

Determinants of Planned and Impulse Buying: The Case of the Philippines

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Abstract

The paper investigates factors influencing planned and impulse purchases in six personal care product categories. This study utilizes a behavioral measure, rather than an attitudinal measure of planned/impulse purchase. Data consist of 982 product purchases of 502 consumers in urban Philippines. Results show that product category, purchase frequency, brand comparison, and age are significant factors influencing planned and impulse purchases. There is no relationship found between planned/impulse purchases and attitudinal shopping values, surrogates for retail search strategies. Implications for retail management are identified.

Keywords: Planned/impulse buying; Epistemic/hedonic search strategies; Retailing

1. Introduction

Impulse buying behavior studies have attracted academic researcher attention because there appears to be a contradiction between what people say and what people do. While literature and consumers themselves claim that impulsive buying behavior is normatively wrong, a substantial volume of purchases across a broad range of categories could be classified as impulsive [10,18,33].

A planned purchase is characterized by deliberate, thoughtful search and evaluation that normally results in rational, accurate and better decisions [17, 22]. Contrary to a planned purchase, impulse buying is a spontaneous and immediate purchase [33] where the consumer is not actively looking for a product and has no prior plans to purchase [6]. Beyond spontaneity, Rook [32] further described impulse buying as an intense, exciting urge to buy without regard to the consequences of the purchase decision.

An in-depth thematic analysis of 32 interviews by Dittmar and Drury [13] found that impulse buying has more complex meanings beyond what can be measured in a survey research. Hausman [19] summarized the findings from previous studies and claimed that almost 90 percent of people

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make occasional impulsive purchases and between 30 percent to 50 percent of all purchases were classified by the buyers themselves as impulse purchases. On the other hand, LaRose and Eastin [24] classified impulsive buying as one of the unregulated consumer behavior shopping tendencies which is milder compared to compulsive and addictive shopping. Uncontrolled buying which is defined by the presence of impulsive and excessive buying is a psychiatric disorder that occurs in only 1.1 percent of the general population [25].

This research contributes to the understanding of retail search and choice behaviors as applied to personal care products. The study is motivated by the following research questions: What is the extent of planned versus impulse purchase decisions in personal care products among urban Filipino consumers? What factors influence whether a toiletry purchase is planned or impulsive? Is there a relationship between planned and impulsive purchases to retail search strategies? Finally, are consumer demographics able to explain whether a purchase is planned or impulsive?

A major contribution of the study is its attempt to relate planned/ impulsive buying and retail search strategies. Previous research on planned and impulsive buying only described impulse-buying as a psychological trait [31, 33] where consumers vary in terms of their impulse-buying tendency. This study investigated impulse buying by classifying purchase behavior when consumers reported whether the product category and the brands were decided on or not prior to the purchase.

Given the increasing incidence of mall shopping most of it accompanied by browsing activity, retailers may use the findings of the study to improve their merchandise assortment and improve the shopping environment including store displays to trigger impulse purchases. In a highly competitive environment, only those retailers who exceed the expectations of their customers in terms of providing an enjoyable shopping experience can survive and become successful.

The paper is organized as follows. Section 2 reviews the literature on factors affecting the choice of search strategies and based on this review, research hypotheses are developed. Section 3 describes the survey methodology and the measures of the variables. To test the research hypotheses, collected data are analyzed using logistic regression. The results are described in Section 4. Section 5 summarizes the major findings, identifies implications for management, and proposes suggestions for future research.

2. Theoretical Foundation and Research Hypotheses

Titus and Everett [39] argued that very little research has addressed questions about how consumers search through retail settings even as consumers encounter shopping difficulties in retail environments. Carsky et al. [9] proposed a shopping model that considers changes in economic, marketing and social environments and how these affect the search system. This present study utilizes the navigational search strategy selection subset of the consumer's retail search process (CRSP) framework of Titus and Everett [39].

The retail search process may either employ epistemic or hedonic search strategies. Epistemic search strategies are designed for locating the desired products inside retail environments. These include strategies that rely on consumer's spatial knowledge (or cognitive map) of the shopping environment [29], or strategies that require the assistance of others (e.g. store employees, other patrons) when consumers get lost [44].

