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Role of In-store Atmospheric and Impulse Buying Tendency on Post Purchase Regret in Kathmandu Valley

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Abstract

This study examines the role of in-store atmospheric and impulse buying tendency on post purchase regret in Kathmandu Valley. The dependent variable of the study are impulse buying tendency and post purchase regret. Similarly, the selected independent variables are store ambient factor, store design factor, visual merchandising, sales person and sales promotion. The primary source of data is used to assess the opinions of the respondents regarding store ambient factor, store design factor, visual merchandising, sales person, sales promotion on impulse buying tendency and post purchase regret. The study is based on primary data of 110 respondents. To achieve the purpose of the study, structured questionnaire is prepared. The correlation coefficients and regression models are estimated to test the significance and importance in-store atmospheric and impulse buying tendency on post purchase regret in Kathmandu Valley.

The study showed that store ambient factor has positive impact on impulse buying tendency. It implies that more stimulating or conducive store ambient factor through strategic placement of products, appealing displays, or background music leads to impulse buying tendency. Similarly, store design factor has positive impact on impulse buying tendency. It indicates that better design of the store stimulates the impulse buying tendency of the customers. Likewise, visual merchandising has positive impact on impulse buying tendency. It shows that use of effective, consistent and high-quality visual merchandising leads to impulse buying tendency of the customers. In addition, salespersons have positive impact on impulse buying tendencies. It implies that knowledgeable and trustworthy salespersons with good product knowledge and expertise lead to impulse buying tendency of the customers. Furthermore, sales promotions have positive impact on impulse buying tendency and post purchase regret. It implies that increase in sales promotions such as discounted prices or with additional incentives such as free gifts, coupons, or buy-one-get-one offers, leads to increase in consumer impulse buying tendency. Moreover, impulse buying tendency has positive impact on post purchase regret. It implies that impulse purchases driven by emotions, urges, or situational factors rather than rational decision-making leads to increase in post purchase regret.

Keywords: impulse buying tendency, post purchase regret, store ambient factor, store design

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factor, visual merchandising, sales person, sales promotion

1. Introduction

The tendency to make impulsive purchases, which are frequently motivated by feelings, cravings, or outside stimuli rather than giving needs or budget considerable thought, is known as impulse buying. Those who are prone to impulsive purchases are more inclined to act on their impulses rather than thinking things out before making them (Lejoyeux and Weinstein, 2010). Customers who have a strong propensity for impulsive purchases are more vulnerable to sales techniques, promotions, or environmental cues that prompt impulsive purchases. Customers could give in to the temptation of sales, limited-time discounts, or enticing displays without carefully considering whether the purchase is in line with their true needs or preferences. Post-purchase regret occurs when a consumer feels dissatisfaction or remorse after making a purchase. This regret can stem from various factors, such as discovering that the product does not meet expectations, realizing it was an unnecessary expense, or feeling guilt over impulsive spending. Customers who have a strong propensity for impulsive purchases may feel cognitive dissonance, which is a psychological discomfort brought on by discrepancies between their beliefs and behaviors, once the initial thrill of the purchase wears off (Tzeng and Shiu, 2019). This dissonance can intensify remorse after a purchase, particularly if the person feels that the purchase was unnecessary or illogical after all. Impulsive purchases often result in unplanned spending, leading to financial strain or budgetary issues. When individuals experience financial repercussions from impulsive buying, they may feel even greater regret, particularly if they recognize that the money could have been allocated more wisely or saved for more meaningful purchases or goals (Saleh, 2012).

