

A CRITICAL REVIEW OF IN-STORE AND ONLINE
IMPULSE PURCHASE BEHAVIOR

By

AMNA SIRHINDI

Master of Business Administration

Oklahoma State University

Stillwater, Oklahoma

2010

Submitted to the Faculty of the
Graduate College of the
Oklahoma State University
in partial fulfillment of
the requirements for
the Degree of
MASTER OF SCIENCE
May, 2010

A CRITICAL REVIEW OF IN-STORE AND ONLINE IMPULSE PURCHASE
BEHAVIOR

Thesis Approved:

Dr. Ajay Sukhdial

Thesis Adviser

Dr. Stephen Miller

Dr. Kevin voss

Dr. A. Gordon Emslie

Dean of the Graduate College

ACKNOWLEDGMENTS

I want to thank my committee chair, Dr. Ajay Sukhdial, for his guidance and motivation throughout the complete process of my master's thesis work from the theme selection to review writing. I also want to thank Dr. Stephen J. Miller and Dr. Kevin Voss, my committee members for all their help during this process.

Turning ambitions into reality is quite easier when there are people who provide you constant support from sharing of knowledge, experiences and precious time to moral support. I thank all the persons who shared their knowledge, experiences and time with me, and provided me firm moral support in times of desperation as I compiled my paper. I extend my utmost appreciation and thanks to the professional and emotional endorsement of all these personalities. Particularly Dr. James G. Hromas, Director of International Education and Outreach, who has been a valued support in my studies through the Graduate Assistantship. I am also thankful to the staff of the School of International Studies and IE&O. It has been a very gratifying experience working and sometimes sharing laughs.

I also want to thank my parents who spent their lives to make me what I am today. They are the Key to my Success. Their continued prayers make me able to complete this project.

TABLE OF CONTENTS

Chapter	Page
1. INTRODUCTION	1
2. RELEVANT LITERATURE.....	4
Impulse Purchase	4
Categories of Impulsive Purchase	7
Factors that influence Impulse Buying	11
External Factors that Influence Impulse Buying	11
Internal Factors that Influence Impulse Buying.....	14
Impulse Buying on Internet	16
Encouraging and Discouraging Factors of Impulse Buying on Internet.....	19
Factors that encourage Impulse Buying on Internet	20
Factors that discourage Impulse Buying on Internet	23
3. DISCUSSION AND RECOMMENDATIONS FOR FURTHER RESEARCH.....	26
4. CONCLUSION.....	32
REFERENCES	33

LIST OF TABLES

Table	Page
1.....	25

LIST OF FIGURES

Figure	Page
1.....	6
2.....	6
3.....	18
4.....	19

CHAPTER 1

INTRODUCTION

Impulse purchase is defined as a spontaneous purchase, an item that a customer hadn't planned to buy when they began their shopping task. Previous research has classified impulse buying as a personal characteristic and consumers usually do impulse buying after they get a sudden unresisting urge in-store shopping to satisfy their impulsive desire to own the product (Piron,1991; Beatty and Ferrel,1998) .

Consumers buy products for all kinds of reasons that deem necessary, such as, to relieve a depressed mood, to express an identity, or simply for fun. Such non-rational purchases are known as impulse purchases. Impulse purchases represent a significant portion of sales in the brick and- mortar retail environment. Marketing and consumer researchers over the period of almost fifty years have tried to explain the concept of impulse buying in their own prospective, for which some research findings are discussed here.

Though impulsive buying is usually treated as a socially unaccepted phenomenon, this consumer behavior is widely spread around the world. Impulse buying has increased from 38.2 percent to 50.9 percent of the total purchase in supermarkets (Stern, 1962). In the late 1970s impulse purchases accounted for between 27 and 62 percent of purchases in department stores (Bellenger & Robertson, 1978). Abrahams (1997) mentioned that in the USA, impulse buying sales account for \$ 4 billion annually and make up 80 percent of all purchases from certain product categories.

The researchers and marketers recognized the importance of impulse purchasing in traditional brick-and-mortar stores almost fifty years ago and developed marketing strategies to increase sales and encourage an impulse purchase. Now with the growing acceptance of internet among the general public and the rapid growth of multi-channel retailing, consumers are constantly exposed to marketing stimuli that promote impulse purchasing.

The internet is becoming an important shopping channel with the growth rates exceeding all other forms of shopping (Brohan, 2007). As internet is becoming that alternative channel of shopping, researchers and marketers are exploring the new horizons of new marketing strategies along with a diversified target market. Shop.org, an online survey company, reported that in the USA alone, online retail sales in 2007 rose 21.8 percent to \$165.9 billion from 2006 (Internet retailer, 2008). Several researchers have studied the impulse buying and most of them focused on the factors or causes of impulse buying. Only a few researches have dealt with impulse buying on the Internet. First, online shoppers have been found to be more impulsive than non-shoppers (Donthu & Garcia 1999). Second, LaRose and Eastin (2002), has identified several features in Internet stores that encourage unregulated (including impulse) buying. There are few very recent studies that deal with factors of impulse buying online, although the researchers have conducted the surveys but only a few have successful results (Dawson & Kim, 2009). Impulse buying on the internet has enormous opportunity for further research as it has several aspects to it. For example online impulse buying in the context of multi-cultural environment, cross cultural impulse buying and increasing globalization has taken online impulse buying to a new level.

Stern (1962) wrote that impulse buying is synonymous with “unplanned buying” and defines it as “any purchase which a shopper makes but has not planned in advance.”

And this definition is can be found in the research of Cobb and Hoyer (1986) and Kollat & Willet, 1967).

The measure for impulse purchases is impulse buying tendency, it is “the degree to which an individual is likely to make unintended immediate, and unreflective purchases (e.g. impulse purchases)” (Weun et al, 1998, p.1124). In this paper, the terms “impulse buying” and “impulse purchase” are used interchangeably.

This paper critically reviews the factors that influence impulse buying in traditional brick-and-mortar store and the factors that influence online impulse buying and then compares those. First, this paper discusses the concept of impulse purchase as developed over a period of time by several researchers of marketing and psychology. Furthermore it talks about the four basic types of impulse buying and explains them with examples. Second, this paper tries to compare the factors that may influence offline and online impulse purchases, and finally it is an attempt to understand the possible dimensions of online impulse buying. It also talks about the importance of online impulse buying and its international aspect and emerging concepts of online marketing to increase impulse buying online.

CHAPTER 2

RELEVANT LITERATURE ON IMPULSE PURCHASE

Marketing researchers over the period of almost fifty years have tried to grasp the concept of impulse purchase behavior and defined impulse buying in their own prospective. Some of their research findings are discussed here.

IMPULSE PURCHASE IN BRICK-AND-MORTAR STORES

Stern (1962) wrote that impulse buying is synonymous with “unplanned buying” and defines it as “any purchase which a shopper makes but has not planned in advance.” And this definition is can be found in the research of Cobb and Hoyer (1986) and Kollat & Willet, (1967).