On the other hand, hedonic search strategies comprise the experiential aspect of the retail search activity [20]. Retailers attempt to enhance the overall quality of the multisensory shopping experience to satisfy the shopper's hedonic pursuit of pleasure. Bloch et al. [7] claimed that consumers often resort to browsing activity to obtain recreational benefits.

Consumers who utilize epistemic search strategies are problem-solvers and are susceptible to "utilitarian" shopping trips [5]. These consumers are concerned with efficiency and would want to complete their shopping trips at the soonest possible time. They would value environmental legibility more than environmental stimulation. Thus, they more likely plan their purchases and move through the store as quickly as they can. On the other hand, consumers who use hedonic search strategies are likely to be unfamiliar with their shopping environment thus they would be proceeding more slowly and valuing environmental sensory stimulation. They would have higher tendency to make impulsive purchases.

Avery [4] applied Stigler's [38] Economics of Information Theory in her study of consumer search for frequently purchased nondurable grocery items. This model assumes that consumer search activity is influenced by cost and benefit factors. The amount of search undertaken by the customer is positively related to the purchased value of the good and the degree of price dispersion in the market. On the other hand, the amount of search is negatively related to cost of the search in terms of consumer's opportunity cost of

time, the cost of processing new market information and other direct costs related to search such as transportation.

Better search strategies provide benefits in terms of lower prices or higher product quality. Yet, empirical evidence show that most customers do not easily recall purchase prices [12,27] and only a small percentage shop at different retail outlets to obtain the best deals [41,42].

One explanation of low level in-store price awareness is the time involved in grocery shopping. Ackerman [1] and Thomas and Garland [40] found that grocery shopping is a “chore” done on a regular basis which makes consumers resort to various shortcuts to achieve shopping efficiency. Hallsworth [16] also suggested that convenience and access to transportation constrain search behavior.

However, Stigler’s theory is criticized because many noneconomic factors that affect search behavior are omitted in the model. Researchers [15, 23,36,37] claimed that consumers enjoy shopping and the time spent in searching is a significant contribution to this enjoyment, a support for the use of hedonic search strategies. Prus [30] also found an important type of browsing, which is mainly casual or recreational, where the consumer has no intention of making a purchase.

Babin et al. [5] proposed a scale that identifies shoppers in terms of hedonic and utilitarian (epistemic) shopping values. They defined utilitarian shopping value based on the premise that shopping is task-related and rational and is therefore viewed more as an “errand” or work. Consumers high on the hedonic shopping value scale find shopping as a pleasurable experience. Here, the shopping experience is enjoyable and is viewed as an “escape” or adventure.

Previous researchers viewed that impulse buying is irrational and violates the principle of utility maximization. However, Hausman [19] asserted that if the hedonic components are considered, impulse buying is a valuable pastime which is more than just a means of acquiring goods. Urbany et al. [43] referred to them as “psychosocial returns”. Naramsimhan et al. [28] investigated whether sales promotion and “deal-proneness” of consumers is associated with impulse buying but found no statistically significant relationships. Moreover, Fan and Xiao [14] compared the consumer decision-making styles of Chinese with American [37] and Korean [15] consumers based largely on the consumer styles inventory of Sproles and Kendall [37].

This present study investigates twelve hypotheses. The first three hypotheses concern the product category, end user and product purchase frequency. These are normally determined before visiting the retail outlet. Firstly, the degree of involvement of the consumer and the choice of a retail search strategy depends on the importance of a product category. The product category influences a shopper whether to engage in planned or impulsive purchase.

Rowley [34] claimed that the ratio of leisure shopping to buying is as high as 95 percent in apparel products and one advertiser estimated that women's and children's wear generate more unplanned, impulse buying than any other category. In a mall survey of 100 consumers in Boston area, Narasimhan et al. [28] investigated 108 product categories using a two-item impulse buying scale and found that high impulse-buying categories include pastry/doughnuts, bath products, candy, and chips and snacks while low-impulse buying categories are diet pills, cleaners, lard, milk and cough syrup. Li and Gallup [26] reported that a majority of Chinese respondents claimed that purchases of "big ticket items" are planned rather than impulsive and almost half browsed advertisements prior to purchase.

