regression was used to analyze objectives and it was found that marketing stimuli strategy like Web store quality, and Product display are significantly related with the cognitive impulsive buying tendency. In case of Affective impulsive buying tendency only pricing as well as promotion offers were significant.

Keywords: Internet, E-Commerce, Marketing Strategy, Buying Tendency, Impulsive Buying

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1. INTRODUCTION

India is considered to be the third largest E-Commerce market in the world preceded by China and USA, but as far as the growth rate of E-Commerce market India stands in the first position. According to ASSOCHAM – Forrester report, India witnesses the annual growth of 51% for e-commerce market and it is predicted that online sales are expected to hit \$ 120 billion by 2020 in India apart from this Smartphone penetration fueled by the affordable 4G network with increasing consumer wealth Indian Equity Foundation (IBEF) predict in 2026 Indian e-commerce sector is expected to grow by \$200 billion. The Internet has modified the planet; it evolved as one of the prevalent medium of socializing, entertainment and shopping (Berman, S. J. 2012) within which we have a tendency to sell. It's not a brand new promoting channel; instead, it creates a brand new paradigm for the manner within which customers connect with brands and with one another (De Chernatony, L.2001).The entire scope of selling is experienced on the web merchandise and services are structured and endorses, procured, disseminated and

maintained (Acar, O. A., & Puntoni, S.2016). The online facilitates customers with additional selection, more influence and additional power (Faqih, K. M. 2016). Apart from Commerce, brands comprise new means such as new merchandise and also services of making trades in new markets (Crespo, Á. H. et.al. 2009).Consumer behavior plays a very influential role in impulsive buying. One can understand it by looking inside their own house they can find un worn clothes inside the wardrobe, less used gadget in kitchen cup boards and exercise equipment in out room all this purchase may had happened by retailers tactics or one's own psychological factors. Some of the psychological factors such as pleasure of shopping and buying new things, money saving offers, at time opportunities, influence of brand power are some of them. Consumer's purchase decisions are induced by marketing strategies

1.1 Impulsive Buying

Impulsive buying is an important sales generator for any form of business especially in online shopping (Floh, A., & Madlberger, M. 2013), according to Direct Marketing Network (DNM3) 40% of the sales come from impulsive buying impulsive buying is made in the urge of the moment. Both the internal and external urge tempt the customer go for impulsive buying. Internal urge means psychological makeup of the consumer and external stimulus refers to the factors that price, promotion and product placement that can be controlled by the marketers.

1.2 Impulsive Buying Behavior – Meaning

“Impulse buying or impulse purchase represents the spur-of-the-moment purchase, where buying a product is made just before the real purchase is performed without any prior plan. Impulse buying occurs on the basis of emotional or psychological trigger (Kalla & Delhi, 2016)which makes the buyers spontaneously decide whether to buy the product or not. The customer does not carry out any research or planning before the purchase and simply procures the product without any primary intention to buy it (Jarvenpaa, S. L., & Todd, P. A.1996).Impulse buying tendency can be defined as the degree to which an individual is likely to make unintended, immediate, and unreflective, impulsive purchases. Consumers with a high impulse buying tendency have a general tendency to purchase items of all product categories on impulse (Rook, D. W. (1995), &Sharma et al., 2006).

1.3 Cognitive Impulsive Buying Tendency

This type of impulsive buying tendency shows dearth of planning and deliberation for buying the product. It is a tendency where purchase is not planned in advance, so careful planning for purchase, in this kind of purchase process; thinking will never play a vital role. Cognitive

impulsive buying tendency has a relation with impulsive buying tendency. (Dawson & Kim (2009) & Abbas and Bashir, (2015)

1.4 Affective Impulsive Buying Tendency

In this tendency feeling of Pleasure, Excitement, Compulsion, Lack of control is the reason for impulsive buying tendency. Customers who have high affective impulsive buying tendency tend to buy because it give happiness (Chung, N., et al. 2017), most of the purchases will happen spontaneously without thinking consequences and sometime feelings are the reason for purchase. Affective impulsive buying tendency has a relation with impulsive buying tendency (Park, H. J., & Dhandra, T. K.2017).

1.5 Marketing Stimuli Strategy and Consumer Behavior

The factors of marketing stimuli factors come into buyer black box, which decides buyer purchase response. This black box consists of two inputs, one the buyer characteristics and the other the buyer decision making process. The main success of a marketer lies with how successfully they create stimuli effects (Huang 2016). Certainly, consumer behavior is directly influenced by the decision of consumer and it is also a fact that consumer behavior is greatly affected by some other factors. It is very critical for successful marketer to understand so as to ensure effective marketing methods and strategies. In short, business management (Marketer) can make its four P's to produce huge income in the long run if the marketer is able to efficiently perceive the consumer buying behavior because the market should have a clear analysis and data of products, services, price and promotion in order to influence consumer black box to get motivation in the aspect of buying goods.

