



Website attributes in urging online impulse purchase: An empirical investigation on consumer perceptions

Yong Liu ^{a,*}, Hongxiu Li ^b, Feng Hu ^c

^a MediaTeam, Department of Computer Science and Engineering, University of Oulu, Oulu, Finland

^b Information Systems Science, Department of Management, Turku School of Economics, University of Turku, Turku, Finland

^c Xingzhi College, Zhejiang Normal University, Jinhua, China

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ABSTRACT

A multitude of evidences show that impulse purchase is prevalent online, yet relatively limited knowledge is available on this phenomenon. The study borrows marketing wisdom to information systems space to quantify how the website cues (products availability, website ease of use and visual appeal) affect personality traits (instant gratification, normative evaluation and impulsiveness) to urge the impulse purchase online. Structural equation modeling technologies are employed to evaluate the research model based on a survey questionnaire. The results show that personality factors of instant gratification, normative evaluation and impulsiveness are key determinants of urge to buy impulsively, while perceived website cues of visual appeal, website ease of use and product availability are important precursors. Through combining marketing and IS wisdom, a number of new insights are offered which enrich our understanding on the determinants of online impulse purchase decision as well as on how a proper IS design alters consumer shopping experience to engender more online impulse purchase.

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1. Introduction

Consumers often make unplanned purchase spontaneously and intuitively after being exposed to stimulating cues, like price promotion, advertisement of limited offer and attractive product appearance. This sort of purchase, termed as impulse purchase, holds three key features, which are 1) unplanned, 2) the result of an exposure to a stimulus, and 3) decided “on-the-spot” [51]. Impulse purchase is prevalent not only in brick-and-mortar stores but also in online settings, in particular that Internet shoppers were found to be more impulsive than Internet non-shoppers [17]. Hausman [23] noted that 30–50% of all retail sales are from impulse purchase while almost 90% of consumers make purchase on impulse occasionally. *Approximately 40% of all the money spent on e-commerce sites is attributed to impulse purchase* (see. [63,64]). “In an online context, idly browsing through iTunes to kill some time, without an a priori shopping goal, and deciding to purchase a song would be considered a pure impulse purchase” ([65], p. 34). Despite the prevalence of impulse purchase online, rather limited knowledge is available concerning psychological mechanism underlying online impulse purchase, such as how perceived online store design affects consumers' shopping experience in urging impulse purchase decision.

Most of prior literature on consumers' decision making process is based on the promise that decision and behavior are performed consciously and deliberately (see [64]). As a result, theories of conscious behavior, like TRA and its descendants (i.e. TAM and UTAUT), have been widely adopted as important theoretical frameworks underlying this stream of studies (i.e. [2,3,36,72]). However, inspired by recent advances in consumer psychology on automatic and impulse decision making activities (see [16,32]), a number of researchers started to investigate consumers' impulse decision making mechanisms in online environments. For instance, a handful of studies are found to apply environmental psychology to examine how website attributes, such as information fit-to-task, visual appeal and site ease of use, affect consumers' emotion and personality in triggering online impulse shopping decision (see. i.e. [48,64,65]). Their studies suggested that an integration of marketing and IS wisdom would enrich our knowledge on online impulse purchase (see [64,65]). In this concern, based on prior IS studies [48,64,65], the research analyzes how three perceived website attributes, namely website ease of use, visual appeal and product availability, interact with consumers' personalities to entice impulse purchase online. Derived from consumer behavior literature, three personality variables are examined, including impulsiveness, instant gratification and normative evaluations. The study is expected to add to the decision support literature by elucidating consumers' impulse decision making activities.

Considering various online shopping approaches, i.e. B2C, C2C and online auction, the study examines impulse purchase in the context of

* Corresponding author. Tel.: +358 442017718.

E-mail addresses: yoliu@ee.oulu.fi (Y. Liu), hongxiu.li@utu.fi (H. Li), hufeng@zjnu.cn (F. Hu).

online group shopping, which is increasingly popular across different countries in the world thanks to its initiator of Groupon.com. The remainder of the paper is organized as follows. Section 2 presents the literature review and the research contexts, followed by research framework and hypotheses in Section 3. Section 4 discusses the research methodology and evaluates the research model. Section 5 discusses the results and makes conclusions. Research limitations and possible future research avenues are discussed in Section 6.

2. Literature review and research context

2.1. Impulse purchase

In the past 60 years, both psychology and consumer behavior researches have accumulated a multitude of evidences, showing that environmental stimulus exerts robust and often irresistible influences on consumers' purchase decision even without their awareness. A famous experiment by North et al. [47] found that French music played in a store made more customers buy French wine, whereas German music played increased the sale of German wine. Prior studies have examined how in-store stimuli, like retail shelf location [49], amount of shelf space [12], displays of products [50], price-off promotion [6] affected impulse purchase. In addition to visual factor, audio and olfactory stimuli were found to affect in-store purchase behavior alike (i.e. [43,55]). Psychology research indicated that automatic information processing is key mechanism underlying impulse purchase behavior, in which decision is made intuitively and spontaneously without consumers' conscious deliberation [13]. Consequently, the planned-behavior-assumption based theories, like theory of reasoned action, are inappropriate to interpret consumers' impulse purchase (c.f. [64]).

