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### An Empirical Study of Online Impulsive Buying Behavior

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#### **Abstract**

Using the SOR model, this study examines the effect of Online Review, Shopping Enjoyment, Impulse Buying Tendency, and Perceived Acquisition Value on online impulsive buying behaviour among the millennial generation. Data was collected through online questionnaires using the convenience sample method. After data filtering, 256 replies were used in this study. The findings have shown that shopping enjoyment and impulsive buying tendency play an important role to influence online impulsive buying behaviours. These insights can be used by online retailers, online marketers, and online purchasing platform providers to plan future efforts to boost sales revenue and ensure the e-commerce industry's long-term viability.

Keywords: Online shopping; impulsive purchase; buying behavior; online review

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#### 1.0 Introduction

The e-commerce industry in Malaysia is undeniably expanding. Malaysia's Communication and Multimedia Commission (MCMC) estimates that 88.7% of Malaysians will utilize the internet in 2020, up to 1.3 to cent from 2018. Impulse buying is a marketing strategy employed by online shopping platforms to entice people to make purchases. Impulse buying, according to studies, can raise sales by 30 to 80 per cent. To put it another way, consumers' impulse purchases are a significant source of money for online firms, and they are worth looking into (Khisam et al., 2020; Hong et al., 2021). In addition, the Government of Malaysia has an ambitious plan of getting everyone online as means of pushing the country towards the next income level (Mohd Shukri et al., 2017).

Online impulsive buying is described as an unplanned and on-the-spot purchase triggered by internal and external stimuli such as appealing product display, store layout, price, promotional schemes, packaging, sales activities, website design and e-store design (Sarah et al., 2021). According to previous research impulsive shoppers make unexpected, unreflective, and immediate purchasing decisions without thinking about the effects (Sarah et al., 2021; Widayat et al., 2020).

There are a few significant patterns in present online consumer behaviour (Azis, 2019). The first trend is the use of mobile devices to browse the internet and gather product information (Salehan & Negahban, 2013). Perhaps even more than 90% of consumers prefer to browse and shop on their mobile devices (Tayibnapis et al., 2018). The next trend is related to consumer behaviour in which they seek detailed information about the things they want (Joines et al., 2003; Shankar et al., 2010). Finally, the use of e-money for shopping is becoming increasingly common in online shopping (Widayat et al., 2020). The major increase in e- commerce and other important technological advancements have led to these e-commerce buying patterns and triggered online impulsive buying behaviour.

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An average internet shopper spends roughly 30 seconds on a website before deciding whether or not to stay (Brohan 1999). This is especially true for millennial buyers, who are known for making snap decisions while shopping online (SivaKumar and Gunasekaran 2017). This is why the focus of this research is on millennials' online impulsive buying habits.

#### 2.0 Literature Review

#### 2.1 Stimulus-Organism-Response (Sor) Model

The acronym S-O-R stands for Stimulus, Organism, and Response. The stimulus, according to this psychology theory, is the impulse that contains the message. Organism refers to the individual and response to the consequences, reactions, responses, and answers. According to this principle, a statement presented to an individual should suit the individual's needs.

The SOR model was originally based on the Stimuli-Response (S.R.) paradigm. According to Aragoncillo and Orus (2018), stimulus consists of two components: external stimulus (object stimulus) and internal stimulus (social-psychological stimuli), both of which directly influence individuals' internal emotional responses, known as organism and, as a result, behaviour responses, which are defined as the response in this model.

So, in this research, the online review, the shopping enjoyment, and the impulsive buying tendency act as a stimulus that affects the organism (individual) and will generate a response that will lead to online impulsive buying behaviour.

#### 2.2 Online Impulsive Buying Behavior

The tendency of a customer to acquire products and services without preparing ahead is known as impulsive buying. When a buyer makes a spur-of-the-moment purchase, it is frequently motivated by emotions and feelings (Astari & Nugroho, 2017; Rahman et al., 2019). It's a one-time, limitless purchase with no pre-payment that aims to buy a specified category of items or to complete a specific buying activity. Emotions, feelings, and attitudes all play a part in purchase decisions and are triggered by seeing a product or hearing a well-crafted advertising message Kathiravan et al., 2019).

There are two factors affecting impulse buying, which are external and internal stimuli (Muruganantham & Bhakat, 2013). The marketing cues that marketers set and regulate to attract customers into buying behaviour are referred to as the external factor. The retail environment's external stimuli include store size, mood, website design, variety of sales strategies and advertising activities (Prawira & Sihombing, 2021). The internal factor is concerned with the individual personality-related aspects that lead to impulsive purchases by customers (Prawira & Sihombing, 2021).