Later, researchers extended this definition further than a simple unplanned purchase and included an emotional element or an urge to make the purchase. Rook (1987, p. 191) defined impulse buying as “when a consumer experiences a sudden, often powerful and persistent urge to buy something immediately”. Beatty and Ferrell (1998, p. 170) extended Rook’s definition of impulse buying to “a sudden and immediate purchase with no pre-shopping intentions either to buy the specific product category or to fulfill a specific buying task. The behavior occurs after experiencing an urge to buy and it tends to be spontaneous and without a lot of reflection (i.e. it is “impulsive”). It does not include the purchase of a simple reminder item, which is an item that is simply out-of-stock at home.”

Piron (1991) has identified various dimensions of impulse purchases definitions. He conducted a thorough study of impulse purchasing literature and proposed a more specific and comprehensive definition for impulse buying that includes four components: it is unplanned, it is the result of an exposure to stimulus, it is decided "on-the-spot", and it involves an emotional and/or cognitive reaction. On the basis of Cobb and Hoyer(1986) and Rook and Fisher(1995), Hausman(2000) states that the impulsive purchasing behavior is a mystery in marketing and this is a behavior, that in literature is named as deviation from standard, which explains a big sale of different goods every year. No matter how defined, impulse buying refers to a distinctive type of an unplanned purchase, and the fact that impulse purchase is unplanned is consistent with all definitions of impulse buying. Therefore, all impulse purchases can be categorized as unplanned purchases, but not all unplanned purchases can be labeled as impulse purchases.

At present economic circumstances where consumer spending has declined according to the various surveys, a poll of adult women conducted for the November issue of ShopSmart Magazine (published by Consumer Reports) elicits that impulse buying is not strongly affected by recession.

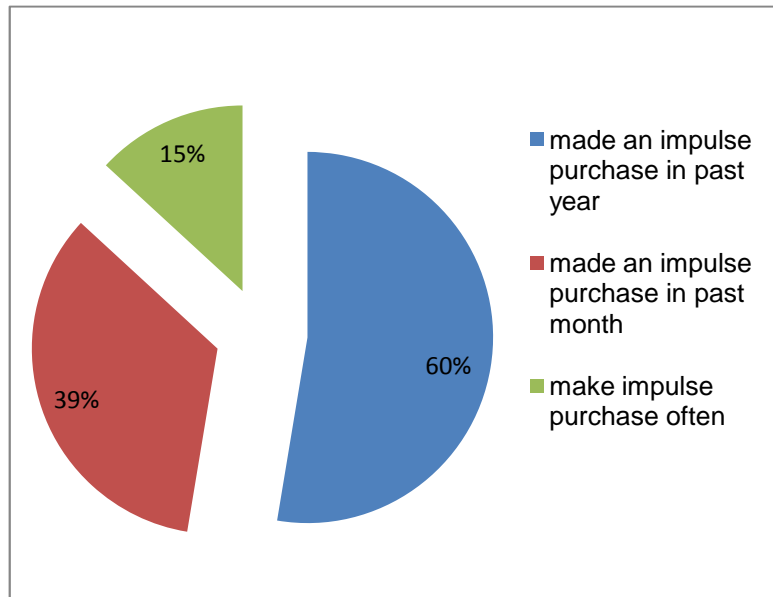


Figure 1: Frequency of impulse purchase

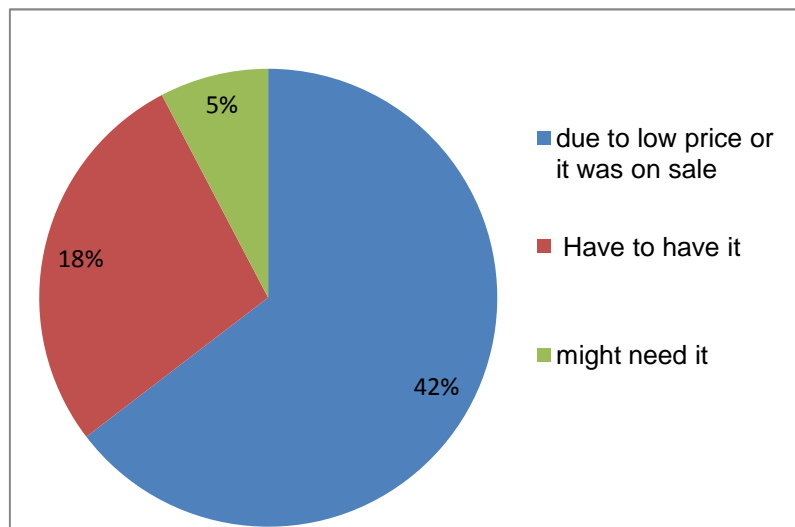


Figure 2: reasons of impulse purchase

According to the research sixty percent of the women surveyed confessed they have bought something on a whim in the past year, including thirty-nine percent who have made an impulse buy within the month of October 2009. 15 percent said they often buy things on impulse as shown in the figure -1, while the average price tag on the respondent's most recent impulse purchase was \$108.

Stern (1962) found that products bought on impulse are usually cheap. Therefore, the desire to economize often gives momentum to impulse purchases. Forty-two percent of respondents said they made their most recent impulse buy "because it was a great price or it was on sale." The other major factor what ShopSmart calls the "irresistibility" factor: eighteen percent of respondents said they made their most recent impulse purchase because they "had to have it." As shown in the figure-2 another five percent bought something on impulse because "they might need it someday." (Mark Dolliver- 2009).

Impulse purchases represent a significant portion of sales in the brick and-mortar retail environment. Though impulsive buying is usually treated as a socially unaccepted phenomenon, this consumer behavior is widely spread around the world. Abrahams (1997) mentioned that in the USA , impulse buying sales account for \$ 4 billion annually and make up 80 percent of all purchases from certain product categories.

The researchers and marketers recognized the importance of impulse purchasing in traditional brick-and-mortar stores almost fifty years ago and developed marketing strategies to increase sales and encourage an impulse purchase. Now with advent and the growing acceptance of internet among the general public, and the rapid growth of multi-channel retailing, consumers are constantly exposed to marketing stimuli that promotes impulse purchasing. As internet is becoming an alternative channel of shopping, researchers and marketers are exploring the new horizons of new marketing strategies along with a diversified target market.

CATEGORIES OF IMPULSE PURCHASES

Stern's (1962) contribution is quite significant, because even in this modern era most researchers use his concept of impulse purchases as a starting point He identified

four classifications of impulse buying: pure impulse buying, reminder impulse buying; suggestion impulse buying and planned impulse buying (Miller, 2002; Stern, 1962).

Pure impulse buying is truly buying on impulse where the purchase is outside of the normal purchase behavior and is initiated by emotional appeal. For example, a consumer who rarely buys gums and candies sees a new gum with attractive packaging at the checkout while waiting in line at the grocery store and desires it based on the packaging or new flavor. In this case, the purchase of the gum is considered pure impulse because it is outside of the normal purchase behavior and it satisfies an immediate desire initiated by an emotional appeal.

