# Does Culture Impact on Impulse Buying Behaviour? – A Study on Fast Moving Consumer Good Industry

N.A. Jayasuriya<sup>1</sup>, T. Wijesekara<sup>2</sup>, T.M.A.P. Tennakoon<sup>2</sup>, P.T. Wijesinghe<sup>2</sup> and K.A. Hidellarachchi<sup>2</sup>

# Abstract

Culture has been an important factor concerning the purchasing behavior of people. This research aims to identify the impact of cultural factors on impulse buying. The present study applies the Hofstede's cultural model dimensions to determine its impact on impulse buying in FMCG in the Sri Lankan context. Accordingly, the factors that were under investigation in were individualism/collectivism, uncertainty avoidance. this studv masculinity/femininity, long-term orientation and power distance. Primary data for the study were collected employing questionnaires responded to online by 267 Sri Lankan consumers, which were later analyzed using confirmatory factor analysis and structural equation method. The results indicate that individualism/collectivism, masculinity/femininity, long-term orientation and power distance influence consumers' tendency to impulse buy. This study is one of the early studies which focuses on testing/validating all five elements of Hofstede's model against impulse buying.

**Keywords**: Impulse buying, Culture, FMCG, Power distance, Individualism/Collectivism, Uncertainty Avoidance, Masculinity/Femininity, Long-term orientation.

# Introduction

Impulse buying (IB) is generally known as unplanned or sudden purchase behaviour which is often a persistent, powerful urge that will result in an immediate purchase. Increasing use of credit cards along with the growing personal income and online selling, fuel consumer motivation for impulse buying. Studies have identified distinctive

<sup>&</sup>lt;sup>1</sup> Assistant Professor, SLIIT Business School, Sri Lanka Institute of Information Technology, Malabe Sri Lanka, Email: <u>nisha.j@sliit.lk</u>

<sup>&</sup>lt;sup>2</sup> SLIIT Business School, Sri Lanka Institute of Information Technology, Malabe, Sri Lanka

factors such as product placements, advertising, price strategy, customer referrals etc., as the determinants of IB behaviour of consumers (Bashir et al., 2013). Among them, cultural factors also have a significant impact on shaping consumer buying patterns. With the finding of buying is more emotional rather than rational, the significance of culture on IB increases further. Studies conducted in developed countries have researched the impact of culture and lifestyle on consumers' purchases (Bashir et al., 2013). In those individualist cultures, consumers normally ignore the negative consequences of their IB and tend to buy more impulsively when they are alone (Cakanlar and Nguyen, 2019). Conversely, there are limited studies on the collectivist culture like in Asia where the purchase behaviour of consumers is largely influenced by the culture. To fill this void in the literature, this study focuses on identifying the cultural impact on the IB behaviour of consumers.

#### **Literature Review**

Hofstede's Cultural Dimensions Theory, created by Geert Hofstede, is a system used to comprehend the distinctions in culture across nations and to perceive the manners in which respective business takes place is carried across various societies. Most of the researchers are going along the model of Hofstede (1993) when they attempt to identify the cultural values of customers. Following him, there are five dimensions of cultural values such as individualism/collectivism, uncertainty avoidance, masculinity/femininity, and power distance. He likewise clarified collectivism as a network of individuals or maybe groups which regularly care for the other individual and endeavour to help the individuals from the gatherings and independence as to how free everybody is while settling on a choice and level of opportunity a part has been given by the individuals from the general public of which the person is a part.

#### **Impulse Buying**

IB is an important area to study from a business perspective. It records 80% sales in some product categories and contributes to the massive annual income (Dinesha, 2017). IB can be identified in four forms pure impulse buying, reminder impulse buying, suggestion impulse buying, and "planned" impulse buying. Among them, pure IB is the

behaviour in which consumers break the normal purchasing routine and make novelty purchases immediately (Zhang et al., 2018). "Reminder impulse" occurs as a result of recalling an experience and "suggestion impulse" occurs when consumers feel the product, they see will be required for them. In "planned impulse buying", the buying is partially planned and consumers are open to making their purchase decisions.