In this regard, environmental psychology of stimulus–organism–response (S–O–R) framework has been widely adopted to interpret impulse purchase. Introduced by Woodworth [68], the framework is an extension and improvement of the classical stimulus–response (S–R) theory in behaviorism (see. [35,45]). The classical S–R theory refers to human behavior as a learned response to stimuli, which treats human mind as a black box. The S–O–R paradigm seeks to enhance the classical S–R theory by integrating 'organism' to account for internal cognitive and affective processes of people in response to external stimulus. The theory postulates that stimulating cues perceived from the situated environment (*stimulus*) triggers one's internal evaluation (*organism*), which subsequently brings about positive or negative behaviors toward the stimuli (*response*) [42]. In consumption realm, this framework has been widely applied as one of the most important theories in explaining consumer behavior in brick-and-mortar stores (i.e. [28,35,62]), which has recently been introduced to online impulse buying research (i.e. [19,24,29,31]).

2.2. Online impulse purchase research

Environmental psychology plays an important role in current online impulse purchase research. Derived from S–O–R framework, Parboteeah et al. [48] argued that perceived usefulness and enjoyment are key organic variables reacting to website stimulus (perceived visual appeal and information fit-to-task) in urging consumers to buy impulsively. The study found that consumers are more likely to feel urge to buy impulsively if their interaction with the shopping environment is pleasant. In a similar way, a work of Adelaar et al. [1] investigated how media format of music CD affects impulse buying behavior. The study noted that different media formats affect consumers' emotional responses differently, which helps explain the people's impulse buying intent. Verhagen and van Dolen [64] proposed that website functional convenience and representational delight have significant influences on positive and negative shopping emotions, which in turn impact online impulsive buying action. The study shows that the emotion of 'positive affect' is the key driver of online impulsive purchase. A recent study of Well et

al. [65] utilized a measurement of felt urge to buy impulsively as the proxy of impulse purchase, found that consumer impulsiveness and website quality significantly affect the felt urge to buy impulsively. Bressolles et al. [7] investigated the impacts of e-service quality dimensions on customer satisfaction and buying impulse. The study found that functional buying impulsivity moderates the influence of website quality dimensions on satisfaction and on buying impulses [7]. In general, marketing and IS literatures show that impulse purchase can be studied from two key perspectives: the state of mind created by the shopping environment, such as perceived enjoyment [52] or a specific personality trait inherent to the individual consumer, such as impulsiveness [53,65]. However, an investigation on personality trait variables, such as instant gratification and normative evaluation, is lacking in online impulse purchase research. Also there is a lack of understanding on whether, what and how website attributes affect these variables in an online store setting.

2.3. Online group shopping

Online group shopping is an online retailing concept that seeks to offer cheap services or products through leveraging the buying power of individual consumers as a group. As a U.S. based online coupon seller, Groupon.com is a pioneer in doing online group shopping business, while its rapid growth in 2009 brings about the advent of recent online group shopping industry. Launched on November 2008, Groupon currently offers deals in almost 500 markets in 44 countries while similar businesses witness a rapid growth across the world, particularly in China. Specifically, Groupon-like sites seek to offer low-price local service or products (typically 50–90% off retail prices) to consumers after a minimal amount of shoppers signing up for the offer has been reached during a short period of selling time. In 2010, 50 million Chinese consumers, or 12% of all Chinese Internet users, are estimated to be the online group shopping users according to a report of iResearch [26]. The figure is predicted to reach 60% (420 million) by 2015 [26]. In China daily coverage of online group shopping sites has increased from 5 million in July 2010 to be 27 million in July 2011 [27]. Urged by its rapid growth and vast potentials, online group shopping has been considered to be the new growth point of Chinese e-commerce industry and the next paradigm of e-commerce (see [26]). Online group shopping is in fact becoming a platform for enterprises of all sizes to sell off-season and overstocked inventories, and an important platform for local small and medium enterprises (SMEs) to effectively market their brand. For consumers, the availability of various cheap local services and psychical products covering nearly all aspects of daily lives improves their life quality while saving cost.

Compared to conventional e-commerce approaches, online group shopping offers a fertile ground for impulse purchase behavior research. First, deals sold in online group shopping sites are typically from SMEs, and a consumer is unable to predict whether a specific brand is or will be available in the site. Recall that purchases of new products, i.e. unfamiliar brands, result more from impulse than from prior planning (see [30]). In addition, a deal in the group shopping sites is typically available only for a certain period of time and will probably not be available anymore in the future; this probably makes consumers more impulsive in participating in the buying event. Hence, investigating impulse purchase in the context of online group shopping industry seems appropriate.

3. Research model and hypotheses

3.1. Organism: the state of mind and personality

Based on prior marketing studies, the study introduces three personality trait variables to model online impulse purchase, which are instant gratification, impulsiveness and normative evaluation (Fig. 1).

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