Pinto *et al.* (2020) analyzed the impact of store layout, ambient factors, and employees on impulsive decision-making among female customers visiting the apparel outlets. The study found that sales person had significant impact on the impulse buying behavior. The study also found that the number of store staff and sales skills are critical aspects of impulse buying in the apparel business and true assets to the retail organization. Likewise, Akbar *et al.* (2020) explored the linking emotional brand attachment and sales promotion to post-purchase cognitive dissonance. The study concluded that sales promotion has a significant positive effect on the impulse buying behavior and post-purchase cognitive dissonance. Similarly, Lazim *et al.* (2020) investigated post-purchase regret and impulse buying in online

shopping from the perspective of cognitive dissonance theory. The study revealed that cognitive dissonance has a significant influence on post-purchase regret and impulse buying. The study indicated that sales promotion, bank card payment, visual merchandising, pricing and online review significantly influenced impulse buying tendency. Visual merchandising often aims to stimulate impulse purchases by creating an attractive and enticing shopping environment. When customers make impulse purchases based on the appeal of the visual presentation rather than careful consideration of their needs and preferences, they may experience post-purchase regret if they later feel that the product does not meet their expectations or needs. Effective visual merchandising can accurately convey the features and benefits of a product, helping customers make informed purchasing decisions. When visual merchandising aligns with the actual product experience, it reduces the likelihood of post-purchase regret. Conversely, if visual merchandising misrepresents the product or creates unrealistic expectations, customers may feel disappointed after the purchase, leading to regret. Furthermore, Mubarak and Mufeeh (2020) examined the impact of visual merchandising of clothing stores on impulse buying behavior. The result showed that there is a significant positive relationship between customer's impulse buying behaviors and window display, mannequin display, floor display and promotional signage. The study also showed that visual merchandising should be considered a pivotal component of a strategic marketing plan in support of increased sale and positive image about retailer at fashion clothing stores.

Impulse buying is characterized by a sudden, compelling, and hedonically complex purchase behavior. In this type of behavior, the rapidity of the impulse purchase decision prevents any thoughtful, deliberate consideration of alternatives (Kacen and Lee, 2002). Store atmosphere exerts a strong influence on shopping behavior inside the store and actively drives impulse purchases (Zentes and Rittinger, 2009). Sehgal and Khanna (2017) showed that impressive displays, ability to move freely in the store, quality of the fellow shoppers and well behaved and humble employees significantly contribute in enhancing the store atmospherics and gives excellent shopping experience to the customers translating into more sales and footfalls. According to Solgaard and Hansen (2003), location, quality, variety, clean surroundings, store layout and sales persons are the most important attributes that influence the consumer behavior towards buying. Impulse buying is a pervasive aspect of consumer behavior and one of the primary considerations for marketing activities due to the complexity and wide-spread incidence of impulse buying

across various types of products. Turley and Milliman (2000) stated that various environmental cues are planned and controlled by retailers to allow consumers to exhibit a delightful shopping experience. Likewise, Zaheer *et al.* (2022) examined the influence of store atmospherics and marketing stimuli on impulse buying behavior among females. The study found that impressive store environment with marketing stimuli such as price discount leads to positive and significant emotions and impulse purchase behavior.

Ahmed and Riaz (2018) investigated the influence of store environment on impulse buying behavior in international modern trade retailers situated in Karachi. The study found that store environment significantly affects the impulse buying behavior. Similarly, various factors such as lighting, store layout, music and signage played a critical role in stimulating such behavior. In-store factors indeed play a crucial role in influencing impulse buying behavior. Impulse buying refers to the tendency of consumers to make unplanned purchases, often driven by emotions or immediate desires. The store's ambient factors encompass various sensory elements such as lighting, music, scent, and overall atmosphere, which collectively influence shoppers' emotions and behaviors. Factors like cleanliness, decor, and general ambiance contribute to the overall shopping experience. Sondakh and Kalangi (2020) explored the influence of sales promotion and store layout on consumer impulsive buying behavior at cool supermarket Tomohon. The study found that sales promotion and store layout have positive and significant influence toward impulsive buying behavior. A well-designed and comfortable environment can make shoppers feel relaxed and more inclined to indulge in impulse purchases. Background music can influence shoppers' mood and pace of shopping. Upbeat music may energize shoppers and prompt them to make spontaneous purchases. Yue and Razak (2022) investigated on the factors influencing impulse buying behavior among working Ladies in Selangor, Malaysia. The study found that price, store atmosphere, and social influence have significant influence towards the impulse buying behavior among working ladies. Bright and inviting lighting can enhance the overall ambiance of the store, making products more visually appealing and encouraging impulse purchases. These ambient factors are carefully curated by retailers to create a positive and immersive shopping experience, thereby increasing the likelihood of impulse buying. Furthermore, Soelton *et al.* (2021) examined the impact of customer shifting behavior on the shopping emotion. The study concluded that that there was a positive influence between ambience outlets and utilitarian shopping value on shopping emotion. When consumers feel