Six personal care categories were studied:

- (1) Hair styling: Gels, mousse, sprays
- (2) Hair care: Shampoo, conditioner, treatments and coloring
- (3) Facial skin care: cleansers, toners, moisturizers and treatments
- (4) Hand and body care: Bar and liquid cleansers, moisturizers, lotion, deodorant, nail polish, body powder and feminine wash
- (5) Perfumes: Alcohol-based fragrances and concentrates
- (6) Make-up: Lipstick, foundation, blush-on, eye makeup, eye liner, mascara

Based on Narasimhan et al. [28] findings that bath products are high-impulse products, it is predicted that purchases in the above six categories would be impulsive.

H1: Purchases of toiletry products are more likely impulsive.

Secondly, the intended user of the personal care product to be purchased may influence the choice of retail search strategy. If the buyer would be using the product alone, it is predicted that it is immaterial whether the pur-

chase is made on impulse or planned. However, if other members of the household are intended users of the product the search activity may be more likely involved and the purchase planned (H2a and H2b).

H2a: Shoppers buying for themselves and members of the household are more likely to have planned purchases.

H2b: Shoppers buying for themselves alone are more likely to make impulse purchases.

Thirdly, product purchase frequency could indicate the type of retail search strategy employed. Shopping for more frequently purchased products are more likely to be planned as these purchases approach habitual purchase behavior while less frequently purchased products are more likely to be impulse purchases (H3a and H3b).

H3a: Consumers buying more frequently purchased products are more likely to plan their purchases.

H3b: Consumers buying less frequently purchased products (longer lag time between purchases) are more likely to have impulsive purchases.

The effect of attitude on behavior is also studied by determining the shopping value score of each respondent based on the scale of Babin et al. [5]. Consumers' attitudinal score is related to the behavioral measure of having a planned or impulsive purchase. Given the motivation for shopping efficiency of utilitarian shoppers it is more likely that these shoppers plan their purchases. Alternatively, the definition of impulse buying as a trait appears to be consistent with hedonic shopping value [15,23,36,37].

H4: Shoppers with high utilitarian shopping value score would tend to have planned purchases.

H5: Shoppers with high hedonic shopping value score are more likely to have impulsive purchases.

The next set of hypotheses describes what happens inside the store—the shopping environment. This group pertains to brand comparison, store familiarity and beauty consultants. Brand comparison involves information processing and is more likely a feature of epistemic search strategies. Although comparing brands is time-consuming it may be seen to be an enjoyable activity by other consumers especially when the brands are actually tried on, say for example, in cosmetics. Brand comparison was measured by a self-report behavioral item relevant to the particular purchase. Having no a

priori basis for relating the purchase and brand comparison H6 is formulated, thus:

H6: Shoppers who compare brands are more likely to plan their purchases.

Shoppers who are regular patrons of a retail outlet are familiar with its store layout and locations of product categories. They have easier time navigating the store and tend to find the desired products more efficiently. Store familiarity was measured by three self-report items on previous shopping, familiarity with the store and ease in recognizing product categories inside the store. Beauty consultants provide assistance to the shoppers of personal care products. How helpful or how polite and welcoming they are influences the choice of retail search strategy. The information these beauty consultants provide reduces time spent on information search and is relevant to epistemic retail search strategies and planned purchases.

H7: Shoppers who are familiar with their store environment tend to plan their purchases.

H8: Planned purchases are influenced by friendly and helpful beauty consultants.

The third group of hypotheses concerns the demographic variables which have been frequently used as surrogate measures of knowledge and search efficiency [43]. The general assumption is that with experience (reflected in age, female gender, and better education), consumers become more efficient shoppers. Slama and Tashchian [16] reported that purchase involvement and search behavior are linked to demographic characteristics of the consumer and his or her household. They asserted that females are more highly involved and there is greater involvement when there are children at home. Furthermore, they suggest that other factors such as marital status, age, education and income of the consumer are closely related to purchase involvement and search. High involvement and the need to plan the shopping activity tend to support epistemic search strategies and planned purchases.

