The influence of culture on impulse buying

-A cross cultural study-

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Introduction

➢ Impulse buying

- 76% of purchased decisions are made in the stores
- Sweden: 20000SEK/year for impulsive shopping (Nordea Bank, 2013)
- Vietnam: 7% of annual economic growth → an increased demand in shopping
- Turkey: one of the fastest economic growths in Europe → impulse buying of customers
Introduction

• Why cultural effects?
  – The effect of culture is stronger when people react immediately to a stimuli
  – The limited number of studies
  – The lack of focus in non Western countries
  – The rapid growth of international marketing, especially in the field of impulse buying

• Purpose
  – The purpose of this study is to expand the understanding of impulse buying behaviour by looking further into the role of culture in cross cultural contexts

• Research questions
  – How do cultural dimensions affect customers’ impulse buying behaviour?
Literature review

- **Impulsive buying**
  - Pure impulsive buying
  - Reminder impulsive buying
  - Suggestive impulsive buying
  - Planned impulsive buying

- **Hofstede model**
  - Individualism/collectivism
  - Power distance
  - Uncertainty avoidance
  - Masculinity/Femininity
Hypothesis

- \( H^1 \) – There is a significant relationship between individualism/collectivism and impulse buying behavior.
- \( H^2 \) – There is a significant relationship between power distance and impulse buying behavior.
- \( H^3 \) – There is a significant relationship between uncertainty/avoidance and impulse buying behavior.
- \( H^4 \) – There is a significant relationship between masculinity/femininity and impulse buying behavior.
Methodology

• Qualitative method
  – Three focus groups
  – Seven personal interviews

• Quantitative method - Survey
  – Vietnam: 565 valid responses
  – Turkey: 771 valid responses
  – Sweden: 373 valid responses
## Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Vietnam Accepted/Rejected</th>
<th>Turkey Accepted/Rejected</th>
<th>Sweden Accepted/Rejected</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a significant relationship between individualism/collectivism and impulsive buying behavior</td>
<td>Rejected</td>
<td>Rejected</td>
<td>Accepted**</td>
</tr>
<tr>
<td>There is a significant relationship between masculinity/femininity and impulsive buying behavior</td>
<td>Accepted****</td>
<td>Rejected</td>
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<td>Rejected</td>
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<tr>
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</tbody>
</table>
Conclusion

• Theoretical contribution
  – First time to apply four dimension of Hofstede’s model in three countries
  – The vital effect of uncertainty avoidance dimension on impulsive buying
  – Proposing a new interpretation about the effect of power distance and masculinity/femininity on IBB
Conclusion

• Managerial implication
  – In Vietnam and Turkey: The need to emphasize "status", "power" and "popularity" in Branding. "Competitiveness" should be considered in Vietnamese market.
  – In Sweden: "equality" and "conformity" are outlined.
  – Young people should be set as the target group for impulse buying
Limitations and Recommendations

• Limitations
  – Low R-square
  – Non-probability sampling
  – Low reliability for power distance dimension in Vietnam
Limitations and Recommendation

• Recommendations
  – Including new dimensions in further research
  – Observation or experiment is recommended in future studies
  – Using different cultural scales and measurements
  – More cultures and countries should be explored
references

• Nordea Bank (2013)
  http://www.slideshare.net/NordeaBank/veckohandling-eller-impulskop