comfortable, relaxed, and positively stimulated in the store environment, they are more susceptible to making unplanned purchases driven by their emotions and immediate desires. Similarly, DetaNatasya and Maridjo (2022) examined the effect of store atmosphere, price discount and sale person on impulse buying behavior. The study found that sales person had a positive and significant influence on impulse buying behavior.

In the context of Nepal, Pradhan (2016) explored the factors affecting impulsive buying behavior of consumers in supermarkets. The study found that there was positive and significant relationship between availability of cash, mood of consumer, POS terminal/ATM facility, price, store layout, availability of time, product promotion, store environment and reference group with impulsive buying behavior. Likewise, Rajbhandari and Intravisit (2017) examined atmospheric attributes of Bhat Bhateni Supermarket in Kathmandu Valley, Nepal. The study found that atmospheric attributes of Kathmandu Valley's Supermarket have positive impact upon Nepalese consumers' buying intention. Similarly, Shrestha (2018) analyzed customer impulse buying behavior in Kathmandu for the retail sector. The study found that window display, in-store display and promotional signage have significant influence on impulse buying of customers. Further, Manandhar (2019) analyzed the consumer buying behavior for non-durable goods. The study found that there were no significant differences on consumer purchase decision regarding age and income level of respondents. Furthermore, Khanal and Pokhrel (2021) examined the buying behavior toward the effect of visual packaging on perceived product's quality, product's value, and brand preference. The study found that attitudes towards visual packaging have the major influence on perception towards product quality and brand preference on buying behavior. Similarly, Pokharel (2023) examined the purchase decisions of male consumers towards buying grooming products in Kathmandu Valley. The result showed that pricing has a positive impact on consumer buying behavior.

The above discussion shows that empirical evidences vary greatly across the studies on the role of in-store atmospherics and impulse buying tendency on post purchase regret. Though there are above mentioned empirical evidences in the context of other countries and in Nepal, no such findings using more recent data exist in the context of Nepal. Therefore, in order to support one view or the other, this study has been conducted.

The major objective of the study is to examine the role of in-store

atmospherics and impulse buying tendency on post purchase regret in Kathmandu Valley. Specifically, it examines the relationship of store ambient factor, store design factor, visual merchandising, sales person and sales promotion with impulse buying tendency and post purchase regret in Kathmandu valley.

The remainder of this study is organized as follows: Section two describes the sample, data and methodology. Section three presents the empirical results and the final section draws the conclusion.

2. Methodological aspects

The study is based on the primary data. The data were gathered from 110 respondents through questionnaire. The study employed convenience sampling method. The respondents' views were collected on store ambient factor, store design factor, visual merchandising, sales person, sales promotion, impulse buying tendency and post purchase regret. The study is based on descriptive and causal comparative research designs.

The model

The model estimated in this study assumes that impulse buying tendency and post purchase regret depends on store ambient factor, store design factor, visual merchandising, sales person, sales promotion. Therefore, the models take the following forms:

$$IBT = \beta_0 + \beta_1 \text{SAF} + \beta_2 \text{SDF} + \beta_3 \text{VM} + \beta_4 \text{SP} + \beta_5 \text{SPRO} + e_{it}$$

$$\text{PPR} = \beta_0 + \beta_1 \text{SAF} + \beta_2 \text{SDF} + \beta_3 \text{VM} + \beta_4 \text{SP} + \beta_5 \text{SPRO} + \beta_6 \text{IBT} + e_{it}$$

Where,

IBT= Impulse buying tendency

PPR= Post purchase regret

SAF= Store ambient factor

SDF= Store design factor

VM= Visual merchandising

SP= Sales person

SPRO= Sales promotion

Impulse buying tendency was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “I find it challenging to resist buying items on impulse when I see them”, “I frequently make impulse purchases without carefully considering the consequences” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.85$).