Davies and Bell [11] reported that an increasing number and proportion of males are doing grocery shopping. They found that males tend to spend less per shopping trip and spend less time in the store. Family income is another constraint to search behavior. Households with less income are more likely to spend less time on shopping.

The effects of the demographic variables on planned or impulsive purchases are considered in the following hypotheses:

H9: Younger shoppers appear to have more time available for the shopping activity and are likely to have impulsive purchases.

H10a: Lower income households would tend to plan their purchases.

H10b: Higher income households are more likely to have impulsive purchases.

H11: Males are more likely to plan their purchases.

H12: More educated people would tend to engage in planned shopping.

3. Method

Store exit interviews were employed to collect data on six toiletry (used interchangeably with personal care) product categories. Non-probability sampling was utilized with quotas for each product category. While the sampling method limits the generalizability of the findings, it ensured that consumers actually purchased the product categories as required by a major cosmetics company that sponsored the fieldwork and provided the incentives for the respondents. It is also less costly than visiting the consumers at home which is more associated with probability sampling methods. Shoppers exiting the store were intercepted, pre-qualified, and requested to participate in the survey by five teams of marketing research students enrolled in the MBA Program of the University of the Philippines during July to August 2000.

There were 502 shoppers interviewed in several store locations, mostly from four major shopping malls of Rustan's, Shoemart, Robinsons and Gotesco in Metropolitan Manila. Rustan's is an upscale department store, Shoemart and Robinsons malls serve middle class customers while Gotesco mall attracts middle to downmarket customers. Each shopper was then interviewed about two toiletry products just purchased. There were 982 toiletry products, of which 299 product categories and brands, and 181 brand names were represented. The units of analyses for the study are the 982 product purchases of the 502 shoppers.

Whether the purchase was an impulse or planned decision, the dependent variable, is operationalized by asking two simple questions answerable by yes or no: whether the product category and the brand were decided on prior to the purchase of each item. Agee and Brett [2] designed another measure by responding to the item "To what degree would you say your

decision to purchase was planned in advance?" (1 = Not at all—just a spur of the moment impulse, 5 = Very much—had planned to buy the next time I saw the advertisement). However, the two questions are preferred because they are directly related to the actual previous purchase in this present study. The behavioral measure rather than just the intention-to-behave (an attitudinal measure) was favored.

A consumer who has already decided on both the product category and the brand before going to a retail outlet engaged in a completely planned purchase. A consumer who plans his or her shopping trip is able to resist impulses to buy and exercise a higher degree of self-control [8]. An impulsive purchase occurs when both the product category and the brand may not have been planned or when either the product category or the brand was not planned. Impulse buyers are predicted to pursue hedonic retail search strategies because they tend to find browsing an enjoyable activity. Giving in to the impulse to buy is part of rewarding oneself and this act contributes to the pleasurable experience of shopping.

Univariate logistic analyses were performed for each independent variable singly to determine relationships with the behavioral measure of planned or impulsive purchase as dependent variable. As the response category with the higher number of occurrence, planned purchase was designated as the baseline category. Thus, the fitted logit model is for $P_{\text{impulsive}}/P_{\text{planned}}$.

4. Results and Discussion

The sample is 85 percent female, aged 26-40 years belonging to a household with four members, one of which is less than 18 years old. At least 73 percent are college graduates and at least 55 percent of the households they belong to earn, on average, at least P20,001 monthly (about U.S. \$370). The sample profile may not be representative of the population, given the convenience sampling, but it approximates the urban shopping population in Metro Manila.

The first research question tackles the extent of planned and impulse purchase decision among urban Filipino shoppers. Most respondents are very deliberate in their choice of personal care products. They have already decided on what product category and what brand to buy before going to their shopping trips. Based on self-reports level of planned purchase is high at 82 percent and most of the shoppers have decided on a brand to buy be-

forehand (82.8%). These two variables are correlated (Pearson $r = .605$, $p < .001$, 2-tailed).