Reminder impulse buying occurs when a when a consumer sees an item or recalls an advertisement or other information and remembers that the stock at home is low. In reminder impulse buying, the consumer knows the product's features before being exposed to the product as a result of prior experience through a past purchase or exposure to advertising. For example, a consumer is in the laundry detergent aisle buying detergent and notices the fabric softener. This visual cue provides a reminder that the consumer is low on fabric softener at home which results in the purchase of the fabric softener. Although this purchase fulfills an immediate need, it is not a pure impulse purchase because the consumer purchases this product on a regular basis and has prior product knowledge about the features of the product. In contrast, in a pure impulse purchase, the item is not something that the user normally purchases or planned to purchase.

Suggestion impulse buying occurs when the consumer sees the product, visualizes the need or application for it, and decides that he/she needs it. In this case, the consumer is not aware of features of the product and must learn about it based on the display, packaging, or product itself. Buying the suggestion impulse item fulfills the

desire for the product immediately even though use or consumption of the product may be delayed. An example of this is a consumer who sees a plastic lemon squeezer for the first time in the grocery store. The lemon squeezer is a nice looking, colorful piece of plastic with instructions. The display unit is located next to the lemon in the produce department and includes full-color pictures with step-by-step directions. If this item is purchased because it appeals to the shopper since it will be much easier and faster than squeezing the lemon by hand, thus purchase of the lemon squeezer is a suggestion impulse purchase. The use of the lemon squeezer is delayed at minimum until the consumer arrives in the kitchen and could be delayed indefinitely to the next time the consumer is required to prepare anything with lemon juice. This is not a pure impulse purchase because the user has a rational or functional purpose for the item, while during the pure impulse buying the user is satisfying an emotional desire. This is not reminder impulse buying because the consumer does not regularly buy the item. The consumer made this decision upon being exposed to the item, its display, and instructions for the first time and visualizing an application for it.

Planned impulse buying takes place when the consumer makes specific purchase decisions on the basis of price specials, coupons offers and the like. The consumer is in the store to buy specific items on their list, but they will make “planned” impulse purchases based on specials and sale prices. For example, a consumer is in the store to buy milk, eggs and bread. That is all that is on their shopping list. On the way to the checkout they notice a display where a particular cereal is on sale. The consumer knows that his/her children eat that cereal every morning for breakfast and the family consumes more than one box per month. The consumer also knows that he/she has a full box at home because he/she purchased one last week. Regardless, the consumer adds a box of cereal to the shopping cart. The planned impulse purchase is

distinguished from the three other impulse purchase categories because the product is not

filling an immediate need or desire since the consumer is buying based on price. This purchase is not pure impulse because the item is not outside of the normal purchase behavior. This purchase is not considered a reminder purchase because the consumer is not buying the product simply because he/she was reminded of the product in the store; he/she does not really need the cereal immediately. The consumer is buying cereal because it is on sale. This purchase is not a suggestion impulse item since the consumer was already aware of the product and knows how the product is used. The purchase of cereal is a planned impulse purchase since the consumer did not plan to buy cereal, she/he is not out of them yet at home, but they are a regular item on the shopping list and she/he knew she/he would be buying the cereal at a later date at the regular price when the current home stock is used up.

Any of these categories of impulse buying could occur in the online retail environment. For example, a girl goes to the CHI hair product web site to purchase a hair dryer but could be enticed to buy additional items on pure impulse or as a reminder, suggestion or planned impulse. The impulse purchase category is dependent on the consumer's prior knowledge about the product, intentions when starting the shopping trip, exposure to stimuli and emotional appeal. If the girl is presented with an offer for a type of hair spray that is recommended for her hair type, she may buy the hair spray on pure impulse. This is considered pure impulse because this girl does not typically purchase hair spray. Consider the girl who notices an offer for hair conditioner and is reminded that she is low on conditioner and decides to purchase it. This is an example of a reminder purchase. A suggestion impulse purchase could occur when the girl sees an ad for 'hair iron' that allows the girl to make her hair straight and shiny. This is a suggestion impulse purchase because the girl has no prior product knowledge and is buying the item based on the picture and visual display. A planned impulse purchase could occur if the customer is offered a discount on a hair iron for buying a hair dryer

and decides to buy both instead of one. Although the shopper initially intended to buy a hair dryer, the special price for multiple units provided incentive to make a planned impulse purchase. These examples demonstrate that each of the four impulse categories could have some role in the online retail environment.

FACTORS THAT INFLUENCE IMPULSE BUYING

Most of the studies related to impulse buying directly or indirectly studied the causes of an impulse purchase. Hodge (2004) discussed Stern's (1962) nine factors that influence the impulse purchase in traditional brick-and-mortar stores: low prices, mass distribution, self-service, mass advertising, prominent store displays, low marginal need for an item, short product life, smaller sizes or lightweight, and ease of storage. These factors have one thing in common; they are all associated with the ease of making a purchase and these all are external factors which can influence the impulse buying. In current market situation where market competition is high and all type of companies apply promotion in their activities, stimulation of impulse purchasing in the market of consumer goods may become a strong competitive advantage. Market specialists may increase goods sales and stimulate consumers to buy impulsively by manipulating different factors that influence the consumer behavior of impulsiveness. Based on the previous studies there are two basic types of variables that can cause an impulse purchase, external factors and internal factors.

External factors of impulse buying

External factors refer to marketing stimuli or product features that are controlled and placed by marketers in attempt to entice the consumer to make a purchase (Dawson & Kim, 2009). These factors can also be explained as product related factors and shopping environment related factors.

Product-related factors

Some products have been found to be more vulnerable to an impulse purchase. In 1962, Stern suggested that those products with a low price, short product life, small size and ease of storage, will be more likely to be bought on impulse.

- *Low price*

The consumer can buy the product due to reduced price or sales promotions and “dollar store phenomenon” can persuade an unplanned purchase where everything is ‘only \$1’ but the total bill usually exceeds the amount a consumer would spend in an equivalent store when they enter with the same specific shopping goals in mind. This indicates that consumers prefer to buy low-price things on impulse (Thaler, 1985, 1999).

- *The marginal need of a product*

This refers to the degree that the consumer needs a particular product. For example; bread, milk and eggs have a high marginal need, therefore, the purchase of these items is usually planned while the products with low marginal need are more likely to be planned, and become impulse purchases. For example; magazines, gum and chocolate bars are rarely included on a shopping list. (Hodge, 2004)

- *Short Product Life*

Products that have short shelf life or are consumed quickly have short product buying cycle. The high frequency of purchasing such products decreases the shoppers need to plan for it, therefore, consumers usually depend on encountering the product in the store and buying those on impulse (Stern, 1962). For example, a mother that loyally shops for groceries weekly at one grocery store knows that her family consumes two packs of cream cheese per week. In this case, although the consumer intends to buy cream cheese, she does not put it on her shopping list; instead when she reaches the

open concept refrigerator to buy butter, she adds the cream cheese to her cart. Therefore, the shorter life of the product results in a reduced sensitivity to making the purchase because the consumer makes it so often.

- *Small Size and light weight*

Products with small size and light weight are more likely to be purchased on impulse, whereas, the large or heavy items discourage impulse purchases. For example, there are more chances that a consumer buys apparels, gum, chocolate bar, juice or shoes on impulse rather than a television or computer because such items require additional effort, which discourages the purchase of heavy and large items on impulse.