Post purchase regret was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “I regret my purchase decision after considering its overall value for money”, “I feel a sense of disappointment or remorse about my recent purchase” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.87$).

Store ambient factor was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “The overall atmosphere and ambiance of the store positively influenced my purchase decision”, “The store’s lighting and decor played a role in my post-purchase satisfaction” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.80$).

Store design factor was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “The overall design and layout of the store positively contributed to my satisfaction with the purchase”, “The arrangement of product displays in the store influenced my post-purchase feelings” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.90$).

Visual merchandising was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “The visual merchandising of products in the store positively influenced my satisfaction with the purchase”, “The arrangement of products and visual elements enhanced the perceived value of the purchased item” and so on. The reliability of the items was measured by computing the Cronbach’s alpha (α

= 0.83).

Sales person was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “The salesperson’s knowledge about the product influenced my post-purchase feelings”, “The salesperson’s ability to address my concerns and provide relevant information reduced post-purchase regret” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.84$).

Sales promotion was measured using a 5-point Likert scale where the respondents were asked to indicate the responses using 1 for strongly disagree and 5 for strongly agree. There were 5 items and sample items include “The sales promotion or discount offered influenced my decision to make the purchase”, “The perceived value from the sales promotion positively impacted my satisfaction with the purchase” and so on. The reliability of the items was measured by computing the Cronbach’s alpha ($\alpha = 0.94$).

The following section describes the independent variables used in this study along with the hypothesis formulation:

Store ambient factor

The store ambient factor refers to the overall sensory environment within a retail store. This includes elements such as lighting, music, scent, temperature and visual aesthetics, all of which contribute to the atmosphere and ambiance of the store. Mohan *et al.* (2013) examined the impact of store environment on impulse buying behavior. The study found that store environment and individual characteristics (shopping enjoyment tendency and impulse buying tendency) positively influence impulse buying behavior through positive affect and urge. Similarly, Chang *et al.* (2014) examined the moderating effects of situational characteristics on impulse buying. The study concluded that ambient design and task definition in apparel stores directly influence impulse buying behavior, with money availability and task definition moderating the relationship between positive emotional responses and impulse buying behavior. Moreover, Bellini *et al.* (2017) determined the impulse buying behavior in grocery retailing. The study concluded that higher pre-shopping preparation leads to lower impulse buying levels, while shopping enjoyment and impulse buying tendencies influence impulse buying through positive affect and urge to purchase. Furthermore, Rehman *et al.* (2022) examined the store loyalty and impulsive buying. The study concluded

that store loyalty and environment characteristics positively impact customer emotions, leading to impulsive buying decisions. Based on it, this study develops the following hypothesis:

H₁: There is the positive relationship of store ambient factor with impulse buying tendency and post purchase regret.

Store design factor

The store design factor refers to the intentional and strategic layout, aesthetics and arrangement of physical elements within a retail store. Store design encompasses various aspects, including spatial layout, fixture placement, aisle configurations, signage and overall interior design. Cornelius *et al.* (2010) examined how storefront displays influence retail store image. The study found that the simple presence of a storefront product display is an effective way to positively augment a store's image with customers. Likewise, Huang and Chang (2012) examined the impact of store environment on hedonic shopping motivations. The study found that store environment (including design) and the emotional motivations drive impulse buying behavior. Similarly, Wang and Wu (2015) examined the impact of store design elements on consumer impulse buying. The study concluded that the store design have the positive and significant impact on the consumer impulse buying. Further, Martinez and Jones (2017) examined the influence of store atmosphere on impulse buying in fashion retail store. The study found that store atmosphere have the positive impact on the impulse buying. Furthermore, Kim and Lee (2019) examined the influence of store layout on consumer impulse buying behavior. The study found that there is the significant positive impact on the impulse buying behavior. Based on it, this study develops the following hypothesis:

H₂: There is the positive relationship of store design factor with impulse buying tendency and post purchase regret.