The trend of IB has increased over the past two decades because of economic and social improvements such as an increase in personal income, and credit card usage. Due to the profitable nature of impulse buyers, several studies have been conducted in identifying the drives for impulse buying. The drives identified can be categorized into different clusters as shopping environment, shoppers' traits, situational factors or cultural factors (Cakanlar and Nguyen, 2019).

# The Impact of Culture on Impulse Buying

As noted at the onset, culture has a significant impact on impulse buying. According to Hofstede's Cultural Dimensions Theory individualism/collectivism, uncertainty avoidance, masculinity/femininity, and power distance have been considered to measure the cultural aspect of the study.

# Individualism/ Collectivism

The individuals of the individualistic culture have an independent opinion of their self-image, hence they are motivated more by their preferences, goals, and objectives and emphasize a rational connection with people whereas not the individuals who are easily influenced by group opinions (Triandis, 1994). But looking into collectivistic cultures due to the independent relationship within individuals and groups such as family, relatives, friends and via social platforms (Kacen and Lee, 2002), members tend to be more influenced by the opinions and judgments of others as they are considered as an integral part of a group (Triandis, 1995). Kacen and Lee (2002) emphasize individualism/collectivism as a crucial factor that affects consumers' IB behaviour. In addition, their study states that individuals in collectivistic cultures due to the decisions taken by people in

individualistic cultures being more self-focused and independent than in collectivistic cultures (Roth, 1995). According to Nguyen et al. (2003) due to the above reasons, consumers in collectivistic cultures are constrained to experience buying FMCG spontaneously which results in a lower likelihood of IB and slower decision making.

Nonetheless, some different investigations offer a counterview that collectivism has a stronger relationship with IB since what consumers think and their willingness to purchase FMCG could be affected by others' opinions (Kongakaradecha and Khemarangsan, 2012). Further, the study of Dameyasani and Abraham (2013) also discovers a positive relationship between collectivism and impulse buying. According to Virvilaite et al. (2011), the effect of IB together with another person is distinctive in different cultures, individuals from collectivist cultures are more satisfied when they purchase impulsively with another person rather than purchasing alone. Hence, it is assumed that the fragility of interpersonal impact on collectivist culture could support this positive relationship (Dameyasani and Abraham, 2013).

With the risk of abridging these studies, the literature could be roughly divided into two streams regarding the theory of individualism/collectivism and its impact on impulse buying. Based on the past research, the below hypothesis is developed;

H<sub>1</sub>: Individualism/Collectivism has a significant impact on impulse buying in FMCG

# **Power Distance**

Power distance is another cultural dimension found to have an impact on impulse buying. Hofstede (2011) explains that power distance is the degree to which the not-so-powerful individuals of institutions and organizations admit and anticipate that the distribution of power is unfair. As per Chen et al. (2005) and Zhang et al. (2010) cultures with a low score on the power distance index (western cultures) focus more on the present value than the future; they incline toward immediate gratification rather than it being delayed or restrained. Accordingly, it influences individuals' ability to buy FMCG rashly in low power distance societies. Also,Lalwani et al. (2006) find in their examination that individuals in low power distance societies tend to show less

socially desirable reaction propensities since they feel that there is no compelling reason to obey or show high self-control. Nonetheless, Zhang et al. (2010)suggest that the relationship between power distance and self-control could be stronger in high power distance societies. Subsequently, Zhang et al. (2010) propose that high power distance impacts and diminishes IB through the association of restriction relying upon power distance, and their study results depict that individuals in higher power distance cultures can activate their self-control quicker in contrast with those in low power distance. In addition, the tendency to delay purchasing decisions is proved to be related to customers' power distance levels (Bathaee, 2014). Established on the past research, the below hypothesis is developed;

