



## IMPULSE BUYING, CONSUMER'S SATISFACTION AND BRAND LOYALTY

Khadija Maqsood\*, Iqbal Javed

*Department of Economics, University of Lahore, Sargodha Campus, Sargodha, Pakistan*

---

### HIGHLIGHTS

- High quality of a product available at the store along with other impulsive factors could be effective for consumer's satisfaction, brand loyalty and profit of the store.
- If the quality of a product is low alongside more enhanced impulsive factors, it can damage the consumer trust and brand loyalty which could reduce sale and decrease profit of the store or brand.
- If the quality of a product is good, the installation of impulse buying factors will increase consumer's loyalty toward brand and chances of planned buying in future will increase.
- Negative impact of extraversion personality characteristics on satisfaction shows that these individuals make wrong decision during impulse buying.
- Emotional stability has positive and significant impact on satisfaction after impulse buying which shows that these people make good decision even in the presence of impulse buying factors at the store.

---

### ABSTRACT

Impulse buying is unplanned or spontaneous purchasing which could be negative for consumers and sellers at the same time. Recent literature showed great importance of impulse buying and many studies conducted about the factors which lead to attract the consumer through their impulsive behavior. During the current study underhand the focus was only on the consumers who purchase goods and services due to their impulsive behavior. The hypothesis of the study was that the impulse purchase is negative for both consumers and retailers. The study was conducted in Sargodha district of Punjab province. A sample of 300 respondents was selected through convenient sampling technique. Data were collected through personnel interviews by using a pretested questionnaire. The results showed that the quality of the product has a significant and positive impact on consumer's satisfaction. The compatibility has positive and significant impact on level of consumer's satisfaction. There is a positive impact of price of the product on consumer's satisfaction for impulse buying. Budget disturbance has negative but insignificant impact on satisfaction after impulse buying. Happiness has positive and significant impact on consumer's satisfaction. The impact of personality characteristics of openness is negative on satisfaction by the impulse buying. Personality characteristics of agreeableness has negative impact on satisfaction. The personality characteristic of extraversion has negative and significant impact on satisfaction. Individuals with this personality characteristics of conscientiousness can make good decisions during impulse buying which lead to satisfaction even after purchasing is done. Emotional stability has positive and significant impact on satisfaction after impulse buying which shows that these people make good decision even in the presence of impulse buying factors at the store.

---

Keywords: Consumer's satisfaction; impulse buying behavior; personality characteristics; brand loyalty

Received: April 17, 2019; Accepted: May 21, 2019; Published: May 26, 2019.

\* Correspondence: Department of Economics, University of Lahore, Sargodha Campus, Sargodha, Pakistan

Email: khadijamaqsood5@gmail.com

### Introduction

Consumer satisfaction is the total utility that a person can receive from the consumption of all units of specific product or services. Consumer always prefers those goods which

provide the greatest level of satisfaction. After buying, a consumer felt happy, excited and satisfied if product was available in better quality. Impulse buying is unplanned buying.

When a customer buy a product without plan is called impulse buying. Impulsive buying behavior is defined as “unplanned” buying plan of consumer, which he/she makes without evaluating product (Vohs & Faber, 2003; Parboteeah, 2005). Impulsive buying behavior is an instantaneous purchase process when there was no aim to purchase the commodity (Beatty and Ferrell, 1998). Impulse buying is unplanned, arise from reaction to stimulus, involves cognitive and emotional reaction, and “on spot decided” (Hodge, 2004). While planned buying is just opposite of impulse buying. It refers to the purchase of a product by consumer after a lot of analysis which is a time taking procedure. Consumer purchases goods which are best suited for her or him. And they are ready to purchase those goods which they have lot of information. It is described that planned buying behavior is based on rational decision making and is more time consuming. In contrast, unplanned buying includes purchases without such preplanning and rational decision making therefore includes impulse buying (Stern, 1962).