Shopping-environment related factors

- *Mass Advertising*

Mass advertising leads to impulse buying because it creates and enhances consumer knowledge about the product or brand which increases the chances of the product being recognized and chosen on impulse by the consumer (Kotler, 1991). For example, a person who does not normally buy or drink the energy drink purchases a Red Bull energy drink when walking through a store as a result of being reminded of an advertisement with young people feeling energetic, and looking fresh drinking the product. This purchase is considered an impulse purchase because it was not preplanned.

- *Prominent display*

According to the definition of impulse purchase consumers are not looking for an impulse purchase item, therefore, the store display must be prominent and eye-catching so the consumer notices the product (Desmet & Renaudin, 1998). However, consumers are becoming more immune to such kinds of prominent displays since they are exposed to impulse offers on a regular basis. The marketers need to be more sophisticated in

terms of new strategies of product display because in today's world prominent display of many products has become easier which increased the competition in the market.

- *Self-service counters*

Self-service counters are more likely to direct an impulse purchase than clerk-serviced counters because consumers can shop quickly with more freedom to look at, touch and read the product display. For example, the envelopes and boxes in post office are usually displayed in a way so that consumer can pick any of the product, because these products are not behind the counter there are more chances that consumers look at the colorful envelop and purchase on impulse while they wait for their turn in the queue. However, if the envelopes and boxes are behind the counter, the consumer has to wait till the post office clerk is free to help them. With self-service counters shoppers are not rushed, restricted or delayed as a result of clerk's availability (J. lee et al, 2001)

- *Mass distribution*

The availability of the product is one of the main factors that can influence the impulse purchase. The product is more likely to be purchased on impulse if the item is readily available whenever the consumer does choose to purchase the item. Chocolate bars are available in almost all grocery stores, gas stations and convenience stores. The underlying principle in mass distribution is that the more times and places the product is available to consumers, the more likely they are to see it, find it and buy it.

Internal factors of impulse buying

Internal factors focus on the individual, this section examines the internal cues and characteristics of the individual that make them engage in impulse buying behavior. Internal factors involve a consumer's personality traits which determine the degree of their impulse-buying tendency (IBT) and this section also discusses the situational factors.

- *Person related factors*

Existing research on impulse buying explains that impulsiveness is a trait. The origins of this point of view are in psychology, as it is stated that a person's general impulsivity is seen as affecting also impulse purchases. The basic assumption behind these studies is that individuals vary in their tendency to buy on impulse. Impulse buying tendency is defined as the "degree to which an individual is likely to make unintended, immediate and unreflective purchases" (Jones et al. 2003, p. 506).

Marketing researchers have suggested that consumer personality traits can illustrate impulsive behavior more than other factors (Beatty and Ferrell, 1998; Rook and Fisher, 1995; Weun et al, 1998; Dawson & Kim, 2009). Researchers also found that IBT was linked to a personality trait "lack of control" where impulse buyers lack the cognitive control of not purchasing on impulse and consumers with higher IBT were more likely to be affected by marketing stimuli such as promotional gift, advertisement and visual elements thus engaging in in-store browsing and tend to show impulsive buying behavior. Rook and fisher (1995, p 306) describe normative evaluations as "consumers' judgment about the appropriateness of making an impulsive purchase in a particular buying situation". People tend to have negative views about impulse buying in general such as viewing impulsive buying behavior as "irrational, immature, wasteful and risky" (Rook and fisher 1995, p 306). However, the majority of consumers did not find that their impulse buying was inappropriate behavior and did not judge it to be wrong (Hausman, 2000). Rook and Fisher found that consumers engage in impulse buying only when they feel it is appropriate. Consumer's impulse tendencies were very low when they believe impulse buying is socially inappropriate.

- *Situation related factors*

There are some situational factors which may affect the decision of impulse buying. For example, the more perceived money and time available the consumer has, the more likely an impulse purchase is (Beatty and Ferrell, 1998). Also, the availability of the space in the house to place the new item, for example if consumer does not have enough space in the kitchen cabinets to place the item, he/she does not buy the item even it is on sale. Other situational variables are availability of credit or the consumer being confirmed with a too good a bargain to pass up have been described as a part of the impulse buying experience (Dittmar & Drury 2000; Dawson & Kim, 2009).

IMPULSE BUYING ON INTERNET

The internet is becoming an alternative impulse channel serving as a convenient shopping channel where each store is just few clicks away. As the acceptance of internet as a shopping channel is increasing, the researchers are now studying different aspects of impulse buying and strategies to encourage impulse purchases on the internet. Internet allows consumers to shop at their free time, offering 24 hours/ 7 days a week shopping and shopping in the comfort of their own home (Phau and Lo, 2004). The increased convenience of online shopping compared to a brick and-mortar store is beneficial to many shoppers that may also encourage impulse buying.

As internet is a now available everywhere, the number of shoppers from all over the world is increasing on a fast pace and the existence of the websites, which operate around the world, such as Amazon.com and eBay.com. Impulse buying on the internet is now a global phenomenon. In 2003, the growth rate for online business to consumer retail sales in the United States was 26% (The Economist 2004, 3). One contributing reason for the growth of international shopping is the current weak US dollar. Foreign

consumers can buy US brands at a lower price than before according to pricerunner, an online comparison website. Visits to US retail websites by British shoppers increased by 92 percent in 2007 due to the looming dollar (Crosby, 2007).

The internet is becoming an important shopping channel with the growth rates exceeding all other forms of shopping (Brohan, 2007). Shop.org, an online survey company, reported that in USA alone online retail sales in 2007 rose 21.8 percent to \$165.9 billion from 2006 (Internet retailer, 2008). For overall e-commerce sales, Forrester research (2004) forecasted sales to reach US \$6.8 trillion by 2004; North America 50.9 percent, Asia/Pacific 24.3 percent, Europe 22.6 percent and Latin America 1.2 percent. Given the rapid growth and the characteristics of the online shopping that promote impulse buying, impulse buying is likely to be prevalent in online shopping. Impulse buying is even more likely for online apparel shopping because apparel is frequently purchased on impulse (Bellenger et al, 1978)It is one of the most popular categories sold online (DesMarteau, 2004).

Several researchers have studied the online impulse buying and most of them focused on the factors or causes of impulse buying on the internet. Only a few researches have dealt with impulse buying on the internet. First, online shoppers have been found to be more impulsive than non-shoppers (Donthu & Garcia 1999). Second, LaRose and Eastin (2002), has identified several features in internet stores that encourage unregulated (including impulse) buying. For example, product suggestions, point programs, on sale notices, and repeat purchase reminders, among others, were suggested to decrease consumer self-regulation while in an online store, and increase unregulated buying. According to LaRose and Eastin (2002), forms of unregulated consumer behavior, including impulsive, compulsive, and addictive buying, are present on the internet, at least among college students. In addition, Costa and Laran (2003) have modeled quantitatively the experiences and consequences of internet impulse buying, suggesting

that online environment affects the level of impulsiveness, in-store browsing and the occurrence of impulse purchases, as well as a relationship between impulse purchases and positive emotions. Also, Adelaar et al. (2003) made an experiment on the effect of different media formats on an internet site (text, pictures, and video) on impulse purchase intentions. Koski (2004) focused on the causes of impulse buying on the internet, that included product related and person related reasons, most recently Dawson & Kim (2009) have studied about the trigger cues of impulse buying online and revised the CIFE (Consumption impulse-buying enactment) model for impulse buying (Dholakia, 2000).