H<sub>2</sub>: Power Distance has a significant impact on impulse buying in FMCG

# Uncertainty/ Avoidance.

According to Hofstede (2011), Uncertainty Avoidance manages a general public's capacity to bear uncertainty. It demonstrates how much a culture programs its individuals to feel either difficult or agreeable in unstructured circumstances in impulse buying. Kacen and Lee (2002) denoted that individuals in individualistic cultures are more willing to purchase FMCG impulsively because they don't focus a lot on the negative outcome of their buying. However, individuals from collectivistic cultures are more concerned about the negative chance that could occur after their buying, and thus being hesitated to make decisions (Triandis, 1995). As such, according to Sharma et al., (2010), the consumers in low uncertainty avoidance societies tend to embrace the risk and accept uncertainty which means consumers in these cultures tend to do more IB as IB is associated with risk-taking and novelty. Established on the past research, the below hypothesis is developed.

H<sub>3</sub>: Uncertainty Avoidance has a significant impact on impulse buying in FMCG

# **Masculinity/ Femininity**

Hofstede showed that Masculinity refers to the circulation of qualities between the genders. Men's qualities change from extremely confident and serious and maximally not the same as ladies' gualities (Masculine societies) on the one side, to unassuming and mindful and like ladies' qualities on the other (Feminine societies)(Hofstede, 2011). As to masculinity and femininity, Hofstede and Hofstede (2001) note that in high masculinity societies, the dad manages the realities and the mother with emotions; nonetheless, in low masculinity societies (female), both mother and father can manage the realities and sentiments. Shoham et al.(2015) proposed that in high masculinity societies, rational conduct ought to command, rather than passionate conduct, for example, impulse buying. As per the specialists, there could be a negative connection between masculinity and IB concerning FMCG. Conversely, Christiansen et al. (2014) argue that masculinity is concerned about riches, rivalry, and realism; thusly, shoppers from these societies can be effectively convinced to buy more to rival with others in the community. In masculine cultures, achievement and performance are significant to brands, status, products are considered a signal of one's success (De Mooij and Hofstede, 2010). Derived from the past research, the below hypothesis is developed.

H<sub>4</sub>: Masculinity/femininity has a significant impact on impulse buying in FMCG

# **Long-Term Orientation**

The Hofstede study showed that "long-term orientation" depicts long- term versus short-term orientation towards what's to come. It refers to the time horizon demonstrated by people in a society. When people tend to be pragmatic, modest and thriftier, it indicates long-term orientation. Regarding long-term orientation, Hofstede et al. (1990) note that societies with a high score in long-term orientation accept challenges and consider them as a mode of development. On the other hand, societies with a low score on this dimension prefer to maintain the traditional ways when bearing in mind innovation and new change with much thought. According to Ali and Sudan (2018) the effect of individual cultural values on cognitive IB and affective IB by using 724 respondents, has been found that long-term orientation has a significant impact on affective impulse buying. According to Matsumoto and Juang (2004) and De Mooij (2011), individual-level

differences in time orientation have an impact on our IB behaviours. Thus, the long-term orientation can have an important impact on real-life situations such as purchasing behaviours and also everyday decision-making about FMCG. Thereafter, the below hypothesis was developed considering the above findings,

H₅: Long-term orientation has a significant impact on impulse buying in FMCG

# Data and Methodology

Based on the literature study, the proposed framework is comprised of five cultural dimensions individualism/collectivism, uncertainty avoidance, masculinity/femininity, and power distance. These five variables have been identified as having a direct relationship to impulse buying. This relationship is shown in figure 1 conceptual framework.

# Figure 1: Conceptualization Framework



Source: Authors' Illustration.