Current study also estimated the impact of these personality traits on satisfaction level of consumers of impulse buying. Personality traits have great impact on the impulse buying behavior of the consumers. Every person has diverse behavior traits. There are many theories of personality traits but Big Five theory is the best theory for measuring the personality traits which is also called Five Factor Model. According to theoretical framework there is five big personality traits, which are openness, agreeableness, extraversion, conscientiousness and neuroticism (emotional stability). The trait of openness to experience is known as the depth, imagination, and complexity of a person’s mental and experiential life (John and Srivastava, 1999). This characteristics describes an individual who is not rigid in his own views, or in his expectations toward others individuals (Mondak, 2010). Agreeableness contrasts a prosaically and communal orientation toward others with antagonism and includes traits such as altruism, tender-mindedness, trust, and modesty (John and

Srivastava, 1999). Agreeableness is described how quickly you agree with others. Person who possess the personality characteristics of Extraversion has an active attitude to the material and social world and these persons consists the traits like sociability, assertiveness, and progressive emotionality (John and Srivastava, 1999). People who has the personality characteristics of conscientiousness are mostly organized, punctual and more reliable. The persons who the personality trait of having characteristics of emotionally stable, do not easily feel anxious, sad, tense and nerves (John and Srivastava, 1999). In the behavior pattern emotionally stable people act after too much thinking. They are also reliable, relaxed and calm. Recent literature showed great importance of impulse buying and many studies conducted about the factors which lead to attract the consumer through their impulsive behavior.

Satisfaction is the total utility that a person can receive from the consumption of all units of a specific product or services. Consumer always prefers those goods which provide the greater level of satisfaction. Consumer's satisfaction is the key factor that drives when the performance of the product or service exceeds expectations. Satisfaction is a post-purchase state of consumer's to customer's loyalty, recommendation and repeat purchase (Wilson et al., 2008). As far as the research on impulse buying behavior has been done so far, it is being considered a positive phenomenon for increasing sale of the store. Research in business and marketing areas have always put a lot of emphasis on impulse buying behavior has suggested shopkeepers and store managers to increase impulsive environment to increase sale. During the current study underhand the focus was only on the consumers who are used to purchase goods and services through their impulsive behavior. The hypothesis of the study was that the impulse purchase has a negative impact on consumer’s satisfaction which ultimately can harm brand loyalty and could be the reason to decline the total sales of a retailer.

## Methodology

The study is conducted in Sargodha district of Punjab province. A sample of 300 people was selected randomly. Probability and non-probability sampling are two types of techniques which are used for data collection. Probability sampling technique is used when the total population is known. But non-probability sampling technique is considered more suitable when the population is not known. Non-probability sampling technique is used during the current study. Data were collected through personnel interviews of selected respondents by convenient sampling technique. A pretested well-structured questionnaire was used to collect the data through personal interviews. Cronbach's alpha

was used as a measure of reliability of the instrument.

In all regression techniques the ordinary least square (OLS) is best known. To represent that process single regression equation is created by OLS model. The variables used in the study which affect the consumer's satisfaction in the case of impulse buying and planned buying are shown in table 1. Ordinary least square (OLS) is used for estimating unknown parameters in linear regression model. The equation of OLS model is as:

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_{10} + \beta_{11} X_{11} + e_i \quad (1)$$

**Table 1. Description of variable**

Variable type	Short Name	Description
Dependent	Y	Satisfaction
Independent	X1	Quality
Independent	X2	Compatibility
Independent	X3	Price
Independent	X4	Budget disturbance
Independent	X5	Image of brand
Independent	X6	Happiness
Independent	X7	Level of openness
Independent	X8	Level of conscientiousness
Independent	X9	Level of extraversion
Independent	X10	Level of agreeableness
Independent	X11	Level of neuroticism

## Results and Discussion

Out of 300 respondents, 68% of them were females, whereas 32% were males which shows that the majority of the respondents were females. Analyzing the marital status of the

respondents, the majority (68%) of the respondents were unmarried, 42% of them were married. In terms of income level the majority (74.7%) of the respondents were highly income people while 25.3% were low income people as shown in table 2.

**Table 2: Socioeconomic characteristics of sampled respondents**

Gender	Male (32%)	Female (68)
Area	Rural (57%)	Urban (42%)
Marital status	Single (23.3%)	Married (76.7%)
Income	>100,000 per month (74.7%)	<100,000 per month (25.3%)

In table 3 summary statistics including minimum, maximum, mean, Standard deviation and variance of the dependent and independent variables (satisfaction, quality,

price, and compatibility, image of the brand, brand loyalty, perceived quality and happiness) in case of impulsive buying are shown.

