Impulsive Buying Behaviors of Youth Generation Customers at Fashion Retailers in Nepal

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Abstract

This research paper aims to explore the phenomenon of impulse buying in the fashion retailer. The study examines situational and personal factors to determine which factor was perceived as leading to more impulsive buying. The study considered a quantitative deductive research approach. Research questionnaires were proposed by visiting and distributing the customers with 350 valid responses for data collection by purposive sampling techniques. Only the Youth (Y) generation was considered for the research work. The results were constrained by the sampling strategy, sample size, and assessment of the influential variables. The purchase urge was more strongly influenced by situational factors rather than personal factors. Therefore, fashion retailers must carefully decide on situational factors to encourage customers to impulse purchase.

Keywords: - Y Generation, Impulse buying behaviour, Personal factor, Situational Factor

1. Background of the Study

In today's environment, impulsive purchasing has become the most crucial trend (Farid and Ali, 2018). Impulse buying frequently takes the form of making an extremely rash purchase without giving it any further thought. It is an emotional transaction by a customer. It includes content that can be influenced by several factors. Store internal surroundings, self-esteem, life satisfaction, and the emotional state of the consumer considered at that time of impulsive buying (Gogoi and Shilong, 2020). Impulse buying can be stimulated by an unexpected need, a visual stimulus, a promotional campaign, or a decrease in the cognitive capacity to evaluate the advantages and disadvantages of that purchase.

The buying experience depends on the interaction between the growing person and the point of the sales environment, but it is the only environment that does not stimulate the impulsive behavior of the consumer. Sensory and psychological factors related to the type
of products, knowledge, and brand loyalty, often overlap with the importance responsible for the physical environment (Platania et al., 2016).

Impulse buying causes an emotional lack of control generated by the conflict between the immediate reward and the negative consequences that the purchase, which can trigger compulsive behaviors that can become chronic and pathological (Pandya and Pandya). Sohn and Ko (2021) argue that although all impulsive buying can be considered unplanned, not all unplanned buying can be considered impulsive.

Impulsive buying arises from sensory experiences, so purchases made in physical stores tend to be more impulsive than purchases made online. This type of shopping results from the stimulation of the five senses and the internet does not have this capacity. So online shopping can be less encouraging of impulse purchases than shopping in physical stores (Moreira et al., 2017).

Impulsive purchase is a buying that happens when a consumer experiences a sudden, often powerful, and persistent urge to buy something immediately. Similarly, Beatty and Ferrel (2003) defined it as a sudden purchase with no pre-shopping intentions either to buy a specific product category or to fulfill specific buying tasks. Similarly, people of Youth Generation are found to be more impulsive (Kacen and Lee, 2002). They are also called the most influencing group because of their higher purchasing power and significantly buy more often than other generations cohorts (Kim and Ammeter, 2008).

According to CBS of Nepal 2068, the population in (15 to 59) age group covers 56.96% of the total population. The population in Kathmandu has increased by 61.23% with the average 4.47% population growth rate of Kathmandu Valley (NPC, 2068). There exist internal and external factors affecting the impulsive buying behavior of consumers. Internal factors lie within a person. It depends on mood, hedonic motives, lack of control, and extraversion whereas external or situational factors are social influence, money availability, promotional signage, and store layout which affects the impulsive purchase. So, the study aims to identify the possible factors influencing the impulsive buying nature of Youth (Y) Generation consumers mostly in the fashion retail arena.

The following important research topics are therefore thoroughly addressed by this work.

- Is there any relationship between situational, and personal factors with the impulsive buying behavior of Youth Generation consumers in fashion retail?

- What is the impact of situational and personal factors on the impulsive buying behavior of Youth Generation consumers in fashion retail?

Based on research questions, the research objectives are as follows:

- To examine the association between situational, and personal factors with impulsive buying behavior of Youth Generation consumers in fashion retail.

- To analyze the influence of situational and personal factors on the impulsive buying behavior of Youth Generation consumers in fashion retail.
2. Literature Review

Impulse buying is a growing concept that is taken to be an essential part of increasing sales, especially in supermarkets. There is a need to expand and complement current marketing strategies to explore the consumer's impulsive buying behavior (Akyuz, 2018). There are different factors like personal and situational factors that determine impulse buying behavior (Amos and Keneson, 2014).