The degree of planned versus impulse buying was further analyzed using the Antonides and van Raaij [3] framework. Responses for product category and the brand purchased were crosstabulated. Table 1 shows that only 76.6 percent of the shoppers have completely planned purchases, buying the intended product category and the brand decided on before the purchase. The remaining 23.4 percent are impulsive purchases. The proportion of completely impulse buying (no intention of buying the category and the brand) is 11.9 percent. Occurrence of impulsive brand choice, where product category was planned but the brand was unplanned, is 5.3 percent. Impulsive product choice (18.1%) encompasses unplanned purchase in a product category regardless of the selected brand. Incidence of impulsive product choice, when the brand chosen was the usual brand, is 6.2 percent.

Since the shoppers were interviewed about their two recent toiletry purchases, it would also be interesting to determine the number of impulsive shoppers among the 502 respondents. Out of 502 respondents, only 51 (10.2%) made completely impulsive purchases where both of their purchases were unplanned. There are 127 respondents (25.3%) where the combination planned/unplanned purchase occurred. The remaining 324 respondents (64.5%) engaged in completely planned buying.

Table 1 Degree of Impulse Shopping in Toiletries

		Looking for this exact brand?		Total	
N= 982 product purchases		Yes	No		
Did you decide to buy this product before coming here?	Yes	Count	752	52	804
		% of Total	76.6%	5.3%	81.9%
	No	Count	61	117	178
		% of Total	6.2%	11.9%	18.1%
Total		Count	813	169	982
		% of Total	82.8%	17.2%	100.0%

Table 2 Univariate Logistic Models

	B	S.E.	Wald	df	Sig.	Exp(B)	Model Diagnostics		
							-2Log likelihood	Cox&Snell Rsquare	Nagelkerke R
H1 Product Category							1042.296	0.027	0.041
Q5(1)Hair Styling	-0.368	0.254	2.091	1	0.148	0.692	H1 is supported		
Q5(2)Hair Care	-1.123	0.253	19.675	1	.000	0.325			
Q5(3)Facial Care	-1.037	0.271	14.681	1	.000	0.355			
Q5(4)Skin Care	-0.660	0.234	7.994	1	0.005	0.517			
Q5(5)Perfumes	-0.578	0.266	4.697	1	0.030	0.561			
Constant	-0.565	0.164	11.784	1	0.001	0.569			
H2 End User Type							1053.740	0.015	0.023
Q6(1)Self	0.131	0.585	0.050	1	0.823	1.139	H2 is not supported		
Q6(2)OtherHousehold M	-0.646	0.622	1.080	1	0.299	0.524			
Q6(3)Self & HH	-0.356	0.600	0.352	1	0.553	0.701			
Constant	-1.099	0.577	3.621	1	0.057	0.333			
H3 Use Frequency							949.991	0.017	0.024
Q7(1)Less than 1x a mo	0.558	0.194	8.244	1	0.004	1.747	H3 is supported		
Q7(2)Once a month	-0.080	0.214	0.140	1	0.708	0.923			
Constant	-1.284	0.154	69.721	1	.000	0.277			
H4 Utilitarian scale							1069.030	.000	.000
Q26 Utilitarian value	-0.003	0.027	0.015	1	0.902	0.997	H4 is not supported		
Constant	-1.118	0.545	4.204	1	0.040	0.327			
H5 Hedonic scale							1067.243	0.002	0.003
Q25 Hedonic value	0.023	0.017	1.778	1	0.182	1.023	H5 is not supported		
Constant	-1.689	0.388	18.990	1	.000	.185			
H6 Brand Comparison							1044.868	0.024	0.037
Q13(1)Brand Comparison	0.748	0.153	24.022	1	.000	2.113	H6 is supported		
Constant	-1.522	0.108	199.613	1	.000	0.218			
							Model Diagnostics		
H7 Store familiarity							1067.543	0.002	0.002
Q13 store familiarity	0.184	0.148	1.544	1	0.214	1.201	H7 is not supported		
Constant	-1.780	0.486	13.388	1	.000				