1.6 E-Commerce Marketing Stimuli Strategy

Customers, in the present world, experience products and services across various platforms like mobile, internet, physical, media and reference resources. Primarily a customer makes personal referral with regard to the product before making a deep dive about the product in mobile or tablet or on the Web, which would experience six to ten "touches" before buying a brand. The customer may go for a third-party site or reference source for the review about the brand or product after these experiences. Such a cross-platform and pre-purchase experience needs 360-degree analysis of customer to ultimately attain the sale. Thinking holistically makes a marketer to develop strategies that influence the customer temptations to buy. For a better understanding researcher identifies three broad classification of strategies such as Web store quality, Product display, Pricing and promotion offers.

1.7 Web Store Quality

It broadly look in to the customer service point of view because website is the medium where customers interact with sellers so it is a very influencing factor unlike traditional stores website is the only tech point for customers in online shopping. Web store quality factor give more importance to factors like personalization and customization, mail regarding pricing and promo offers, easy payment mode & process, purchase branded and high value products from selected web stores, branded online shopping sites, promotion offers in regular web stores induces for immediate purchases, choose the web stores with customer service, prefer prompt delivery, immediately responds when return the purchased, purchase experience develops trust and credibility, recommend a web store or an offer after purchase deal are found satisfied. All this factors look in to the web store environment.

1.8 Product Display

E-Commerce marketing stimuli strategy Product display mainly look in to how efficiently product are displayed in the website and how efficient are the information provided regarding the products. the products displayed in the web attract, check for the quality and specifications of product, Compare product features in different web stores, check for availability of colors & size before ordering, check for availability of colors & size before making purchase,

1.9 Pricing and Promotion Offers

E-Commerce marketing stimuli strategy Pricing & promotion offers assessed with factors such as check for the price of the product with that of the regular store, compare the price of a product from one web site to the other, watch daily deals in some familiar web sites, tempted to buy immediately when one see a great deal or discount offers, buy things in case of personalized pricing offers, even if he or she don't have any need, attracted by buy one get one free, discount offers and daily deals, buy things if free shipping or shopping discount on the web store, order when they view seconds / minutes left deals. Used to understand the consumer opinion based on pricing and promotion offers with regard to the online shopping behavior. According to Invespro, 54% of shoppers look for procuring products from shopping carts with particularly paying attention to buying them with discounts or special offers. Pricing and promotion offers have a significant influence on impulsive buying. (Cho et al., (2014)

2. LITERATURE OF REVIEW

Ruswanti, (2016), in the research paper, “The impact of the impulse buying dimension and cherry picking: an empirical study” the researcher try to find out the effect of internal and external impulsive factor on bargain hunters. 197 sample used and regression were used as statistical tool for analysis. The results reveal that external, internal, situational-environment, range of products and socio-cultural significantly influence the bargain hunters. Bhattathirippad & Lecturer, (2015), in the research paper titled “Value of Seconds- Impulsive Buying Behavior and Its Antecedents” try to find out the association of external stimuli on impulsive buying. Samples are taken from shopping malls at Kerala for analysis Structure Equation Modeling was used. External stimulus factors; credit card, promotional approach and window display were taken as independent variable. Every external stimulus factor has significant connection with customers’ impulsive buying behavior. Hence, in this research study, “Influential Factors for Online Impulse Buying in China: a model and Its Empirical Analysis” try to find out how impulsive buying emotions are suggestively triggered by online store stimuli, private impulsive characters and psychological factors. 246 samples were selected for analysis from the result which shows that impulsive buying emotion is suggestively triggered by online store stimuli, commendation and the trend of online shopping. Zhou, in the research work, “The Effect of Different Price Presentations on Consumer Impulse Buying Behavior: The Role of Anticipated Regret” in this study researchers try to find out the influence of various price promotion incentive on consumer impulse buying intention. Sample size was 340 and ANOVA used as a statistical tool for analysis. It is found that price presentation is considered to have a significant influence over impulsive buying intention.

