

Effect of Cues & Consumer Profile on Impulse buying behavior



By

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Dedication

To my wonderful parents.

Abstract

Understanding or comprehending consumer behavior is of prime importance to a business. Without understanding consumer wants and needs, a sound marketing plan to attract consumers to consume is highly unlikely thereby shrinking profits and market shares. Recently, there has been a trend of growth when it comes to the retail market in the developing world. Pakistan is no exception, and the growth has led to fierce competition and opportunity in the retail market. In this growth period, marketers and retailers can use consumer impulse buying behavior for a bigger chunk of the market share and profits. The present study aims to explore the effect of different external cues such as promotional approach and store environment on consumer impulse buying behavior. In addition, the effect of consumer profile characteristics such as socio-demographics and lesser researched psychographics (shyness and sociability) are also thoroughly examined. The target population consists of income earning consumers from Pakistan; specifically from the cities of Islamabad, Rawalpindi, Peshawar, Lahore, Wah and Karachi, resulting in a diverse sample. Cross-sectional data was collected through a structured questionnaire from 388 consumers. The study applied convenience sampling technique for primary data gleaning. The data was analyzed using SPSS and numerous tests including frequencies, correlation analysis and ordinary least squares (OLS) regression technique were applied. The analysis presents interesting findings such as both the external cues and consumer profile variables being associated with impulse buying. However, external cues are relatively strongly associated with consumer impulse buying behavior compared to the latter.

Keywords: Impulse buying behavior, Consumer profile, demographic profile, socio-economic profile, psychographic profile, external cues, store environment, promotional approaches.

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