		Model Diagnostics								
		B	S.E.	Wald	df	Sig	Exp(B)	-2Log likelihood	Cox&Snell Rsquare	Nagelkerke R
H8	Beauty consultant							1067.984	0.001	0.002
	Q24 Beauty Consultant	-0.031	0.030	1.061	1	0.303	0.969	H8 is not supported		
	Constant	-0.966	0.224	18.581	1	.000	0.381			
H9	Age							1051.938	0.017	0.026
	Q29(1)Less than 18yrs	1.513	0.475	10.141	1	0.001	4.540	H9 is supported		
	Q29(2)18-25years	0.068	0.228	0.089		0.766	1.070			
	Q29(3)26-40years	-0.258	0.228	1.283	1	0.257	0.772			
	Constant	-1.145	0.194	34.818	1	.000				
H10	Household Income							1066.574	0.003	0.004
	Q35(1)< than P10,000	-0.238	0.250	0.904	1	0.342	0.788	H10 is not supported		
	Q35(2)P10,001-20,000	-0.286	0.215	1.763	1	0.184	0.751			
	Q35(3)P20,001-35,000	-0.072	0.232	0.097	1	0.756	0.930			
	Q35(4)P35,001-50,000	-0.042	0.247	0.028	1	0.866	0.959			
	Constant	-1.048	0.158	43.908	1	.000	0.351			
H11	Gender							1069.026	.000	.000
	Q30(1) Male	-0.030	0.212	0.020	1	0.889	0.971	H11 is not supported		
	Constant	-1.180	0.082	208.852	1	.000	0.307			
H12	Education							1064.941	0.004	0.006
	Q32(1) elem school	0.545	0.533	1.045	1	0.307	1.725	H12 is not supported		
	Q32(2) high school	-0.302	0.343	0.776	1	0.378	0.739			
	Q32(3) some college	-0.339	0.323	1.101	1	0.294	0.713			
	Q32(4) college	-0.058	0.259	0.049	1	0.824	0.944			
	Constant	-1.084	0.241	20.196	1	.000	0.338			

The finding on the extent of impulsive purchases is consistent with previous researchers such as Hausman [19] who obtained between 30 percent to 50 percent of impulse purchases among consumers. The finding that a majority of the purchases are planned is similar to the results of Agee and Martin [2].

The other three research questions are addressed by fitting the logistic regression model. Table 2 contains the results of univariate analyses.

Coefficients of toiletry product categories hair care ($p < .01$), facial care ($p < .01$), skin care ($p < .01$), and perfumes ($p < .05$) are significant but have negative signs. This means that it is unlikely that these product categories are impulse purchases, opposite the results in Narasimhan et al. [28] study. Filipino respondents may have considered these products as conspicuous consumption and purchases in these product categories are more likely to be involved and planned. Nevertheless, the result supports H1, a general relationship between planned/impulse buying and the product category.

The relationship between planned/impulse purchases and product's end users is not significant. H2a and H2b are not supported. In the sample about 58.6 percent of the respondents bought products for personal use while another 24.7 percent shared the product with others in the household. Still another 15.1 percent bought for other members in the household but not for themselves. Only a small percentage (1.6%) bought products for people outside of their households.

There is a relationship between planned/impulse shopping and frequency of purchase. While H3a is not supported, the coefficient for purchases that have lag time of more than one month (last purchase was more than one month ago) is positive and significant ($p < .01$) lending support to H3b. This means that consumers buying less frequently purchased products are more likely to engage in impulse buying. This result does not support the role of the degree of involvement of the buyer in a particular purchase but this finding may be category-specific. The personal care product category may be prone to impulsive purchases especially for less frequently bought toiletry categories such as perfumes.

The coefficients for relating utilitarian shopping value with planned purchase (H4) and hedonic shopping value with impulsive purchase (H5) have the correct signs. However, H4 and H5 are not supported because the coefficients are not significant. This proves that the Babin [5] scale may not be appropriate to explain the relationship between planned/impulse buying and epistemic/hedonic retail search strategies. There is a need to design a better scale to relate planned/impulse buying with the retail search strategy attitudinal measure.