### Questionnaire Design

The questionnaire items used in this study were developed mainly based on past literature. The measure of the cultural dimensions is adapted from (Cakanlar and Nguyen, 2019; Hamilton, 2011; Stoyanova 2012; Dameyasani and Abraham, 2013). In this study, the author added two items to power distance, four items to long-term orientation and two items to masculinity/femininity because these questions were deemed relevant and interesting. To measure the dependant variable items were taken from Kacen and Lee, (2002), Cakanlar and Nguyen, (2019) and Pradhan, (2016). All these items are revised according to the pilot survey. All the items used 5 points Likert scale with anchors strongly disagree (1) and strongly agree (5). The distributed questionnaire is divided into two main parts, focusing on demographic details such as age group, gender, and the study variables such as impulse buying, individualism/collectivism, power distance, uncertainty avoidance, masculinity/femininity, and long-term orientation. The items and references used for the study are available in Table 1.

### Pilot Study

In the first stage, a pilot study has been conducted among 39 participants whose ages are between 15 –39 through the convenience sampling method. The survey was performed on the Facebook platform via Messenger. Based on the result of this pilot survey, a reliability analysis was conducted. Cronbach Alpha values were tested and items were removed to reach the level of 0.7. Then, the inter-item correlation below 0.5 was eliminated. Accordingly, the items of IB3, IC1, IC2, UA1, LTO2, LTO3 and MF2 were removed to reach the ideal Cronbach Alpha value of 0.7. Table 1 indicates the results of the pilot survey reliability analysis.

| Constructs and Measurement | Source              | Cronbach's<br>Alpha | Minimum<br>Corrected<br>Item-Total<br>Correlation |
|----------------------------|---------------------|---------------------|---|
| Individualism/Collectivism | (Hamilton,<br>2011; | 0.790               | 0.328   |

### **Table 1: Pilot Survey Reliability Analysis**

| Constructs and Measurement | Source              | Cronbach's<br>Alpha | Minimum<br>Corrected<br>Item-Total<br>Correlation |
|----------------------------|---------------------|---------------------|---|
|                            | Cakanlar and        |                     |   |
|                            | Nguyen, 2019)       |                     |   |
| Power distance             | (Hamilton,<br>2011; | 0.852               | 0.360   |
| Power distance             | Cakanlar and        | 0.052               | 0.500   |
|                            | Nguyen, 2019)       |                     |   |
| _                          | (Hamilton,<br>2011; | 0.812               | 0.446   |
| Uncertainty/Avoidance      | Cakanlar and        |                     |   |
|                            | Nguyen, 2019)       |                     |   |
| Long town origination      | (Kacen and          | 0.713               | 0.449   |
| Long-term orientation      | Lee, 2002)          |                     |   |
| Macculinity/Econininity    | (Cakanlar and       | 0.824               | 0.574   |
| Masculinity/Femininity     | Nguyen, 2019)       |                     |   |

Source: Surveyed data.

Note: indicates the questions removed based on the pilot study.

# Data

This study adopted a cross-sectional deductive approach. The data were collected using a self-administered questionnaire. The questionnaire covered all variables from the conceptual framework. Due to the unavailability of a sampling frame for FMCG consumers, a non-probability convenient sampling method has been adapted to the study. Collecting data using electronic methods and social media provides a great opportunity for the authors to create a large and diverse sample. Thereby, researchers can reduce over-reliance on small, students and WEIRD (Western, educated, industrialized, rich and democratic) samples. Data was collected from 273 participants and among them, only 267 were selected to analyze the data. Respondents were not compensated. The profile of the respondents is available in Table 2.

### Variable Analysis

As mentioned above to validate the questionnaire this study calculated the Cronbach's alpha and verify the internal consistency. Then the data collected were analyzed using the structural equation method using Amos software.

### **Results and Discussion**

In this section, a primary data collection via a survey will be interpreted including the results and discussions of the information gathered according to the procedures presented in the previous section.

# **Demographic Characteristics of Respondents**

Data was collected from 273 participants through the online questionnaire. However, only 267 were selected to analyze the data, where the above table represents the findings of the demographic factors of the study (Table 2).