2.1 Impulsive Buying Behaviour of Youth (Y) Generation Consumers

Youth consumers do not care much about buying goods and services with proper planning and research. Y Generation consumers are therefore the consumers who follow the product as per the trend and prevailing practices of society. For them, goods and services are purchased on their casual movement in the market without caring about their necessity (Khan, Hui, Chen, and Hoe, 2016). Thus, Youth Generation customers are irrational customers whose buying activities depend upon the instant utility and swing of moods (Husnain, Rehman, Syed, and Akhtar, 2018). Hence, the buying behavior of the ‘Y’ Generation customers is impulsive and unpredictable (Alauddin, Hossain, Ibrahim, and Hoque, 2015). Impulsive buyers are panic buyers and they do not care about the price (Mishra, 2015). This behavior leads to buying without intention.

Income reveals the purchasing power of customers. As income is correlated with the buying approach, impulsive buyers do have persistence of income which enlarges the volume of purchases for ‘Y’ Generation consumers (Leblebicioglu and Uslu, 2017). Youth Generation consumers' buying is related to various aspects. Mostly, those customers are also influenced by social platforms (Mainali, Shakya, and Pandey, 2016).

Time is a strong factor that is related to the sudden urge that leads to buying something (Vijay, Prasad, and Prashar, 2017). Youth Generation customers' buying behavior is related to emotional attachment to the product rather than their use, effectiveness, and importance (Pallikkara, Pinto, Hawaldar, and Pinto, 2021). The time factor is very crucial for affecting the impulsive buying behavior of the ‘Y’ Generation customers (Chein and Oh, 2020). Social environment refers to the prompt physical and societal setting which is related to people and is related to social approaches (Cheriyan and Tamilarasi, 2020). It also addresses the environmental factors within and surrounding. Buying behaviors are also related to the social environment. The social environment is related to a paradigm where thoughts, aspirations, and surroundings reduce the buying behavior of customers (Efendi, Indartono, and Sukidjo, 2019). Social context also helps in the buying influence of ‘Y’ Generation customers as they buy impulsively. Advertisement is the public announcement that helps in promotion and provides information about the products (Aragoncillo and Orus, 2018). Advertisement on social platforms helps in adding blurb for products which makes the product more competent in reach of the customer (Chawla, 2020). Customer is influenced by the buying appetite created through social platforms. Millions of social advertisement platforms are strung every day throughout the world. The
promotion of advertisements through social platforms helps to influence the buying behavior of impulsive customers (Habib, Hamadneh, and Alsubie, 2021).

2.2 Situational Factor

Situational factors are linked to transient influences that affect customers' purchasing decisions (Khan, 2019). They were linked to a wide range of characteristics, including place, feeling, status, layout, social impact, and financial accessibility (Atulkar and Kesari, 2018).

The hectic schedules of ‘Y’ Generation consumers led them to purchase products based on the circumstances. The retail market has to comprehend the contextual factors of consumers who make impulsive purchases. Situational factors might have both positive and negative effects on impulsive shoppers' purchasing decisions (Atulkar and Kesari, 2018).

Promotional signs, financial accessibility, store layout, and social impact are a few examples of situational elements that affect the ‘Y’ Generation customers' purchasing decisions. These topics are covered in great detail under the areas above. Different types of promotional signage are employed to control client flow at markets. Identification signage, directional signage, instructional signage, and regulatory signage are a few applications for promotional signage in retail markets (Lasi, 2021). The ideal way to make a product recessively known to Youth Generation clients is through promotional signs (Shrestha, 2018). Therefore, promotional signage is a situational component that can affect Youth Generation consumers' purchasing decisions.

The main factor influencing a consumer's purchasing power is money. In the event of an impulsive customer, the availability of money always ensures large purchases (Pradhan, 2016). Impulsive shoppers typically make impulsive purchases and make foolish financial decisions. So, an impulsive customer's buying tendencies depend on cash balance availability (Fenton-O'Creevy and Furnham, 2019). The ability to pay matters a lot to ‘Y’ Generation customers' purchasing habits. Generation Y customers spend money irrationally and make quick purchasing decisions for any products and services (Sofi and Nika, 2017).

Youth Generation consumers are more knowledgeable about social media platforms for product and service information (Tarihi and Tarihi, 2016). However, customers in Generation 'Y' are also more impacted by product presentation in stores (Iqbal, Ahmed, and Moin, 2017). The design of a store's layout ensures that the arrangement of its items draws customers in. It aids in improving consumer flow. The positioning, structure, patterns, and trending elements of a store's layout are also related to purchasing behaviour (Sindhu and Kloep, 2020).

In the modern world, there are many product purchasing options (Sah, 2021). Positive and negative vibes in purchasing behavior can be created by social influence (Bandyopadhyay, 2016). The social environment is improved by social influence, which also ensures a favorable setting for the product lunch (Sah & Karki, 2020). Social influence is connected
to comfort, sociability, buzz, facilitation, and bystander observation. These elements have a significant impact on customers' purchasing behavior, especially for those who tend to make impulsive purchases.