**Table 3: Summary Statistics of the variables of consumer's satisfaction**

Variables	N	Minimum	Maximum	Mean	Std. Deviation	Variance
Satisfaction	300	1.00	5.00	3.12	1.25	1.56
Quality	300	1.00	5.00	3.02	1.24	1.55
Price	300	1.00	5.00	3.07	1.12	1.25
Compatibility	300	1.00	5.00	3.05	1.17	1.37
Image of brand	300	1.00	5.00	3.30	1.30	1.69
Brand loyalty	300	1.00	5.00	2.98	1.09	1.19
Happiness	300	1.00	5.00	3.14	1.21	1.48
Openness	282	-1.39	.00	-.56	.375	.141
Conscientiousness	276	-1.39	.00	-.73	.494	.244
Extraversion	292	-1.39	.00	-.49	.407	.166
Agreeableness	288	-1.39	.00	-.38	.394	.156
Neuroticism	264	-1.39	.00	-.56	.432	.187

*Source: Author's calculations*

Multicollinearity issue among the quality of the product, compatibility, price, budget disturbance, image of brand, perceived quality, happiness, level of emotional stability, openness, consciousness, extraversion and agreeableness was tested and all values of variance inflation factor were less than 10. VIF values Less than 10 revealed that there was no issue of multicollinearity among the independent variables of the study underhand. Coefficient of determination ( $R^2$ ) in an estimated model is 0.84, which states that 84% change in the dependent variable is due to the independent variables. The F-value in the estimated model is 88.304, which was highly significant and explained the overall appropriateness. The relationship between the satisfaction and other variables in case of impulse purchasing is shown in table 4.

Quality is defined as the consumers' judgment about an entity's services containing overall excellence or superiority (Snoj et al., 2004; Chen and chang, 2013). The impact of quality factor is estimated during the current study. There is positive relationship between the quality of a product and consumer satisfaction in case of impulse buying. If the product has high quality the consumer's satisfaction becomes high. If the quality of the product is high the impulse buying can help to attract the customers for future purchase. The quality of the product is a significant factor in accumulating customer's brand loyalty (Parasuraman et al., 1988, 1994; Dukart, 1998; Tam, 2000; Leal & Pereira, 2003; Umbrell, 2003).

**Table 4: Factors affecting the satisfaction of impulse buying**

<b>Variables</b>	<b>B</b>	<b>Std. Error</b>	<b>T</b>	<b>Significance</b>
Quality	.392	.062	6.380	.000***
Compatibility	.293	.064	4.596	.000***
Price	.109	.047	2.340	.020**
Budget disturbance	-.019	.047	-.406	.685
Image of brand	-.189	.074	-2.563	.011**
Happiness	.186	.061	3.061	.002***
Emotional stability	.249	.092	2.714	.007***
Openness	-.026	.074	-.355	.723
Consciousness	.078	.088	.891	.374
Extraversion	-.204	.092	-2.214	.028**
Agreeableness	-.055	.083	-.659	.510
R Square	0.845			
Adjusted R Square	0.836			
F-Value	88.304			

*Source: Author's calculations*

The quality of the product play a crucial role in improving organizational profits (Baker & Crompton, 2000; Zeithaml & Bitner, 2000; Leal & Pereira, 2003). If the quality of the product is high which is available at the store along with other impulse behavior factors, that impulse buying could be effective for both consumers' satisfaction, brand loyalty and profit of the store. Separately, if the quality of product is low along with more enhanced impulse factors, it can damage the consumer trust and brand loyalty which results low sale and low profit of the store or brand. The results of the study suggested to avoid to the impulse factors (lights, music, and store environment etc.) at store, if the quality of the products is low. If the quality of the product is good then consumer are more prone toward planned buying in future which will increase the total profit of the store. So the installation of impulse buying factors will make consumers loyal toward brand and chances of planned buying in future increases.

The compatibility has positive and significant impact on level of consumer's satisfaction. If the purchased products are compatible then consumers feel good and satisfied after purchasing. The positive impact of compatibility on consumer's satisfaction reveals compatibility of purchased product plays a major and significant impact on

consumer's satisfaction. The compatibility issues becomes more when the spontaneous market transactions occur as compared to planned transactions. Therefore the compatibility issues were found more by impulse buying purchasing. It is recommended that retail store should avoid more enhanced factors of impulse buying for example the more colored lights in store could be resulted in wrong color matching. The retailers must do everything to make buyers to select compatible products. The retailers must solve the issues of compatibility in after sale services especially for the products sold at the store where impulse buying factors were installed. Otherwise, due to more compatibility issues in impulse buying the consumer satisfaction will be less which ultimately negatively affect the total sale of that store.

It costs a lot to buy anything, and as far as the implications of buying is concerned, here too there are more impact of price. However, it was necessary that the less amount of pricing would be more satisfied for consumers, but because the individual's price sense does not work in the impulse buying. If the item is good then he or she do not care about the price and hence there is a positive impact of price of the product on consumer's satisfaction for impulse buying.