In this study, 135 participants were male and the rest 132 were female. When demonstrated as a percentage, 50.6% is male and 49.4% is female. Age consists of 5 subcategories such as 15-21 years, 21-26 years, 26-31 years, 31-36 years, and 36-39 years. The highest number of participants was from the age category 21-26 years whereas the percentage is 77.2% and the frequency is 206. Besides, the least number of participants was from the age category of 31-36 years. As a percentage, it is 2.6% and the frequency is 7. The next variable monthly income consists of 6 subcategories such as Higher than Rs 100,000, Rs 100,000-Rs 75,000, Rs 75,000-Rs 50,000, Rs 50,000-Rs 25,000, Less than

Rs 25,000 and No Income. Out of these income level categories, 97 participants have no income and it is the highest frequency which is 36.3%. On the other hand, only 16 participants have Rs 75,000 – Rs 50,000 monthly income and it is the lowest frequency which is 6%. The last variable illustrates the marital status of each participant which consists of Unmarried, Married, Divorced, Separated, and Widowed. The highest frequency is from the unmarried category which is 229 participants and 85.8% as a percentage and the lowest frequency is from the separated category which is 1 participant and it is 4% as a percentage. There are no participants from the widowed category.

| Table 2: Demog  | raphic Factors                   |           |            |
|-----------------|----------------------------------|-----------|------------|
| Variable        | Items                            | Frequency | Percentage |
|                 | Male                             | 135       | 50.6%      |
| Gender          | Female                           | 132       | 49.4%      |
|                 | Higher than                      |           |            |
|                 | Rs.100,000                       | 35        | 13.1%      |
| What is your    | Rs.100,000 –                     | 20        | 7.5%       |
| What is your    | Rs.75,000                        | 16        | 6%         |
| monthly         | Rs.75,000 – Rs.50,000            | 28        | 10.5%      |
| income?         | Rs.50,000 – Rs.25,000            | 71        | 26.6%      |
|                 | Less than Rs.25,000<br>No income | 97        | 36.3%      |
|                 | Unmarried                        | 229       | 85.8%      |
| What is your    | Married                          | 36        | 13.5%      |
| What is your    | Divorced                         | 1         | 4%         |
| marital status? | Separated<br>Widowed             | 1         | 4%<br>-    |

Source: Authors' compilation.

### **Reliability and Validity Analysis**

The main data set underwent the reliability analysis of all items which exceeded the alpha coefficient of 0.7. It indicates that all underlying instruments are internally consistent and therefore, the reliability of the same construct is justified in Table 3. The KMO value and Cronbach's alpha of impulse buying are respectively 0.831 and 0.833. The variable individualism/collectivism records a middling level of KMO value as 0.754 and an acceptable level of Cronbach's alpha value as 0.854. Power distance represents a very good level of KMO value as 0.871 and a good level of Cronbach's alpha as 0.878. The KMO value and Cronbach's alpha value of uncertainty/avoidance are respectively 0.804 and 0.879. Long-term orientation records a middling level KMO value as 0.758 and an acceptable level Cronbach's alpha as 0.773. The final variable masculinity/femininity represents 0.782 KMO value which is in the middling level and shows an acceptable level of Cronbach's alpha value as 0.771. When considering the initial items and the final items, per an item was dropped from the variables, individualism/collectivism, power distance and

|                        | uistance, | anu     |         |
|------------------------|-----------|---------|---------|
| masculinity/femininity | while     | impulse | buying, |

uncertainty/avoidance, and long-term orientation carry all the items for further analysis.