Visual merchandising

Visual merchandising refers to the strategic use of visual elements and displays within a retail environment to enhance the aesthetic appeal of the store, attract customers' attention and ultimately drive sales. Bhatti and Latif (2003) examined the impact of visual merchandising on consumer impulse buying behavior. The study found that visual merchandising, particularly floor merchandising and shop brand name, positively influences consumer impulse

buying behavior. Likewise, Gudonaviciene and Alijosiene (2015) examined the visual merchandising impact on impulse buying behavior. The study found that visual merchandising elements such as product displays, product information, and product placement has the significant and positive impact on impulse buying behavior. Similarly, Jhawar and Kushwaha (2017) examined the visual merchandising and impulse buying behavior with special reference to retail industry. The study found that visual merchandising practices positively influence customers' impulse buying behavior, with attributes like merchandise coloring, presentation, styling, fixture awareness, path to merchandise, sensory qualities of materials, and lighting playing a key role. Moreover, Thomas *et al.* (2018) examined the impact of visual merchandising, on impulse buying behavior of retail customers. The study concluded that visual merchandising positively and significantly impacts impulse buying behavior in retail customers. Furthermore, Adam (2020) examined impact of visual merchandising on customer impulse buying behavior in retail stores in Sudan. The study found that visual merchandising positively influences customer impulse buying behavior in Sudanese retail stores. Based on it, this study develops the following hypothesis:

H₃: There is the positive relationship of visual merchandising with impulse buying tendency and post purchase regret.

Sales person

Salesperson refers to an individual employed by a retail establishment to assist customers in their shopping experience, provide product information and ultimately facilitate the sale of goods or services. Brijball (2001) found that sales person has a positive and significant relationship with the post purchase regret. Likewise, Risqiani (2015) examined the antecedents and consequences of impulse buying behavior. The study concluded that sales person has a positive and significant impact on the impulse buying tendency. Similarly, Parsad et al. (2019) examined the role of in-store atmospherics and impulse buying tendency on post-purchase regret. The study found that there is the positive relationship between sales person and impulse buying tendency. Further, Brown and Davis (2020) examined the role of salespersons in shaping impulse purchases. The study found that there is the positive relationship between salesperson and impulse purchase. Furthermore, Garcia and Smith (2021) investigated the salesperson expertise and its influence on post-purchase regret. The study concluded that salesperson expertise has the positive impact on the post purchase regret. Based on it, this study develops

the following hypothesis:

H₄: There is the positive relationship of sales person with impulse buying tendency and post purchase regret.

Sales promotion

Sales promotion refers to marketing activities and techniques implemented within a retail store to stimulate immediate purchases, increase sales volume and create a sense of urgency or excitement among customers. Sales promotions typically involve temporary discounts, special offers, or other incentives designed to influence consumer behavior. Kasimin (2015) examined the effect of discounts, sales promotion and merchandising on impulse buying at Toko Intan. The study found that discounts, sales promotions and merchandising have a simultaneously positive effect on impulse buying at Toko Intan. Likewise, Andani and Wahyono (2018) determined the influence of sales promotion, hedonic shopping motivation and fashion involvement toward impulse buying. The study found that sales promotion, directly and positively influence impulse buying. Similarly, Mamuaya and Pandowo (2018) examined the effect of the situational factor, store atmosphere and sales promotion on hedonic shopping motivation and its implication on supermarket consumer impulsive buying in Manado city. The study found that sales promotion positively influences the impulsive buying in Manado City. Further, Wiranata and Hananto (2020) found that sales promotion and fashion consciousness positively affect impulse buying. Furthermore, Mandolfo *et al.* (2022) examined the influence of sales promotion on impulse buying. The study found that sales promotions influence impulse buying through promotion-induced affect and individual differences. Based on it, this study develops the following hypothesis:

H₅: There is the positive relationship of sales promotion with impulse buying tendency and post purchase regret.

