Master Project/Thesis: Exploring the factors affecting impulsive buying behavior in fashion industry in Tbilisi

Paria Alikhani

Master Project/ Thesis is submitted for Ilia State University Business School.

Project Supervisor: Prof. Tamara Chilachava

Ilia State University

Tbilisi, (2021)

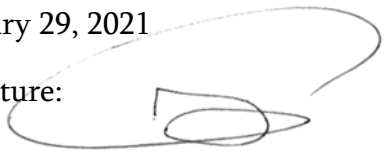
Declaration

As the author of this paper, I declare that this thesis is an original report of my research and has been written by me. Due references have been provided on all supporting literatures and resources. I declare that this thesis was composed by myself, that the work contained herein is my own except where explicitly stated otherwise in the text, and that this work has not been submitted for any other degree or professional qualification.

Paria Alikhani

January 29, 2021

Signature:



Contents

Declaration……i

Contents……ii

List of abbreviations……v

Abstract……vi

Chapter 1: Problem and its context……1

1.1 Background ……1

1.2 Academic and practical relevance……2

1.3 Outline……4

Chapter 2: Literature review……4

2.1 Consumer behavior in fashion industry……5

2.2 Impulse buyers……6

2.3 Situational factors……7

2.4 Individual factors……8

2.5 Product related factors……11

2.6 Demographic factors……11

2.7 Fashion industry in Georgia ……12

Chapter 3: Thesis aim and objectives……13

3.1 Research questions……13

3.2 Research objectives……14

3.3 Research hypotheses…..……..……..……..……..…...…14

Chapter 4: Methodology……..……..……15

4.1 Research design……..……..……..……15

4.2 Data collection methods……...……..……16

4.3 Population and sampling design……..…….…….…….……..….17

4.4 Research procedures……...……..……..……18

4.5 Data analysis methods……..……...19

4.6 Limitations…….……..……19

4.7 Chapter summary…….……..…..…….....20

Chapter 5: Analysis…….…..……21

5.1 Descriptive analysis……..…..…..……21

5.1.1 Age frequency distribution…….……..21

5.1.2 Gender frequency distribution……..…….……..22

5.1.3 Income frequency distribution…….……..…….…….23

5.1.4 Personality type frequency distribution...……...…….25

5.1.5 Fashion orientation frequency distribution…..……...…….……26

5.1.6 Impulsive buying frequency distribution……..……...…….…..27

5.1.7 Store design frequency distribution…….……...…….…..28

5.1.8 Sales agent's characteristics frequency distribution……...…….…..29

5.1.9 Discounts frequency distribution……..……..….30

5.2 Inferential statistics……..……..….31

5.3 Discussion…..……..…….……40

5.3.1 Age and impulsive buying behavior……40

5.3.2 Gender and impulsive buying behavior……41

5.3.3 Income and impulsive buying behavior……42

5.3.4 Personality type and impulsive buying behavior……42

5.3.5 Fashion orientation and impulsive buying behavior……43

5.3.6 Store design and impulsive buying behavior……44

5.3.7 Sales agent's characteristics and impulsive buying behavior……44

5.3.8 Discounts and impulsive buying behavior……45

5.3.9 Impulsive buying behavior……45

Chapter 6: Conclusion ……46

6.1 Conclusion……46

6.1 Recommendations……47

6.2 Limitations……49

6.3 Future research……50

6.4 Acknowledgement……51

Bibliography……52

References……52

Appendix……58

Appendix 1: The questionnaire……58

Appendix 2: Raw data……62

List of abbreviation

COVID19	Corona virus disease in year 2019
GEL	Georgian Lari
ISU	Ilia State University
SPSS	Statistical Packages for the Social Sciences
VALS	Values and Lifestyles

Abstract

People always buy many products without any previous intention and planning. This contributes to a large portion of income in many businesses around the world. There are many intrinsic and extrinsic factors that affect this unthoughtful and sudden buying decision. The aim of this research is to understand what internal and external elements have influence on impulsive buying behavior of adults in fashion industry in Tbilisi, Georgia. A mono-quantitative method, a questionnaire, has been used to collect the data from a sample of 385 adults in this study. The sampling technique used in this study is convenience sampling which was chosen mostly because of COVID19 (Corona virus disease in year 2019) pandemic situation. After finding the results and doing the analyses, it was concluded that demographic factors such as age, gender, and income together with the customer's personality type and fashion orientation affect impulsive buying decision. In addition, characteristics of the sales' agent, store design and atmosphere and discounts also affect the mentioned decision. When the person is a female and young, earns higher income per month, is fashion oriented and has an extrovert personality, the probability of impulsive buying decision increases. This probability will also increase if the store design is colorful and attractive, sales agent is helpful and informative, and there are discounts at store. As a result of this research, it is recommended to businesses to not only consider their customers demographic factors, but also to care about design of the store and train sales person to increase the probability of impulsive buying purchases by customers.

Key words: Impulsive buying, Fashion industry, Consumer behavior, Impulsive decision factors, Georgia, Tbilisi, Fashion orientation, Store design, Consumer decision making