3. OBJECTIVE OF THE STUDY

The broad objective of the research study is to find the influence of E-commerce marketing strategies on online customer’s impulsive buying tendency. E-Commerce stimuli factors such as website quality, product display, pricing and promotion are considered for the study. The impulsive buying behavior of the customers may be either cognitive or affective. In the psychological set up of an individual, Cognitive is thought oriented and affective is emotion oriented. Personality traits of individuals are induced by marketing stimuli and further it leads to affective or cognitive impulsive buying behavior. So the study is find the E-Commerce marketing stimuli strategies that influence impulsive purchase decision of the customers through online web stores.

4. RESEARCH METHODOLOGY

The area of study is restricted to Coimbatore District. It is the biggest two tier city next to Chennai in the state of Tamil Nadu. The entire research period was carried during a span of nine months from July 2017 to March 2018. Data collection was carried on for a period of three

months from October 2017 to December 2017. The researcher applied stratified random sampling technique in determining the samples. Online customers who are infinite in nature in Coimbatore district is divided into different strata based on the geographical area and occupation of the respondents. Based on the geographical area, Coimbatore district is divided into different strata based on the taluks. From each taluk, based on the occupation of the respondents, sample of 18% to 20% (for each occupation.) of the respondents are collected based on the convenience of the researcher. The consistent uprising need for representative statistical sample in social science study has witnessed a huge demand for the effective method of deciding the sample size. Bill godden (2004) came up with a table for determining sample size for an infinite population in order to address the existing gap. Based on Bill Godden formula, the ideal minimum sample size for an infinite population at 95% confidence level is calculated as 600. E – Commerce marketing stimuli strategy acts as an independent variable while Impulsive buying tendency acts as a dependent variable. Marketing stimuli strategies is one of the independent variable and to explore the respondent's opinion with this set of 30 questions were asked. Impulsive buying tendency of the respondents, the scale framed by Verplanken & Herabadi (2001) that contains two factors such as cognitive impulsive buying tendency and affective impulsive buying tendency was used both scales shows the validity and reliability.

5. ANALYSIS AND FINDINGS

A. Multiple Regression Analysis of Cognitive Impulsive Buying Tendency with Marketing Stimuli Strategy. To find the above stated relationship, the independent variable is marketing stimuli strategies and the dependent variable is cognitive impulsive buying tendency of the respondents. The objective is to find the extent of relationship if exists between these two variables. In the marketing stimuli strategy there are three variables such as web store quality, product display and pricing and promotion offers which are separately studied with their relationship with the cognitive tendency. To test the significant relationship between Cognitive impulsive buying tendency with marketing stimuli strategy like Web store quality, Product display and pricing & promotion offers.

Hypothesis

Ho₁: There is no significant relationship between Cognitive impulsive buying tendency with Web store quality factor.

H1₁: There is a significant relationship between Cognitive impulsive buying tendency with Web store quality factor.

Ho₂: There is no significant relationship between Cognitive impulsive buying tendency with Product display factor.

H1₂: There is a significant relationship between Cognitive impulsive buying tendency with Product display factor.

Ho₃: There is no significant relationship between Cognitive impulsive buying tendency with Pricing and promotion offers factor.

H1₃: There is a significant relationship between Cognitive impulsive buying tendency with Pricing and promotion offers factor.

TABLE NO: 1
SHOWS THE RESULTS OF MULTIPLE REGRESSION PREDICTING COGNITIVE TENDENCY WITH MARKETING STIMULI STRATEGY

S. No.	Variable	Standardized Beta	T	Sig.	Hypothesis
1	Web Store Quality	.291	6.249	0.00	H1 ₁
2	Product Display	.203	4.297	0.00	H1 ₂
3	Pricing and Promotion	.028	0.745	0.46	HO ₃

Dependent variable: Cognitive impulsive buying tendency $F = 61.98$, $P = 0.00$, $R^2 = .517$, $adjusted R^2 = .513$

The table 1, reports the multiple regression results for Cognitive impulsive buying tendency predicted by Marketing stimuli strategy like Web store quality, product display and Pricing promotion offers. The R^2 for the regression model was found to be 0.517. This indicate that 51.7% of the variance in dependent variable, Cognitive impulsive buying tendency was explained by Marketing stimuli strategy like Web store quality, product display and Pricing promotion offers. It also shows that adjusted $R^2 = .513$, which means that any time another independent variable is added to this model, the R^2 will increase (even if only slightly). This regression model results in the ANOVA which is reported by F – ratio = 61.98 ($p < 0.00$). This indicates that the regression model for Cognitive impulsive buying tendency is significant. On examining the standardized beta coefficient, it was found that most of the variable in the Marketing stimuli strategy like Web store quality ($T = 6.25$, sig .00) and Product display ($T = 4.30$, sig .00) are significantly related. Hence, this result support alternative hypothesis of H1₁, H1₂ and it was found that pricing and promotion offers were not significant ($T = 0.75$, sig. 0.46). Thus, the null hypothesis is accepted and there is no significant relationship between cognitive impulsion and pricing and promotion offers. It means that the respondents are influenced by web store quality and by product display and not so much by pricing and promotion offers.