Conventionally, online shopping has been seen as a coherent behavior, where efficiency, price comparisons and information search play a significant role. The researchers have acknowledged that consumer online behavior is much more versatile than the rational approach assumes. Moe (2003) proposed that impulse buys may occur more as a part of hedonic browsing shopping strategy. The following are the different online shopping strategies defined by Moe (2003).

Search behavior		
Purchasing horizon	Directed	Exploratory
Immediate	DIRECTED BUYING	HEDONIC BROWSING
Future	SEARCH/DELIBERATION	KNOWLEDGE BUILDING

Figure 3: Moe's hedonic browsing strategies

Source: Nina Koski (2004)

Moe (2003) explained that hedonic browsing consists of exploratory search behavior and of an instant purchasing horizon. In exploratory search behavior, the consumer is less conscious and focused as compared to a directed search, in which the consumer has a

specific purchase in mind. The search process is more stimulus-driven than goal-driven. Therefore, if faced the right type of stimuli, the consumer might end up doing an impulse purchase. While in knowledge building strategy the purchase is postponed to the future, in hedonic browsing the possible purchase is made immediately.

FACTORS ENCOURAGING AND DISCOURAGING IMPULSE BUYING ON INTERNET

Few researchers have studied the factors of online impulse purchase. Hodge (2004) explained the factors that influence impulse purchase in brick-and-mortar stores and analyzed the same factors in online shopping environment. The main limitation of this study was that she focused the marketing strategies of brick-and-mortar store and in her experiment she implemented the same in an online store. This was a limitation because for brick-and-mortar stores marketers usually have an idea about the characteristics of target market while in the online shopping environment the consumer's characteristics may not be the same because most of the online stores allow international shoppers. Koski (2004) discussed the factors that may encourage or discourage the online impulse buying in a comprehensive manner. The following are those encouraging and discouraging factors with some additional factors and explanations.

Figure 4:
Discouraging
Impulse buying
*Factors
author

Factors

Factors encouraging online impulse buying	Factors discouraging online impulse buying
Anonymity	Delayed gratification
Easy access	Increased consumer control
Greater Variety of goods available	Perceptually poor environment
Marketing promotions and direct marketing	Easy access
Use of credit card	Price and product comparisons
Shipping Services	Other stores are a click away
Relatively low prices	
Comprehensive information about product	

Encouraging and
Factors in Online
contributed by

encouraging online impulse buying

After analyzing the literature on impulse buying, five features of the internet as a shopping environment were identified that encourage impulse buying, anonymity, easy access, greater variety of goods available, marketing promotions and direct marketing and a few more that we have added based on my personal experience of online shopping.

- *Anonymity*

Shopping online is a more private experience than shopping in a mall or in a traditional brick-and-mortar store. Therefore, consumers have also the anonymity to visit stores or purchase any item they might be embarrassed of when shopping offline. According to few researchers (Koufaris 2002, 210; Rook & Fisher 1995, 312) this availability of anonymity influences also impulse buying. Due to the complete secrecy on the Internet, consumers can indulge in such impulse buying that otherwise would be

considered embarrassing offline. Therefore, the anonymity offered by the Internet can be considered as a factor encouraging impulse purchases.

- *Easy Access*

It is easy to access the online store as compared to the brick-and-mortar stores, The internet offers relatively easy access for the consumer to buy products. As shopping in the offline environment has some limitation to it, such as, time limitation (opening hours) and geographical location, on the World Wide Web consumers can buy at any time from almost anywhere in the world. As a result, the consumer can buy when the shopping urge comes. This has been seen as possibly increasing the amount of impulse purchases (Burton 2002, 804; Koufaris 2002, 210).

In addition, the easiness of access is related to the relative cost of visiting a store. In the physical shopping environment, visiting a store requires the costs of getting to the store, including costs for using the car or other types of transportation, costs of parking etc. However, it is usually costless or nearly costless for the consumer to visit an online store site (Moe & Fader 2004). Therefore, it may be more likely that consumers visit an online store without any intention of buying (Moe & Fader 2004). Furthermore, the actual purchase process on the internet is fairly simple, only a few clicks away.

- *Greater Variety of goods available*

Since online stores do not have to have physical inventory of goods in store, they have more space to display the image of the product. Internet stores offer a greater variety of products for the consumer than is impossible to offer in an offline store. According to a study on impulsiveness and clothing purchases, a greater variety of products seems to be an important factor for impulse purchasers (Chen-Yu & Seock 2002, 74).

In addition, it has been suggested that the complexity dimension of information load has the potential to induce an impulse purchase on the internet (Huang 2000, 344). It can be expected that a larger variety of products creates a more complex information load for the consumer, therefore, encouraging impulse buying.

- *Marketing promotions and direct marketing*

The internet offers more opportunities for the retailer to target more specifically certain customers with direct marketing and with more personalized promotions (e.g. by sending an e-mail suggesting certain new items based on the purchase history of the customer). In addition, the consumer can face a banner ad and be immediately transported to the site selling the product. It has been suggested that this might increase impulse buying (Koufaris 2002, 210; Koufaris et al. 2002, 117). However, at the same time consumers are more in control of what marketing messages they see, so the effect of the increased possibilities of marketing promotions and direct marketing on impulse buying is still controversial.

- *Use of a credit card*

During online shopping the payment is usually made with non-cash, i.e. with a credit or debit card or money transfer. In research on impulse buying, the availability and use of credit cards has been seen as encouraging impulse buying. As Dittmar & Drury (2000, 131) point out, payments by credit card do not really feel like spending money. Therefore, the large ratio of credit card purchases made online can be considered as a factor increasing susceptibility to impulse buying on the internet.

- *Shipping Services*

Some internet retailers offer shipping services that makes the online purchase convenient. Several internet retailers offer free shipping for example zappos.com and

Overstock.com, some offer a fixed shipping rate no matter how many items a consumer buys in one transaction; such offers may encourage the impulse purchase.

- *Relatively low prices*

Online prices are usually lower than the traditional brick-and-mortar stores because most of the internet retailers do not collect sales tax from the customer. That makes the price of product lower than offline stores thus may lead towards an impulse buying decision. If the customer is from the same state where internet retailer has its office, then the retailer must collect the tax.

- *Comprehensive information about product*

During online purchase, consumers are provided with detailed information regarding the material used in the product before making the final decision, such as, medicines and apparel. When consumers get complete knowledge about the item, he/she can think of a new use of the product, therefore, making an impulse purchase.

Factors discouraging impulse buying on the Internet

Five features of online shopping environment were identified as discouraging impulse buying – delayed gratification, easy access, increased consumer control, perceptually poor environment, and price and product comparisons.