#### 2.3 Online Review

According to Zhang et al. (2018), online buyers are willing to spend time looking for and reading prior customer reviews based on their goals, which can have a significant impact on their impulse buying behaviour. Some customers screen and search the online review to relieve stress while surfing a website, while others read the online review for enjoyment (Hong et al., 2021). Consumers may perceive specific values, such as hedonic and utilitarian, when reading the comments written by former customers on the internet (Hong et al., 2021). This could show that internet reviews can impact consumers' impulse buying behaviour and that online reviews can assist people in achieving their objectives. As a result, the hypothesis is as follows:

H1: Online review attributes positively influence online impulse buying behaviour.

#### 2.4 Shopping Enjoyment

Shopping for stimulation, adventure in the hunt for things, and the sensation of being in a different world are all terms used to describe adventure shopping or shopping enjoyment (Prawira & Sihombing, 2021; Chavosh et al., 2011). As a result, shopping on the internet can be a good option for people looking for products all over the world. When it comes to mobile devices, for example, customers will be drawn in. This curiosity will generate action-adventure and influence consumer impulse buying tendencies (Ozen & Engizek, 2014). As a result, the hypothesis is as follows:

H2: Shopping enjoyment positively influences online impulsive buying behaviour

#### 2.5 Impulse Buying Tendency

Previous studies have stated that consumers are different based on their demographic profile. Thus, this causes different individuals to have different preferences and interest that give variations to their impulsive buying behaviour tendency (Verplanken & Herabadi, 2001; Sharma et al., 2010; Badgaiyan & Verma, 2014; Amos et al., 2014; Dhaundiyal & Coughlan, 2016). This factor has also been considered in both online and offline environments. In the past study, it has been mentioned that those customers with the higher level of impulsiveness mostly engage in impulse buying (Febrilia & Warokka,2021). This is due to the fact that those customers tend to have low self-control rather than those consumers with low impulsiveness. Researchers in the past identified impulsive buying tendency (Amos et al., 2014; Badgaiyan & Verma, 2014; Dhaundiyal & Coughlan, 2016; Febrilia & Warokka, 2021) ) as a part of consumer traits associated

online impulse buying. As a result, the hypothesis is as follows: This is due to the fact that those customers tend to have low self-control rather than those consumers with low impulsiveness.

H3: Impulse buying tendency positively influences online impulsive buying behavior

#### 2.6 Perceived Acquisition Value

According to Chandon et al. (2000), consumers perceive value when they are satisfied and can get a greater price with quality. Consumers can find personal enjoyment by finding a good discount or offer. The most influential variable is value shopping, which can make customers pleased and enthusiastic when they get a good deal or a discount while purchasing things (Akram et al., 2018; Prawira & Sihombing, 2021). There have been a number of previous researches that show a link between the perceived acquisition value and online impulse purchase (Maghfiroh & Prihandono, 2019; Prawira & Sihombing, 2021). Thus, the following hypothesis can be stated:

H4: Perceived acquisition value positively influences online impulsive buying behavior.

#### 3.0 Methodology

A sample of 256 respondents from Klang Valley has participated in this study. This study employed the convenience sampling method because the population of the millennial generation was uncertain and not able to be determined; hence convenience sample method was employed (Abukhalifeh & Ahmad Puad, 2018).

There were two instruments, as described in Table 1, that have been implemented in this study where the Likert Scale from the range of 1 to five was implemented for three variables, online impulsive buying behaviour, online review and impulsive buying tendency. While Likert Scale from the range of 1 to seven was implemented for two variables that are shopping enjoyment and perceived acquisition value.

Table 1: Instruments

Variable	No of Items	Reliability	Source	
Online Impulsive Buying Behavior	7	0.82	Cakanlar, A., & Nguyen, T. (2019)	
Online Reviews	4	0.83	Zhao, K., Stylianou, A. C., & Zheng, Y. (2018)	
Shopping Enjoyment	4	0.8	Beatty, S. E., & Ferrell, M. E. (1998)	
Impulsive Buying Tendency	5	0.89	Cakanlar, A., & Nguyen, T. (2019)	
Perceived Acquisition Value	5	0.83	Kwon, S., & Jang, S. S. (2011)	

#### 3.1 Results

Table 2: Descriptive Statistics

Variables	Mean	SD	Reliability
Online Impulsive Buying Behavior	2.8309	0.92081	0.854
Online Reviews	4.248	0.67989	0.820
Shopping Enjoyment	2.6148	1.04334	0.891
Impulsive Buying Tendency	4.4697	1.44246	0.879
Perceived Acquisition Value	5.0398	1.04719	0.873

Table 3: Hypothesis Testings

Variables	Standardized Coefficients	T-Statistics P	P-Value	Results
Online Review → Online Impulsive Buying Behavior	7	2.662	0.008	Accepted
Impulsive Buying Tendency → Online Impulsive Buying Behavior				
	4	18.183	0.000	Accepted
Shopping Enjoyment → Online Impulsive Buying Behavior	4	2.497	0.013	Accepted
Perceived Acquisition Value $\rightarrow$	•	2.101	3.310	ccopiod
Online Impulsive Buying Behavior	5	1.34	0.181	Not Accepted