Consumers who compared brands seemed to have impulsive rather than planned purchases. H6 is supported ($p < .01$) but the coefficient has the wrong

sign. In this case, brand comparison seems to be associated with browsing and hedonic retail strategies. However, it is also possible that although the brand purchase was planned, a consumer may compare brands when there is a new product, a new packaging or a new advertisement of a competing brand. This implies that brand switchers are vulnerable to marketing promotions and other point-of-sale activities. It is to be highlighted that brand building and convincing information on the label could become factors during brand comparisons. In a separate item, respondents reported price (buy cheapest brand = 12%; buy the expensive brand = 10%) and a promotion/discount (10%) to be determinant factors during brand comparisons.

Store familiarity and availability of friendly and helpful beauty consultants were hypothesized to be positively related to planned purchases. However, the coefficients are not significant. Thus, H7 and H8 are not supported.

Most of the shoppers (93%) were previous patrons of the store they visited. Such store familiarity could make it easier to find the toiletries needed and increase shopping efficiency. Less than half of the respondents found the beauty consultants helpful (43.4%) or polite and welcoming (48.2%). Retailers can take these findings to maintain trained beauty consultants and provide adequate signs whenever some relocation of products took place. The prevalent practice of hiring temporary salespeople in most department stores is contributing to some of these problems.

Among the demographic variables, only age appeared to be a factor influencing the planned/impulse purchases. As predicted in H9, younger people are more likely to become impulsive shoppers ($p < .01$). The study did not find evidence of relationship between planned/impulse purchase and household income (H10), gender (H11), and education (H12) respectively.

5. Conclusions and Directions for Future Research

The study determined the extent of planned and impulse purchases among urban Filipino shoppers. Majority of the buyers in urban Philippines plan their purchases and only about 10 percent made completely impulsive purchases a result similar to Agee and Martin [2]. To promote impulse buying retailers should create a store environment where the negative perceptions of impulse are reduced. Advertisements may be designed to emphasize the non-economic rewards of impulse buying. Since majority of the purchases are planned, stores should have highly legible environment and implement steps to promote shopping efficiency.

More importantly, this study highlights the factors affecting planned or impulsive purchases. Before the visit to a retail outlet, the product category, purchase frequency appears to be a significant factor. Products bought less frequently tend to become impulsive purchases. Since most respondents bought toiletries for personal use, communication campaigns that encourage self-indulgence or pampering self would be effective. Products that enter the daily personal rituals of consumers could become successful in the market. Moreover, the knowledge of product categories associated or purchased together is also valuable in store layout designs and shelving strategies.

Inside the store, consumers compare brands and obtain information from beauty consultants to facilitate their planned purchases. This implies that marketers and retailers need to design shopping environments that reduce the expected shopping difficulties of their target consumers. It is important to understand that shoppers have varying types and amounts of product and store knowledge, which may affect their navigational search strategies.

Among the demographic variables only age was found to affect planned/impulse purchases. To market high-impulse products retailers and manufacturers are advised to target their marketing efforts to younger people who are found to be susceptible to making impulse purchases. There is an opportunity for Philippine retailers to improve their performance in terms of merchandise assortment, making shopping more enjoyable, having helpful consultants and providing more information about their products.

There was no relationship found between planned/impulse purchases and epistemic/hedonic shopping value, an attitudinal measure used as a surrogate for retail search behavior. Future research may explore the design of a more robust scale which could help explain the relationship between planned/impulse purchases and retail search strategies.

Other factors that may affect planned or impulse may need to be investigated in future studies such as price, store promotion [28], a continuous measure of interpurchase time rather than the categorical measure used in this study, time available for shopping and environmental stimuli. The presence of environmental stimulation variables such as scent and sound or attractive store displays may moderate the choice of search strategies and making impulse purchases. Researchers also suggest that consumers engage in multipurpose shopping trips and they shift back and forth between epistemic and hedonic search strategies throughout their shopping experience [39].

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