Impulse buying tendency

Impulse buying tendency refers to the inclination of an individual to make unplanned or spontaneous purchases without fully considering the consequences of the purchase. Anderson and White (2017) examined the role of impulsivity in impulse buying and post-purchase regret. The study found that there is the positive relationship between impulse buying tendency and post purchase regret. Likewise, Iyer *et al.* (2019) concluded that there is the

positive association between impulse buying tendency and post purchase regret. Similarly, Ozyoruk (2021) examined the effects of cognitive differences on buying impulsiveness, cognitive dissonance and price consciousness. The study concluded that there is the positive relationship between impulse buying tendency and post purchase regret. Further, Fang *et al.* (2022) examined the emotional regulation factors of impulse buying and conformity psychology. The study found that impulse buying tendency positively affect the post purchase regret. Furthermore, Moore and Hall (2023) examined impulse buying tendency, financial well-being and post-purchase regret. The study found that there is the positive impact of impulse buying tendency on the post purchase regret. Based on it, this study develops the following hypothesis:

H₆: There is the positive relationship of impulse buying tendency with post purchase regret.

3. Results and discussion

Correlation analysis

On analysis of data, correlation analysis has been undertaken first and for this purpose, Kendall's Tau correlation coefficients along with means and standard deviations have been computed, and the results are presented in Table 1.

Table 1

Kendall's Tau correlation coefficients matrix

This table presents Kendall's Tau correlation coefficients between dependent variable and independent variables. The correlation coefficients are based on 110 observations. The dependent variables are IBT (Impulse buying tendency) and PPR (Post purchase regret). The independent variables are SAF (Store ambient factor), SFD (Store factor design), VM (Visual merchandising), SP (Sales person) and SPROM (Sales promotion).

Variables	Mean	S.D.	IBT	PPR	SAF	SDF	VM	SP	SPROM
IBT	3.353	1.045	1						
PPR	3.493	0.958	0.459**	1					
SAF	3.605	0.843	0.413**	0.476**	1				
SDF	3.615	0.852	0.434**	0.485**	0.671**	1			
VM	3.598	0.885	0.434**	0.484**	0.673**	0.656**	1		
SP	3.88	0.839	0.326**	0.408**	0.590**	0.557**	0.519**	1	
SPROM	3.773	0.814	0.460**	0.386**	0.546**	0.501**	0.551**	0.553**	1

Note: The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent respectively.

Table 1 shows that store ambient factor is positively correlated to impulse buying tendency. It implies that more stimulating or conducive store ambient factor through strategic placement of products, appealing displays, or background music leads to impulse buying tendency. Similarly, store design factor is positively correlated to impulse buying tendency. It indicates that better design of the store stimulates the impulse buying tendency of the customers. Likewise, visual merchandising is positively correlated to impulse buying tendency. It shows that use of effective, consistent and high-quality visual merchandising leads to impulse buying tendency of the customers. In addition, there is a positive correlation between salespersons and impulse buying tendencies. It implies that knowledgeable and trustworthy salespersons with good product knowledge and expertise lead to impulse buying tendency of the customers. Furthermore, sales promotions are positively correlated to impulse buying tendency and post purchase regret. It implies that increase in sales promotions such as discounted prices or with additional incentives such as free gifts, coupons, or buy-one-get-one offers, leads to increase in consumer impulse buying tendency. Moreover, impulse buying tendency has a positive relationship with post purchase regret. It implies that impulse purchases driven by emotions, urges, or situational factors rather than rational decision-making leads to increase in post purchase regret.

Regression analysis

Having analyzed the Kendall’s Tau correlation coefficients matrix, the regression analysis has been carried out and the results are presented in Table 2 and Table 3. More specifically, Table 2 presents the regression results of store ambient factor, store design factor, visual merchandising, sales person and sales promotion on impulse buying tendency.