- *Delayed gratification*

During online purchase, consumers will have to wait for the delivery of their purchases when buying online, except for downloadable electronic products, In other words, the products are less temporally proximate to the consumer than in the offline shopping environment. However, the more immediately available the reward is, the more

desire consumers have for it (Hoch & Loewenstein 1991, 497). Therefore, it has been suggested that the time lapse in buying and receiving the product may discourage impulse buying in shopping channels such as the internet (see e.g. Bayley & Nancarrow 1998, 107).

On the other hand, it still remains somewhat unclear which is more rewarding in impulse purchasing, the acquisition of the actual product or the shopping process. In clinical psychological view, it is more the shopping process and spending money than products that create thrills for the compulsive and addictive shoppers (see e.g. O'Guinn & Faber 1989). According to Dittmar & Drury (2000), also impulse shoppers can value the purchase process along with products purchased. Therefore, also online impulse buying can give immediate gratification if the consumer receives satisfaction from the purchase process itself.

- *Easy access*

The cost of visiting an online store is low, and therefore also returning to the store is easy. This encourages the consumer to delay the purchase decision, resulting in making multiple visits to the same store for a single purchasing decision (Moe & Fader 2004). In other words, it is easy for consumers to come back to the web store and to complete the transaction after they have had time to think about it (Wolfenbarger & Gilly 2001, 39). If the consumer has delayed the purchasing decision and considered whether or not to buy, the possible purchase made can no longer be classified as an impulse purchase.

- *Increased consumer control*

It has been suggested that when online, consumers have more control than when offline (see e.g. Koufaris et al. 2002, 117; Weinberg 2001, 228; Wolfenbarger & Gilly 2001). According to Koufaris et al. (2002, 117) "on-line customers have unprecedented control over what they see and do". For example, in a web store,

consumers can select which product information to view, and as a result, control what information they receive. Also the exposure to advertising and marketing communications can be controlled to some extent (e.g. pop-up blocking software, filtering advertisements as junk mail when receiving e-mail). Impulse buying, on the other hand, has been presented as an exemplary case of being out of control (Rook 1987, 191; Thompson et al. 1990, 354) and being a result of consumer self-control failure (Baumeister 2002). Therefore, the increased consumer control online may have a discouraging effect on impulse buying on the internet.

- *Price & product comparisons*

The competitors in internet shopping environment are only few clicks away from each other, therefore it is easy for the consumer to go more than one web store at the same time and compare the product, price and other significant elements. This ability created by the internet – to search more products, services and information – may lead to longer purchasing decisions and rational thinking, thus discouraging impulse purchases (Koufaris et al. 2002, 117).

CHAPTER 3

DISCUSSION AND RECOMMENDATIONS FOR FURTHER RESEARCH

There are some similar factors that influence the impulse buying in traditional brick-and-mortar stores and online impulse purchase but it is very interesting that these factors affect both shopping channels in a different manner. The table below discusses how the same factors may affect online and in-store shopping in different ways.

Factors Influencing Impulse Buying	Brick-and-Mortar Store	Online Shopping environment	Authors
Anonymity	**There is a limited amount of anonymity in brick-and-mortar stores. For example, if the customer makes payment in cash. Offline stores do not provide complete anonymity because consumers are not alone in store at the time of transaction.	Online shopping environment provides more privacy than traditional offline stores from a social aspect, because consumers have access to this market from their house. In this case, if consumer is online nobody sees him/her while making the transaction. ** However, most of the times customers have to provide detailed personal information including the credit card number for online transactions.	Koufaris 2002; Rook and Fisher 1995.
Easy Access	The shopping in traditional stores is constrained by hours of operations, geographical location, and availability of conveyance.	The internet is available 24 hours 7 days a week. Therefore, for online shopper it is easy to make impulse purchase because the online stores are open when the shopping urge comes. Also, the purchase of an item is just a few clicks away.	Koufaris 2002; Rook and Fisher 1995; Moe & Fader, 2004.

Factors Influencing Impulse Buying	Brick-and-Mortar Store	Online Shopping environment	Authors
Greater variety of goods	<p>** Traditional brick-and-mortar stores have a limited variety of each product mainly because it increases the cost of logistics and requires more physical space on the shelves. Therefore consumers have a limited variety to select from, which may decrease the chance of impulse purchase.</p>	<p>Greater variety of products is an important factor in impulsive consumer behavior.</p> <p>**Online stores offer greater variety of products as compared to offline stores because images do not require physical space and cyberspace is cost effective as compared to physical space.</p>	Chen-Yu & Seock 2002; Huang 2000.
Marketing Promotions and direct marketing	<p>**Brick-and-Mortar stores have very direct approach to increase impulse buying, such as colorful displays, end of aisle displays, sales announcements, Promotional brochures, etc. In these marketing techniques marketers have the control of information. For example, in super markets as customers go through the aisle they look at the end of aisle displays and may get attracted which may lead them to make an impulse purchase.</p>	<p>** Internet offers unlimited and vast opportunity for direct and more personalized marketing. The most common techniques for online marketing are embedded banners, use of pop-up windows to highlight a sales event and highly personalized promotional emails.</p> <p>**Although these techniques are more direct and focused, customers have complete control on the information they get. For example, now a lot of people use special softwares to block pop-ups and use junk control on their emails.</p>	Koufaris 2002.
Use of a Credit Card	<p>Credit cards facilitate the transactions and increase the chance of impulse purchase because the consumers do not have to worry about the availability of cash while shopping in traditional offline stores.</p>	<p>Dittmar & Drury (2000, 131) mentioned that payments made by credit card do not really feel like spending money. Therefore, the large ratio of credit card purchases made online can be considered as a factor increasing vulnerability to impulse purchase on the internet.</p>	Dittmar & Drury 2000; Rook and Fisher 1995.

Factors Influencing Impulse Buying	Brick-and-Mortar Store	Online Shopping environment	Authors
Small Size and Light Weight	In brick-and-mortar stores, customers are more likely to buy light weight and small products on impulse, because they do not have to put any extra effort to transport the product from store to home.	**The size and weight of the product does not matter during an online purchase because the customer does not have to deal with the complications of bringing the product home.	Hodge ,2004.
Self-service	Self-service counters are more likely to lead an impulse purchase because consumers can shop more quickly with more freedom to look at, touch and read the product display. The shopper does not have to depend on the sales person for every step of the purchase process.	**The entire process of an online purchase is self-service based, this provides the customers a sense of privacy and they are more likely to buy things on impulse without going through the normative evaluation process. However, it also makes the customer confused because there is no sales person to guide and help through the buying process.	J. Lee, 2001.
Mass Distribution	Customers are more likely to buy products on impulse which are available everywhere, because when customer chooses to buy the product, it is readily available.	** Internet is available around the world, which means that most of the internet retailers offer their products all over the world and whenever a customer decides to buy it, it is available. Therefore, the internet provides a better chance of impulse purchases.	Hodge ,2004.
*Shipping services	**Traditional offline stores do not provide shipping service everywhere. Customers have to think before they make any impulse purchase in brick-and-mortar stores because they have to make arrangements to move the product.	** Internet stores encourage the impulse purchase because most of them offer free or inexpensive shipping services. Most of the times, in case of an international purchase, the customer does not have to deal with customs and other legal issues.	