After the impulse buying the budget of consumers is disturbed. Budget disturbance has negative but insignificant impact on satisfaction after impulse buying. A positive brand image helps firms to establish a brand position, strengthen the brand's market performance and protect the brand from rivalry (Aaker, 1996). By definition, brand image is "how a brand is perceived by consumers" (Aaker, 1996). Such associations are influenced by the benefits/consequences of using a brand, product attributes and brand personality (Plummer, 2000). Brand image plays a critical role in helping customers to decide whether or not to buy the brand and there by influencing their repurchase behavior (Bian and Moutinho, 2011). According to the results of the study, high perceived image of the brand has negative impact on consumer's satisfaction after impulse buying. When a brand quality is artificially increased by store environment, after purchasing the consumer become disappointed at returning back to home in absence of impulsive factors at that time, which results dis-satisfaction of consumer.

Consumer of materially oriented society in order to sustain a state of happiness likely will buy such goods which, as they oppose, make them happy and will avoid experiment in order to prevent disappointment and possible state of unhappiness that arise from a risk of change of brand (Podoshen & Andrzejewski, 2012). Consumers who see happiness as the most important factors will not be prone to switching brands. It is stated in the literature of relationship marketing that as bigger perceived risk will arise in connection with making of future decisions, as more consumers are prone to reduce options and to become loyal to a particular brand (Sheth & Parvatiyar, 1995). Happiness has positive and significant impact on consumer's satisfaction.

The personality trait of openness to experience describes an individual who is not rigid in his own views, or in his expectations toward other individuals (Mondak, 2010). These people easily influenced by the store environment with impulsive factors and purchased the products. The impact of these

characteristics of personalities is negative on satisfaction by the impulse buying. These people cannot control their impulse which results in misleading decisions which cause displeasure on later.

Agreeableness is described how quickly you agree with others. The results show this personality character has negative impact on satisfaction. The negative results reveals that this personality character make wrong decision in impulsive controlled environment which could negatively impact the satisfaction level.

The personality characteristic of extraversion has negative and significant impact on satisfaction. Negative impact on satisfaction shows that these individuals make wrong decision during impulse buying.

Individuals with the personality of Conscientiousness can make good decisions during impulse buying which lead to satisfaction even after purchasing is done. In the behavior pattern emotionally stable people act after too much thinking. They are also reliable, relaxed and calm. Emotional stability has positive and significant impact on satisfaction after impulse buying shows that these people make good decision even in the presence of impulse buying factors at the store. The results shows that these people can judge which factors are making artificial attraction. They make good being decisions during impulse buying, which make them satisfied even after buying.

## Conclusion

High quality of the product available at the store along with other impulse behavioral factors could be effective for consumer's satisfaction, brand loyalty and profit of the store. Separately, if the quality of a product is low along with more enhanced impulse factors, it can damage the consumer trust and brand loyalty which results low sale and low profit of the store or brand. The results of the study suggested to avoid to install the impulse factors (lights, music, and store environment etc.) at the store, when the quality of products is low. If the quality of product is good then the consumers are more prone toward planned

buying in the future which will increase the total profit of the store. So the installation of impulse buying factors will make consumers loyal toward brand and chances of planned buying in future increases.

The compatibility issues becomes more when spontaneous market transactions occur as compared to planned transactions. Therefore, the compatibility problems becomes more when transaction is done by impulsive factors. It is recommended that retail store should avoid more enhanced factors of impulse buying, for example, the more colored lights in a store could be a cause of wrong color matching. The retailers must do everything to make buyers to select compatible products. The retailers must solve the issues of compatibility in after sale services especially for the products sold at the store where impulse buying factors were installed. Otherwise, due to more compatibility issues in impulse buying the consumer satisfaction will be less which ultimately negatively affect the total sale of that store.