B. Multiple Regression Analysis of Affective Impulsive Buying Tendency with Marketing Stimuli Strategy

To find the above stated relationship, the independent variable is marketing stimuli strategies and the dependent variable is affective impulsive buying tendency of the respondents. The objective is to find the extent of relationship if exists between these two variables. In the

marketing stimuli strategy there are three variables such as web store quality, product display and pricing and promotion offers which are separately studied with their relationship with the affective tendency. To study the relationship that exists between Affective impulsive buying tendency of online shopping customers with Marketing stimuli strategy like Web store quality, Product display and pricing & promotion offers.

- To test the significant relationship between Affective impulsive buying tendency with marketing stimuli strategy like Web store quality, Product display and pricing & promotion offers.

Hypothesis

Ho₁: There is no significant relationship between Affective impulsive buying tendency with Web store quality factor.

H1₁: There is a significant relationship between Affective impulsive buying tendency with Web store quality factor.

Ho₂: There is no significant relationship between Affective impulsive buying tendency with Product display factor.

H1₂: There is a significant relationship between Affective impulsive buying tendency with Product display factor.

Ho₃: There is no significant relationship between Affective impulsive buying tendency with Pricing and promotion offers factor.

H1₃: There is a significant relationship between Affective impulsive buying tendency with Pricing and promotion offers factor.

TABLE NO: - 2

SHOWS THE RESULTS OF MULTIPLE REGRESSION PREDICTING AFFECTIVE TENDENCY WITH MARKETING STIMULI STRATEGY

S. No.	Variable	Standardized Beta Coefficient	T	Sig	Hypothesis
1	Web Store Quality	.051	1.113	.266	H0 ₁
2	Product Display	-.065	-1.411	.159	H0 ₂
3	Pricing and Promotion Offers	.503	13.559	.000	H1 ₃

Dependent variable: Affective impulsive buying tendency $F = 73.942$, $P = 0.00$, $R^2 = .548$, $adjusted R^2 = .545$

The table 2, reports the multiple regression results for Affective impulsive buying tendency predicted by Marketing stimuli strategy like Web store quality, product display and Pricing

promotion offers. The R^2 for the regression model was found to be 0.548. This indicates that 54.8% of the variance in dependent variable i.e., affective impulsive buying tendency was explained by Marketing stimuli strategy like Web store quality, Product display and Pricing and promotion offers. It also shows that adjusted $R^2 = .545$, which means that any time another independent variable is added to this model, the R^2 will increase (even if only slightly). This regression model results in the ANOVA which is reported by F – ratio = 73.94 ($p < 0.00$). This indicates that the regression model for Affective impulsive buying tendency is significant.

On examining the standardized beta coefficient, it was found that most of the variable in the Marketing stimuli strategy like Web store quality ($T = 1.12$, sig .266) and Product display ($T = -1.411$, sig .159) are not significantly related. So this result support Null hypothesis of H_{01} , H_{02} and it was found that pricing and promotion offers was significant ($T = 13.56$, sig. 0.00) so the alternate hypothesis is accepted for the variable H_{13} . As contrary with the previous table, for cognitive tendency, web store quality and product display are significantly related whereas such relationship was not ruled out through affective tendency. But for the Pricing and promotion strategy, affective tendency has significant relationship. This proves those who are cognitively impulsive are motivated by web store quality and product display. Those who are affectively impulsive are motivated by pricing and promotion offers. Hence, the marketing stimuli strategy, web store quality and product display are highlighted for the individuals who are more cognitive impulsive in nature. For those who are more into affective impulsions are targeted with the strategies for pricing and promotion offers.

6. CONCLUSION

It was found that most of the variable in the Marketing stimuli strategy like Web store quality, and Product display are significantly related with the cognitive impulsive buying tendency. This model is statistically significant. It means that the respondents are influenced by attractions and promotions in web store quality and by product display when compared to the pricing and promotion offers. The most of the variable in the Marketing stimuli factors like Web store quality and Product display are not significantly related and it was found that only pricing and promotion offers was significant. But the regression model for Affective impulsive buying tendency is significant. Those who are high in affective impulsive tendency are motivated by pricing and promotion offers.

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