Factors Influencing Impulse Buying	Brick-and-Mortar Store	Online Shopping environment	Authors
*Relatively Low Price	** Brick-and-Mortar stores have more operative costs as compared to an online store and they have to pay more state-tax, therefore the retail price of the product is usually the more than online stores. Customers like to shop the sales items on impulse more than the items with regular prices.	** Internet stores have a enormous advantage over traditional stores in terms of price. They have relatively low prices of products because customers do not have to pay the sales tax if the online store does not have any outlet in that particular city. People are more likely to make impulse purchases due to low price.	
*Comprehensive information about Product	** In traditional stores for comprehensive information about the product, the customer has to spend extra time to read the given information or ask the sales person. This may become a hurdle in an impulse purchase.	** During an online purchase, customers are able to see the detailed particulars of the product screen next to product image, therefore, customers are able to think of new possible uses of the product; this may lead towards a suggestion impulse purchase.	
*Price and product comparison with other stores	** It is not easy for the customers in traditional stores to leave the store during shopping process to leave and compare the price and product to any other store.	** Online shopping offers this opportunity to customers; they can go to the other store's web-site and compare the price and products. In online environment other comparable stores are just a click away that makes it easy for the customer to make a better choice.	

Table 1: Comparison of factors influencing online and offline impulse purchases.

*Factors contributed by Author. **Explanations contributed by Author.

It seems interesting that internet as a shopping environment has various elements common with traditional brick-and-mortar stores and yet the factors do not affect both of these in the same approach. The main difference between these two is the target market and scope, because traditional brick-and-mortar stores target domestic people

who share a set of certain customs and traditions and somehow similar personality traits. Since some of those them are highly influenced by external environment, for example, in Punjab, Pakistan most of the women wear a certain kind of handmade shoe and there is a huge market in that region for those shoes. However, women from up north of Pakistan do not wear that shoe, because it's not their culture and the geographical condition does not allow them to wear that shoe, therefore, the retailers of that particular product have a limited target market so they get a better chance to attract the consumer towards the product. On the other hand, a retailer who sells tennis shoes has a wider scope and more diversified target market, because a girl from north of Pakistan is more likely to buy tennis shoes on impulse than the handmade shoe. We need to consider the fact that the internet is not limited to a certain area or a country, any person from anywhere in the world can go on eBay.com or Amazon.com and make an impulse purchase, For example, a British consumer and an American consumer might buy the same product on impulse from a US retailer website but they both can have different reasons behind the impulse purchase due to differences in culture.

Internet shopping environment has enormous potential for international impulse purchase, because in most of the online transactions consumers pay with their credit card therefore, they do not have to deal with the problem of currency conversion so there are more chances of an impulse purchase. The easy procedure of buying online also contribute to increase the impulse purchase on international level because consumers just go on the website and make the purchase, they do not have to worry about the complications such as customs duty and additional taxes. Most of the internet retailers do not charge any sales tax on international purchases. In other words, internet shopping environment is a type of virtual free trade.

Some factors, when applied to online stores, both encourage and discourage impulse buying (as discussed in the table 2). For example the self-service purchasing process may encourage the customers because it is fast and customer gets more freedom, however, it may discourage impulse buying because there is no sales person in case the if customer needs some guidance or some particular information about the product. To the best of our knowledge it is still unclear how suitable the internet is as shopping environment for impulse purchase behavior. Our paper lacks the experimental support. In the future; it would be beneficial to explore how consumers experience impulse buying on internet and to what extent the factors discussed earlier in the paper are influential for online impulse purchase behavior.

This research might be extended to a comprehensive comparison of online impulse buying and offline impulse buying, It is very important to understand the differences between impulse buying in a traditional brick-and-mortar store and online impulse purchase to further develop new marketing strategies for internet retailers to compete in today's highly competitive market. Furthermore, while analyzing the literature we felt that most of the literature related to impulse buying focus on the psychology based science issues. We would suggest a further research on online impulse buying behavior based on marketing theories; this research will help also marketers to select the right type of strategies for internet retailers.

Most importantly we would suggest a research study on cross-cultural online impulse buying. As we have mentioned above, that the reasons and trigger cues of online impulse buying may vary on the basis of culture, norms, values and even social system. For example; In High uncertainty avoidance countries like Germany where people like to plan each and everything the scope of online impulse buying might be low.

But we will not get any information until we have some comprehensive and quality research on this dimension of online impulse buying.

CHAPTER 4

CONCLUSION

In this paper we critically reviewed the factors that influence impulse buying in traditional brick-and-mortar stores and the factors that influence online impulse buying and then tried to compare those the factors that may influence offline and online impulse purchases. It is an attempt to understand the possible dimensions of online impulse buying.

It seems that both offline and online impulse buying are very important specially when globalization is increasing and horizons of targeting new customers are spreading. In this study we have tried to compare the factors that influence online impulse buying to the factors that influence offline impulse buying or impulse buying in brick-and-mortar stores. However according to the literature there are few similarities between both of these but the factors that may influence the impulse buying were never studied in the same direction and in the same aspect for both shopping channels. One of the main reasons is that online shopping environment has more dimensions and diversity as compared to brick-and-mortar stores. Both of these have entirely different target markets and different characteristics.

There is a scope for further research to fill in the gap between literature of impulse buying and literature of online impulse buying. There is a need for more research because it has a lot of potential, particularly the online impulse purchase, since the online sales are increasing rapidly and are expected to increase at a higher growth rate.

References

- Abrahams, B. (1997), "It's all in the mind", *Marketing*, March 27, pp. 31-3.
- Adelaar, T., Chang, S., Lancendorfer, K.M., Lee, B. & Morimoto, M. 2003. Effects of media formats on emotions and impulse buying intent. *Journal of Information Technology*. Vol. 18. No. 4, 247- 266
- Bayley, G. & Nancarrow, C. 1998. Impulse purchasing: A qualitative exploration of the phenomenon. *Qualitative Market Research: An International Journal*. Vol. 1. No. 2, 99-114
- Beatty, S. & Ferrell, E.M. 1998. Impulse buying: Modeling its precursors. *Journal of Retailing*. Vol. 74. No. 2, 169-191
- Bellenger, D. N., & Robertson, D. H. (1978). Impulse buying varies by product. *Journal of Advertising Research*, 18, 15-18.
- Chen-Yu, J.H. & Seock, Y.-K. 2002. Adolescents' clothing purchase motivations, information sources, and store selection criteria: A comparison of male/female and impulse/nonimpulse shoppers. *Family and Consumer Sciences Research Journal*. Vol. 31. No. 1, 50-77
- Cobb, C. J., & Hoyer, W. D. (1986). Planned Versus Impulse Purchase Behavior. *Journal of Retailing*, 62(4), 384-409.
- Costa, F. & Laran, J. 2003. Impulse buying on the Internet: antecedents and consequences. Paper presented at 2003 SMA Retail Symposium. New Orleans, November 2003.
- Crosby, J. (2007), "With euros, kroner and Canadian loonies gaining new muscle, Minnesota retailers are reaping rewards from far flung consumers", *Star Tribune*, November 22.
- Dawson, Sandy & Kim, Minjeong, (2009) External and Internal Trigger cues of impulse buying, *Direct Marketing An International Journal*, Vol. 3 No, 1, 2009
- Desmet, P., & Renaudin, V. (1998). Estimation of product category sales responsiveness to allocated shelf space. *International Journal of Research in Marketing*, 15, 443-457.
- Dholakia, U.M. (2000), "Temptation and resistance: an integrated model of consumption impulse formation and enactment", *Psychology & Marketing*, Vol. 17 No. 11, pp. 955-82.
- Dittmar, H. & Drury, J. 2000. Self-image – is it in the bag? A qualitative comparison between "ordinary" and "excessive" consumers. *Journal of Economic Psychology*. Vol. 21, No. 2, 109- 142
- Dolliver, Mark "Impulse buying is Alive and well" *Adweek*
http://www.adweek.com/aw/content_display/news/e3i45e1bcc0b65a294fbf7b410cc605aad9, 17 Nov.09. 15 Mar. 2010.
- Hausman, A. (2000). A multi-method investigation of consumer motivations in impulse buying behavior. *Journal of consumer marketing*, Vol. 17, No. 5; 403-419
- Hoch, S.J. & Loewenstein, G.F. 1991. Time-inconsistent preferences and consumer self control. *Journal of Consumer Research*. Vol. 17. No. 4, 492-507