It was necessary that the less amount of pricing would be more satisfied for consumers, but because the individual's price sense does not work in the impulse buying. If the item is good then he or she does not care about the price and hence there is a positive impact of the price of a product on a consumer's satisfaction for impulse buying. After the impulse buying the budget of consumers is disturbed. The budget disturbance has a negative but insignificant impact on satisfaction after impulse buying. A high perceived image of the brand has negative impact on consumer's satisfaction after impulse buying. When a brand quality is artificially increased by store environment, after purchasing the consumer become disappointed at returning back to home in absence of impulsive factors at that time, which results dis-satisfaction of consumer. Happiness has positive and significant impact on consumer's satisfaction. These people easily influenced by the store environment with impulsive factors and purchased the products. The impact of characteristic of personality of openness is negative on satisfaction by the impulse buying. These people cannot control

their impulse which results in misleading decisions which cause displeasure on later. The negative results reveals that the personality with characteristic of agreeableness make wrong decision in impulsive controlled environment which could negatively impact the satisfaction level. Negative impact of extraversion personality characteristic on satisfaction shows that these individuals make wrong decision during impulse buying. Individuals with personality characteristic of Conscientiousness can make good decisions at during impulse buying which lead to satisfaction even after purchasing is done. Emotional stability has positive and significant impact on satisfaction after impulse buying shows that these people make good decision even in the presence of impulse buying factors at the store. The results shows that these people can judge the impulsive factors responsible for creating artificial attraction. They make good being decisions during impulse buying, which make them satisfied even after buying.

## References

- Aaker, D., 1996. Building strong brands. New York, NY: Free Press.
- Baker, D., Crompton, J., 2000. Quality, satisfaction, and behavioral intentions. *Annals of Tourism Research*, 27(3), 785-804.
- Beatty, S.E., Ferrell, M.E., 1998. Impulse buying: modeling its precursors. *Journal of Retailing*, 74(2), 169-191.
- Bian, X., Moutinho, L., 2011. The role of brand image, product involvement, and knowledge in explaining consumer purchase behavior of counterfeits: Direct and indirect effects. *Eur. J. Mark.*, 45(1/2), 191-216.
- Chen, Y.S., Chang, C.H., 2013. Towards green trust: The influences of green perceived quality, green perceived risk, and green satisfaction. *Management Decision*, 51(1), 63-82.
- Dukart, J.R. 1998. Quality: Do you measure up?. *Utility Business*, 1(4), 32-38.
- Hodge, R., 2004. Factors influencing impulse buying during an online purchase

- transaction (Master's thesis, University of Waterloo).
- John, O.P., Srivastava, S., 1999. The Big Five trait taxonomy: History, measurement, and theoretical perspectives. *Handbook of personality: Theory and research*, 2(1999), 102-138.
- Leal, R.P., Pereira, Z.L. 2003. Service recovery at a financial institution. *International Journal of Quality and Reliability Management*, 20(6), 646-663.
- Mondak, J.J., 2010. *Personality and the foundations of political behavior*. Cambridge University Press.
- Parasuraman, A., Zeithaml, V.A., Berry, L.L., 1988. SERVQUAL: A multipleitem scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12-40.
- Parasuraman, A., Zeithaml, V.A., Berry, L.L. 1994. Reassessment of expectations as a comparison standard in measuring service quality: Implications for further research. *Journal of Marketing*, 58(1), 111-124.
- Parboteeah, D.V., 2005. *A model of online impulse buying* (doctoral dissertation, Washington state university)
- Plummer, J.T., 2000. How personality makes a difference. *J. Advert. Res.*, 40(6), 79-84.
- Podoshen, J.S., Andrzejewski, S.A., 2012. An examination of the relationships between materialism, conspicuous consumption, impulse buying, and brand loyalty. *Journal of Marketing Theory and Practice*, 20, 319-334.
- Sheth, J.N., Parvatiyar, A., 1995. The evolution of relationship marketing. *International Business Review*, 4, 397-418.
- Snoj, B., Korda, A.P., Mumel, D., 2004. The relationships among perceived quality, perceived risk and perceived product value. *The Journal of Product and Brand Management*, 13(2/3), 156-167.
- Stern, H., 1962. The significance of impulse buying today. *Journal of Marketing*, 26(4), 59-62.
- Tam, J.L.M., 2000. The effects of service quality perceived value and customer satisfaction on behavioral intentions. *Journal of Hospitality & Leisure Marketing*, 6(4), 31-43.
- Umbrell, C., 2003. Gold star service. *American-Gas*, 85(4), 14-16.
- Vohs, K., Faber, R. 2003. Self-regulation and impulsive spending patterns. *Advances in Consumer Research*. 30. 125-126
- Wilson, A., Zeithamal, V.A., Bitner, M.J., Gremler, D.D., 2008. *Services Marketing*. McGraw-Hill Education.
- Zeithaml, V.A. & Bitner, M.J. (2000), *Services Marketing*, McGraw-Hill, Boston, MA