2.3 Personal Factor

Customers are also driven to purchase goods and services based on personal factors. Personal factors might also affect an impulsive buyer's purchasing behavior. A wide range of characteristics, including product specialty, emotional attachment, emotions, demographics, surroundings, and social climate are associated with personal factors. Personal characteristics are also linked to individualist strategies that target aggressive purchasing attitudes (Farid and Ali, 2018). Individual differences in personal approach factors may exist. As a result, individual purchasing patterns vary and are influenced by perceptions, attitudes, and brand loyalty. Customers who make impulsive purchases have a propensity to base those purchases on personal preferences (Lee and Gan, 2020). Moods are an emotional aspect that influences a customer's purchasing attitude (Ebitu, 2015). People do not view shopping as a better option if they are depressed or in a bad mood (Badri, 2017). Psychological pleasure is another basic aspect for assessing emotions in the case of Youth Generation customers who have impulsive purchase habits.

The joy and suffering that customers experience after making purchases are referred to as hedonic motives (Faisal, Nabilah, Sadik, Hassian, Abidin, and Ibrahim, 2020). It is also recognized as the main motivator when clients have a great experience and frequently purchase the product (Ratnawat and Borgave, 2019). Retailers must concentrate on several things to provide hedonic motivation to impulsive buyers (Sahetapy, Kurnia, and Anne, 2020). Hedonic motives are frequently connected to excitement and happiness in the purchasing experiences of consumers (Bambang and Roz, 2021). The delight, optimism, generosity, enthusiasm, and relativity that a person feels or seeks when purchasing any good are all tied to extraversion (Shahjehan and Qureshi, 2019).

2.4 Research Framework

Figure 1. Theoretical Framework

In this study, Figure 1 presents situational elements that consider promotional signs, money available, social influence, and store layout, and personal factors such as moods, hedonic motivation, and extraversion are used as independent variables. The dependent
variable that was examined from these independent factors was the impulsive purchasing behavior of Youth Generation consumers.

2.5 Hypotheses Development

**Relationship Between Situational Factors and Impulsive Buying Behavior**

Situational factors are the external stimuli that are not under the control but have a direct influence on the impulse buying nature of consumers. Situational factors include five dimensions; they are store environment, social influence, time, money, and credit card availability have a relationship with impulse buying (Nor and Ruzita, 2014). Similarly, Youth Generation is likely to buy on impulse because of their time and money availability and are surrounded by a comfortable store environment (Yang, 2011).

**H1: There is a significant association between situational factors and impulsive buying behavior**

**Relationship Between Personal Factors and Impulsive Buying Behavior**

Personal variables are internal forces that a person possesses that influence impulsive purchase behavior (Sharma, Sivakumaran, and Marshall, 2010). According to Badgaiyan (2014) research, a person's mood, hedonic incentives, lack of self-control, extraversion, and materialism are all personal characteristics that impact whether or not to make an impulsive purchase. Yang (2011), on the other hand, found that not all personal factors are substantially associated with impulsive purchase behavior. So, it is vital to identify which elements have a substantial impact on impulse purchases. Despite past studies providing in-depth knowledge about the reasons for behavior (Nor and Ruzita, 2014; Yang 2011), it was revealed that an integrated strategy for analyzing all of the components that impact customers' impulsive purchase behavior was required.

**H2: There is a significant association between personal factors and impulsive buying behavior**

2.6 Research Gap

Impulse buying is sometimes defined as a highly impulsive purchase or taking possession of goods without any further thought. Individuals who are heavily involved in impulse purchasing are the ones who frequently become emotionally attached to the object and are readily persuaded to buy it at the moment. It is not always the case that spontaneous purchases result in contentment. So, the literature review explained that many research work in different contexts considered personal, psychological, and environmental factors for the exploratory impulsive buying behaviour in the national and international context. Therefore, to fill a research space, this work studied personal and situational variables for the analysis of the impulsive buying behavior of Youth Generation customers.

3. Methodology

Descriptive and quantitative research methods were used to examine the objectives of the research. A structured questionnaire with 350 respondents and a five-point Likert scale with the options "5 - strongly agree" to "1 - strongly disagree" was used to collect data...
from primary sources. Data were entered into statistical software for analysis and were presented using tables, charts, diagrams, and models.
All data were transformed into key information using descriptive, correlational, and regression analysis. In order to produce a combined output of novel information and well-known information, a scientific technique was used to handle data on the impulsive purchasing behaviors of Youth Generation customers in the fashion retail sector. The questionnaire's dependability was assessed using the reliability test, a quality assurance measure.