- Hodge, Rebecca, 2004, factors Influencing Impulse Buying During an online purchase transaction; 9-27
- Huang, M.-H. 2000. Information load: its relationship to online exploratory and shopping behavior. *International Journal of Information Management*. Vol. 20. No. 5, 337-347
- Jones, M. A., Reynolds, K. E., Weun, S., & Beatty, S. E. (2003). The product-specific nature of impulse buying tendency. *Journal of Business Research*, 56(7), 505-511.
- Kollat, D. T., & Willet, R. P. (1967). Customer Impulse Purchasing Behavior. *Journal of Marketing Research*, IV(February 1967), 21-31.
- Kotler, P. (1991). *Marketing Management* (Seventh ed.). New Jersey: Prentice-Hall, Inc.
- Koski, Nina, (2004), Impulse Buying on The Internet: Encouraging and Discouraging Factors, *Frontiers of E-Business Reseach 2004*; 23-32
- LaRose, R. & Eastin, M.S. 2002. Is online buying out of control? Electronic commerce and consumer self-regulation. *Journal of Broadcasting & Electronic Media*. Vol. 46. No. 4, 549 564
- Lee, J., Podlaseck, M., Schonberg, E., & Hoch, R. (2001). Visualization and Analysis of Clickstream Data of Online Stores for Understanding Web Merchandising. *Data Mining and Knowledge Discovery*, 5, 59-84.
- Lee, J., Podlaseck, M., Schonberg, E., Hoch, R., & Gomory, S. (2000). Understanding merchandising effectiveness of online stores. *Electronic Markets*, 10(1), 20-28.
- Miller, R. (2002). In-store impact on impulse shoppers. *Marketing*, 27-28.
- Moe, W.W. 2003. Buying, searching or browsing: Differentiating between online shoppers using instore navigational clickstream. *Journal of Consumer Psychology*. Vol. 13. No. 1&2, 29-39
- Moe, W.W. & Fader, P.S. 2004. Dynamic conversion behavior at e-commerce sites. *Management Science*. Vol. 50. No. 3, 326-335
- O'Guinn, T.C. & Faber, R.J. 1989. Compulsive buying: A phenomenological exploration. *Journal of Consumer Research*. Vol. 16. No. 2, 147-157
- Phau, I. and Lo, C.C. (2004), "Profiling fashion innovators: a study of self-concept, impulse buying and internet purchase intent", *Journal of Fashion Marketing & Management*, Vol. 8 No. 4, pp. 399-411.
- Piron, F. (1991). Defining Impulse Purchasing. *Advances in Consumer Research*, 18, 509-514.
- Rook, D.W. & Fisher, R.J. 1995. Normative influences on impulse buying behavior. *Journal of Consumer Research*. Vol 22. No. 3, 305-313
- Stern, H. (1962). The Significance of Impulse Buying Today. *Journal of Marketing*, 26(2), 59-62.
- Thaler, R. (1985). Mental Accounting and Consumer Choice. *Marketing Science*, 4(3), 199 215.
- Thaler, R. (1999). Mental Accounting Matters. *Journal of Behavioral Decision Making*, 12(3), 183-206.

The Economist 2004 Survey: E-commerce: A perfect market. The Economist May 15th, 3-16

Welles, G. (1986), "We're in the habit of impulsive buying", USA Today, May 21, p. 1.

Weun, S., Jones, M.A. and Beatty, S.E. (1998), "The development and validation of the impulse buying tendency scale", Psychology Report, Vol. 82, pp. 1123-33.

VITA

AMNA SIRHINDI

Candidate for the Degree of

Master of Science

Thesis: A CRITICAL REVIEW OF IN-STORE AND ONLINE IMPULSE
PURCHASE BEHAVIOR

Major Field: International Studies

Biographical:

Education: Received bachelor of Commerce from University of the Punjab, Lahore, Pakistan in 2004. Completed the requirements for the Masters in Business Administration at The University of Lahore; Lahore, Pakistan in 2007. Completed the requirements for the Master of Science in International Studies at Oklahoma State University; Stillwater, Oklahoma in May, 2010.

Name: AMNA SIRHINDI

Date of Degree: May, 2010

Institution: Oklahoma State University

Location: Stillwater, Oklahoma

Title of Study: A CRITICAL REVIEW OF IN-STORE AND ONLINE IMPULSE
PURCHASE BEHAVIOR

Pages in Study: Candidate for the Degree of Master of Science

Major Field: International Studies

Scope of the Study: An important concept in retailing is impulse buying. This phenomenon has been studied in consumer behavior research as well as in psychology and economics since 1950s. Impulse purchase is generally unplanned purchases where purchase decisions are made on the spot. By some estimates 50 percent of all consumers' spending is on impulse. With e-commerce acceptance and growth it is important to understand the potential of impulse purchase in an online shopping environment.

Findings and Conclusion: This paper critically reviews the factors that influence impulse buying in traditional brick-and-mortar store and the factors that influence online impulse buying and then tries to compare those. First, this paper discusses the concept of impulse purchase as developed over a period of time by several researchers of marketing and psychology. Furthermore it talks about the four basic types of impulse buying and explains them with examples. Second, this paper tries to compare the factors that may influence offline and online impulse purchase and finally it is an attempt to understand to online impulse buying and its international aspect and emerging concepts of online marketing to increase impulse buying online.

There is a scope for further research to fill in the gap between literature of impulse buying and literature of online impulse buying. There is a need for more research because it has a lot of potential particularly the online impulse purchase since the online sales are increasing rapidly and are expected to increase at a higher growth rate.

ADVISER'S APPROVAL: Ajay Sukhdial