Table 2

Estimated regression results store ambient factor, store design factor, visual merchandising, sales person and sales promotion on impulse buying tendency

The results are based on 110 observations using linear regression model. The model is $IBT = \beta_0 + \beta_1 \text{SAF} + \beta_2 \text{SDF} + \beta_3 \text{VM} + \beta_4 \text{SP} + \beta_5 \text{SPROM} + e$, where the dependent variable is IBT (Impulse buying tendency). The independent variables are SAF (Store ambient factor), SDF (Store factor design), VM (Visual merchandising), SP (Sales person) and SPROM (Sales promotion).

Model	Intercept	Regression coefficients of					Adj. R_bar ²	SEE	F-value
		SAF	SDF	VM	SP	SPROM			
1	0.920 (2.480)*	0.675 (6.737)**					0.289	0.881	45.385
2	0.821 (2.281)*		0.700 (7.223)**				0.319	0.862	52.168
3	0.907 (2.633)**			0.680 (7.308)**			0.325	0.859	53.412
4	0.895 (2.186)*				0.633 (6.140)**		0.252	0.904	37.697
5	0.333 (0.893)					0.800 (8.289)**	0.383	0.821	68.710
6	0.627 (1.674)	0.288 (1.695)	0.467 (2.781)**				0.331	0.855	27.973
7	0.514 (1.384)	0.036 (0.181)	0.372 (2.186)*	0.379 (2.254)*			0.356	0.839	21.054
8	0.394 (0.992)	0.014 (0.067)	0.334 (1.893)	0.359 (2.115)	0.132 (0.849)		0.354	0.840	15.929
9	0.034 (0.087)	0.091 (0.458)	0.294 (1.758)	0.258 (1.574)	0.109 (0.671)	0.551 (3.567)**	0.419	0.797	16.711

Notes:

- Figures in parenthesis are t-values.
- The asterisk signs (**) and (*) indicate that the results are significant at one percent and five percent level respectively.
- Impulse buying tendency is the dependent variable.

Table 2 shows that the beta coefficients for store ambient factor are positive with impulse buying tendency. It indicates store ambient factor has a positive impact on consumer impulse buying tendency. This finding is similar to the findings of Rehman *et al.* (2022). Likewise, the table shows that the beta coefficients for store design factor are positive with impulse buying tendency. It indicates that store design factor has a positive impact on impulse buying tendency. This finding is similar to the findings of Kim and Lee (2019). Similarly, the table shows that the beta coefficients for visual merchandising are positive with impulse buying tendency. It indicates that visual merchandising has a positive impact on consumer impulse buying tendency. This finding is similar to the findings of Adam (2020). Furthermore, the result shows that the beta coefficients for sales person are positive with impulse buying tendency. It indicates that sales person has a positive impact on consumer impulse buying tendency. This finding is similar to the findings of Garcia and Smith (2021). In addition, the table shows that the beta coefficients for sales promotion are positive with impulse buying tendency. It indicates that sales promotion has a positive impact on consumer impulse buying tendency. This finding is similar to the findings of Mandolfo *et al.* (2022).

Table 3 shows the regression results of store ambient factor, store design factor, visual merchandising, sales person and sales promotion on post purchase regret.

Table 3

Estimated regression results store ambient factor, store design factor, visual merchandising, sales person and sales promotion on post purchase regret

The results are based on 110 observations using linear regression model. The model is $IBT = \beta_0 + \beta_1 \text{SAF} + \beta_2 \text{SDF} + \beta_3 \text{VM} + \beta_4 \text{SP} + \beta_5 \text{SPROM} + \beta_6 \text{IBT} + e$, where the dependent variable is PPR (Post purchase regret). The independent variables are SAF (Store ambient factor), SFD (Store factor design), VM (Visual merchandising), SP (Sales person) and SPROM (Sales promotion).