Table 1 Reliability Test by Cronbach's Alpha Analysis of Situational, Personal, and Impulsive Buying Behaviour Constructs of Youth Generation Consumers in Fashion Retail

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Cronbach's Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situational Factors</td>
<td>0.815</td>
</tr>
<tr>
<td>Personal Factors</td>
<td>0.781</td>
</tr>
<tr>
<td>Impulsive Buying Factors</td>
<td>0.744</td>
</tr>
</tbody>
</table>

Table 1 demonstrates that the overall reliability value of the different constructs is between 0.744 and 0.815. Since Cronbach's alpha value is more than 0.7, it states that all the variables are acceptable (Sekaran, 2000). Husnain, Rehman, Syed, and Akhtar (2018) and Pallikkara, Pinto, Hawaldar, and Pinto (2021) also found Cronbach's alpha value greater than 0.8.

4. Data Analysis, Results, and Discussion

Data were analyzed by demographics analysis, descriptive statistics, correlation, and regression analysis.

4.1 Demographic Analysis

According to the 350 respondents' demographic data, 57.3% of them were female and 42.7% were male. The results showed that 33.3% of respondents were between the ages of 16 and 20; 21 to 25; 35%; 26 to 30; and 27.7%; and 4% were between the ages of 30 to 35. Most of the responders were in the age range of 21 to 25. This finding suggested that the respondents were of an appropriate age. The majority of respondents with bachelor's and master's degrees had outstanding knowledge of impulsive shopping. The demographic profile also explained that 82% of the respondents were seeking general fashion stores, while the remaining respondents were looking for designer fashion shops. It also shows that 55% of respondents were medium-level income respondents, 35% were of low income and 10 were high-level income people.

4.2 Descriptive Statistics

Descriptive statistics were used to explain each variable by mean, and standard deviation (Black, 2011). The purpose of descriptive statistical analysis is to summarize information from the data collected for each variable (Zikmund, 2003). This section details the analysis
of quantitative variables. The two basic descriptive statistics including the mean and the standard deviation have been analyzed in this section.

The descriptive analysis of different constructs is shown in the table below:

Table 2 *Descriptive Analysis of Situational, Personal, and Impulsive Buying Behaviour Constructs of Youth Generation Consumers in Fashion Retail*

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situational Factors</td>
<td>3.216</td>
<td>1.040</td>
</tr>
<tr>
<td>Personal Factors</td>
<td>3.581</td>
<td>1.148</td>
</tr>
<tr>
<td>Impulsive Buying Factors</td>
<td>3.544</td>
<td>1.004</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>3.447</td>
<td>1.064</td>
</tr>
</tbody>
</table>

Table 2 shows that the mean scores of the composite values of the mean in this study were between 3.216 and 3.581, which means that the respondents have average scores on most composite variables. The composite variables' standard deviations ranged from 1.004 to 1.148. These factors show that almost all respondents agree with the nature of situational and personal constructs.

### 4.3 Correlation Analysis

The strength of linear connections between independent and dependent constructs was determined using Pearson's correlation coefficients. The association might be extremely strong, strong, moderate, weak, and very weak. It could also be favorable or negative. Regarding the strength of the link, the correlation coefficient value varies from +1 to -1. Table 3 displays correlation analysis.

Table 3 *Correlation Analysis of Impulsive Buying Behavior of Youth Generation Consumers in Fashion Retail with Situational and Personal Factors*

<table>
<thead>
<tr>
<th>Situational and Personal Factors</th>
<th>Impulsive Buying Behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situational Factor</td>
<td>Pearson Correlation .817**</td>
</tr>
<tr>
<td></td>
<td>Sig. 0.000</td>
</tr>
<tr>
<td>Personal Factor</td>
<td>Pearson Correlation .825**</td>
</tr>
<tr>
<td></td>
<td>Sig. 0.000</td>
</tr>
</tbody>
</table>

The situational component in Table 3 and the impulsive purchasing patterns of Youth Generation customers in fashion retail have a 0.817 correlation coefficient. This indicates a strong positive association between the impulsive purchasing behavior of young customers in fashion retail and situational variables. Their equivalent p-value, which is smaller than alpha 0.01, is 0.000. So there is a correlation between situational elements and the impulsive purchasing behavior of Youth Generation customers in fashion retail.
The correlation coefficient between the impulsive buying behavior of Youth Generation consumers in fashion retail and personal factor is 0.825. It means impulsive buying behavior of Youth consumers in fashion retail has also a strong positive correlation with personal factor. Their corresponding p-value is 0.000 which is less than alpha 0.01. Therefore there is a positive relationship between the impulsive buying behavior of Youth Generation consumers in fashion retails and personal factors. Pallikkara, Pinto, Hawaldar, and Pinto (2021) also reported a significant relationship between variables of store ambiance.