Table 2 expresses that Cronbach's Alpha is greater than 0.7. This means the constructs are reliable. Table 3 indicates that online review is accepted since its P-value (0.008) is less than 0.05. The result shows that online review has a significant and positive relationship with impulsive buying in online shopping. Thus, the increasing online review will increase impulsive buying. As a result, H1 is accepted. H2

for impulsive buying tendency is supported since its P-value (0.00) is less than 0.05. The result shows that impulsive buying tendency has a significant and positive relationship with online impulsive buying behaviours. Thus, increasing impulsive buying tendency will increase impulsive buying behaviour. As a result, H2 is accepted.

The study also found a significant relationship between shopping enjoyment and online impulsive buying behaviour with significant value (t=2.497, <0.013). Hence H3 is accepted. Lastly, H4 for perceived acquisition value is rejected since its P-value (0.181) is more than 0.05. The study found insignificant result of H4 with t- value of 1.340 and p-value of 0.181 which shows H4 is not accepted.

#### 4.0 Discussion

The purpose of this study was to determine Online Review, Impulsive Buying Tendency, Shopping Enjoyment, Perceived Acquisition Value and Online Impulsive Buying Behaviour in online shopping in Malaysia using a quantitative approach. As a result, 256 replies were collected from people aged 26 to 40 who had experience in buying online in the Klang Valley. The results show that Online Review, Impulse Buying Tendency and Shopping Enjoyment have a significant positive impact on Online Impulsive Buying Behaviour. At the same time, Perceived Acquisition Value is not significant to Online Impulsive Buying Behaviour.

This result is consistent with previous studies that found Online Review has an effect on Online Impulsive Buying Behaviour (Hong et al., 2021). This is because Online Review has become one of the essential factors among online consumers. It tends to be the guidance for the consumers to ensure the quality of that particular product before purchasing them. Hypothesis 2 proposed that Impulsive Buying Tendency has a significant relationship with Online Impulsive Buying Behaviour. As outlined in the literature review, most former studies also found a significant relationship on this result as Impulsive Buying Tendency refers to the characteristic of customers that clearly affect the customer purchase buying behaviour (Amos et al., 2014; Badgaiyan & Verma, 2014; Dhaundiyal & Coughlan, 2016; Febrilia & Warokka, 2021).

Hypothesis 3 was also supported in the results suggesting that Shopping Enjoyment has a direct positive influence on Online Impulsive Buying Behaviour. Former studies have emphasized the effect of shopping enjoyment would have a stronger effect initiate Online Impulsive Buying Behaviour (Prawira & Sihombing, 2021; Chavosh et al., 2011). For instance, people will feel happy if they could spend time lingering at the malls or online, shopping for things that may not be necessary, hunting for branded goods, and looking for new goods in order to be different from everyone else.

The study found insignificant relationship of H4, suggesting that Perceived Acquisition Value has no relationship with Online Impulsive Buying Behaviour. This result is inconsistent with previous research findings that found that Perceived Acquisition Value does have an effect on Online Impulsive Buying Behaviour.

#### 5.0 Conclusions

This study's findings also provide important practical implications within the e-commerce context of online retail. One interesting finding is that Online Review is proven to have an impact on Impulse Buying Behaviour. This is supported by the fact that impulse buying is often found in fast, time-limited decision-making, where the shopper does not have time to examine product information (Sarah et al., 2021). Thus, online retailers should try to upgrade their shopping websites with reviews or testimonial platforms for customers' reference to encourage consumers to make impulsive purchase decisions.

Another interesting conclusion that can be said about this study is that consumers tend to spend a long time browsing when they do shopping online. On top of that, it is found that unplanned purchasing decision is made when consumers' shopping enjoyment level is high. Based on the existing phenomena of shopping enjoyment, the researchers have focused on the study of happiness based on the hedonic way of happiness. Hedonic tradition shows a life focused on obtaining happiness through experiences that are full of pleasure and enjoyment without considering rational thinking. Hence, it is recommended for future research to explore extensively hedonic factors that could affect Online Impulsive Buying Behaviour.

This study has significant limitations that could be addressed in future research. First, the respondents solely represented millennial consumers, who do not make up the majority of the population; hence, the study's findings are not applicable to the wider community. There would be different results if a similar study was conducted among respondents from other demographic backgrounds. Furthermore, the study used convenience sampling due to a lack of a sample frame; http://TuEngr.com Page 7 hence, generalizing these findings is not statistically relevant. Finally, future studies might include a bigger sample size of respondents from different categories of ages and a broader geographic area to make the findings more generalizable.

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