Model	Intercept	Regression coefficients of						Adj. R_bar ²	SEE	F-value
		SAF	SDF	VM	SP	SPROM	IBT			
1	1.152 (2.870)**	0.696 (6.798)**						0.274	0.593	46.213
2	1.274 (3.855)**		0.663 (7.910)**					0.339	0.566	62.562
3	1.667 (4.990)**			0.579 (6.641)**				0.264	0.596	44.107
4	0.983 (3.154)**				0.736 (9.331)**			0.418	0.531	87.071
5	1.521 (4.988)**					0.608 (7.771)**		0.331	0.569	60.383
6	0.734 (1.898)	0.326 (2.545)**	0.476 (4.335)**				0.608 (5.621)**	0.368	0.553	35.958
7	0.595 (1.529)	0.251 (1.902)	0.381 (3.202)**	0.211 (1.937)				0.383	0.547	25.783
8	0.192 (0.522)	0.131 (1.054)	0.256 (2.277)*	0.082 (0.790)	0.473 (4.744)**			0.478	0.503	28.517
9	0.107 (0.308)	0.012 (0.100)	0.245 (2.347)*	0.032 (0.320)	0.463 (5.007)**	0.356 (4.478)**		0.552	0.466	30.571
10	0.128 (0.107)	0.032 (0.101)	0.425 (2.457)*	0.051 (0.313)	0.353 (5.113)**	0.526 (4.738)**	0.451 (4.375)**	0.462	0.457	29.361

Notes:

- i. Figures in parenthesis are t-values.
- ii. The asterisk signs (**) and (*) indicate that the results are significant at one per-cent and five percent level respectively.
- iii. Post purchase regret is the dependent variable.

Table 3 shows that the beta coefficients for store ambient factor are positive with post purchase regret. It indicates store ambient factor has a positive impact on consumer post purchase regret. This finding is similar to the findings of Bellini *et al.* (2017). Likewise, the table shows that the beta coefficients for store design factor are positive with post purchase regret. It indicates that store design factor has a positive impact on consumer post purchase regret. This finding is similar to the findings of Martinez and

Jones (2017). Similarly, the table shows that the beta coefficients for visual merchandising are positive with post purchase regret. It indicates that visual merchandising has a positive impact on consumer post purchase regret. This finding is similar to the findings of Thomas *et al.* (2018). Further, the table shows that the beta coefficients for sales person are positive with post purchase regret. It indicates that sales person has a positive impact on consumer post purchase regret. This finding is similar to the findings of Brown and Davis (2020). Furthermore, the table shows that the beta coefficients for sales promotion are positive with post purchase regret. It indicates that sales promotion has a positive impact on consumer post purchase regret. This finding is similar to the findings of Wiranata and Hananto (2020). Similarly, the table shows that the beta coefficients for impulse buying tendency are positive with post purchase regret. It indicates that impulse buying tendency has a positive impact on consumer post purchase regret. This finding is similar to the findings of Moore and Hall (2023).

4. Summary and conclusion

Impulse buying is a pervasive aspect of consumer behavior and one of the primary considerations for marketing activities. Impulse buying tendency and post-purchase regret are closely connected, as impulse buying often increases the likelihood of experiencing regret after a purchase. Impulse buying refers to the tendency of making unplanned purchases, often driven by emotions, urges, or external stimuli rather than careful consideration of needs or budget. Individuals with a high impulse buying tendency are more likely to make spur-of-the-moment purchases based on immediate desires rather than rational decision-making. Impulsive purchases often result in unplanned spending, leading to financial strain or budgetary issues.

This study attempts to analyze the role of in-store atmospherics and impulse buying tendency on post purchase regret in Kathmandu Valley. The study is based on primary data with 110 observations.

The major conclusion of this study is that store ambient factor, store design factor, visual merchandising, sales person and sales promotion have positive impact on impulse buying tendency. Moreover, impulse buying tendency have significant effect on post purchase regret. It indicates that impulse purchases are often made quickly, without thorough evaluation of the product's utility, quality, or price. This lack of evaluation increases the likelihood of regret later on when the buyer realizes the purchase may

not have been worth it. The study also concluded that impulse buyers may have unrealistic expectations about the product or its benefits, leading to disappointment when the actual experience falls short. This dissonance between expectations and reality contributes to feelings of regret.

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