4.4 Regression Analysis

The findings of normality, linearity, multicollinearity, and error independence were used to test the regression assumptions before doing the regression analysis. Regression analysis was used to analyze the impact of the cause variable and the result variable. Table 4 demonstrates it.

Table 4 Regression Analysis of Situational and Personal Factors on Impulsive Buying Behavior of Youth Generation Consumers in Fashion Retails

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Unstandardized Coefficient Beta</th>
<th>Std. Error</th>
<th>Standardized Coefficient Beta</th>
<th>t-test</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.745</td>
<td>0.920</td>
<td>2.985</td>
<td>0.003</td>
<td></td>
</tr>
<tr>
<td>Situational Factor</td>
<td>0.622</td>
<td>0.049</td>
<td>0.633</td>
<td>12.676</td>
<td>0.000</td>
</tr>
<tr>
<td>Personal Factor</td>
<td>0.265</td>
<td>0.055</td>
<td>0.240</td>
<td>4.810</td>
<td>0.600</td>
</tr>
</tbody>
</table>

A Dependent Variable: Y Generation Consumers' behaviour in Fashion Retails

R = 0.832; R² = 0.793; Adj. R² = 0.787; S. E. = 0.352; F-value = 332.141

Table 4 demonstrates the F-value and p-value of the regression model were 332.141 and 0.000, respectively which was significant at a 5% level of significance. So, the model became linear. R square of the model was 0.793, which means the model estimated 79% of 'Y' Generation consumer's behavior in fashion retail by situational and personal factors but the remaining 21% by other constructs.

The t-statistics value on situational factor is 12.676 and the coefficient beta is 0.622. The significant value of situational factors and impulsive buying behavior of 'Y' Generation consumers in fashion retail is 0.000 which is less than 0.05. Thus, hypothesis 1 shows a significant relationship between the impulsive buying behavior of Youth consumers in fashion retail and situational factors. So, hypothesis 1 was supported. Husnain, Rehman, Syed, and Akhtar (2018) revealed that situational variables have a considerable influence on impulsive purchasing behavior in a developing environment, in Pakistan.
However, the t-statistics value on personal factor is 4.810 and the coefficient beta is 0.265. The significant value of personal factors and impulsive buying behavior of Youth Generation consumers in fashion retail is 0.600 which is greater than 0.05. Thus, hypothesis 2 shows the insignificant relationship between the impulsive buying behavior of Youth Generation consumers in fashion retail and personal factors was rejected.

5. Conclusion
The effectiveness of in-store stimuli in generating extra sales is important to retailers since it aids in differentiating their shop from the products offered by rivals. The study examines the variables that affect Youth Generation shoppers' impulsive purchasing decisions in fashion stores. Youth customers' impulsive shopping habits in the fashion retail sector were well-positioned at the time, but attention needed to be paid to the situational environment issues. The greatest mean of situational factors on financial availability was examined in the same way as the descriptive statistics of situational factors. According to an analysis of the descriptive data, the highest mean of the personal factors and based on the factor moods, the lowest mean was discovered. The results of a correlation analysis also revealed a high correlation between situational and personal factors and the impulsive shopping habits of young customers in the fashion retail sector. Additionally, multiple regression analysis demonstrated a significant relationship between 'Y' Generation consumers' impulsive shopping behavior and situational factors, but an insignificant relationship between their impulsive shopping behavior and personal factors. Customer behavior varies based on a store's reputation, product variety, pricing, level of trust, and website usability (Sah, 2021). So, the research on impulsive purchases is more necessary in developing countries than in developed ones because of recent developments in the retailing sector.

6. Limitations and Future Scope
The main contribution of the present research work is to explore the factors influencing impulsive buying behavior among Youth consumers in fashion retail. Since the scope of this study was limited to Youth consumers, more research should be conducted on the national and other international levels of other age group consumers to determine whether the results are different. The implication of the present research work will benefit both the micro and the macro level of impulsive buying behavior of Youth Generation consumers in fashion retail.

Customer reaction and buying behavior have an impact on the firms and the competitive environment has an impact on the implication of the public policy where, better understanding through cultural, social, personal, and psychological factors matters. Additionally, future researchers can include moderating factors and mediating factors to acquire something impulsively or pleasurable arousal. It will be fascinating to see whether future research do trials on certain stores and a chosen group of customers following their shopping visits.
7. References


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