| Construct                      |    | Measurement Items  | Factor<br>Loading | KMO<br>Value | Cronbach<br>Alpha |
|--------------------------------|----|--|-------------------|--------------|-------------------|
| Impulse<br>Buying              | 1. | When I go shopping, I<br>buy things that I had<br>not intended to                        | 0.546             | 0.831        | 0.833             |
|                                | 2. | purchase.<br>I am a person who<br>makes unplanned<br>purchases.                          |                   |              |                   |
|                                | 3. | I sometimes buy things<br>because I like buying<br>things not because I                  |                   |              |                   |
|                                | 4. | need them.<br>"Buy now think about it<br>later" describes my way<br>of shopping.         |                   |              |                   |
|                                | 5. | If I see something new, I want to buy it.  |                   |              |                   |
|                                | 6. | I end up spending more<br>money than I originally<br>set out to spend.                   |                   |              |                   |
| Individualism/<br>Collectivism | 1. | Individuals should<br>sacrifice their self-<br>interest for the group<br>they belong to. | 0.697             | 0.754        | 0.854             |
|                                | 2. | · · · · · · · · · · · · · · · · · · ·  |                   |              |                   |
|                                | 3. |  |                   |              |                   |
|                                | 4. | Group welfare is more<br>important than<br>individual rewards.                           |                   |              |                   |

# Table 3: Summary of Factor Analysis and Reliability Test

# **SLIIT Business Review**

| Construct         | Measurement Items   | Factor<br>Loading | KMO<br>Value | Cronbach<br>Alpha |
|-------------------|---|-------------------|--------------|-------------------|
|                   | <ol> <li>Decisions made by<br/>individuals are usually of<br/>higher quality than<br/>decisions made by<br/>groups. ***</li> </ol>  |                   |              | ·                 |
| Power<br>Distance | <ol> <li>I have difficulty<br/>controlling my urge to<br/>buy when I see a good<br/>offer. ***</li> <li>People in higher<br/>positions should make<br/>decisions without</li> </ol> | 0.675             | 0.871        | 0.878             |
|                   | consulting people in<br>lower positions.<br>3. People in higher position<br>should not ask for the<br>opinions of people in<br>lower positions too                                  | 15                |              |                   |
|                   | <ul> <li>frequently.</li> <li>4. People in higher position should not have too man social interactions with people in lower positions.</li> </ul>                                   | ıy                |              |                   |
|                   | people in lower positions<br>5. People in higher<br>positions should not<br>delegate the important<br>task to people in lower<br>positions.   | 5.                |              |                   |
|                   | <ol> <li>People in lower positions</li> <li>Should be afraid to<br/>express disagreements<br/>with the people in highe<br/>positions.</li> </ol>                                    |                   |              |                   |

| Construct                   |    | Measurement Items  | Factor<br>Loading | KMO<br>Value | Cronbach<br>Alpha |
|-----------------------------|----|--|-------------------|--------------|-------------------|
| Uncertainty/ 2<br>Avoidance |    | It is important to have<br>clear instructions in<br>detail so that I know<br>what I am supposed to | .674              | 0.804        | 0.879             |
|                             | 2. | do.<br>It is important to strictly<br>follow the instructions<br>and procedures.                   |                   |              |                   |
|                             | 3. | I feel uncomfortable in ambiguous situations.  |                   |              |                   |
|                             | 4. | I feel uncomfortable<br>with unfamiliar risks.   |                   |              |                   |
|                             | 5. | Standardized work procedures are helpful.  |                   |              |                   |
| Long-term<br>Orientation    | 1. | When I see something<br>that interests me, I buy<br>it without considering                         | 0.600             | 0.758        | 0.773             |
|                             | 2. | the consequences.<br>I spend a lot of money to<br>purchase items which<br>attract me at once.      |                   |              |                   |
|                             | 3. | I usually don't buy<br>products which are<br>needed in the future.                                 |                   |              |                   |
|                             | 4. | I would like to buy<br>different kind of products<br>that I have not<br>experienced before.        |                   |              |                   |
|                             |    |  |                   |              |                   |
| Masculinity/<br>Femininity  | 1. | Men usually solve<br>problems with logical<br>analysis.  | 0.596             | 0.782        | 0.771             |
|                             | 2. | -  |                   |              |                   |

| Construct |    | Measurement Items  | Factor<br>Loading | KMO<br>Value | Cronbach<br>Alpha |
|-----------|----|--|-------------------|--------------|-------------------|
|           | 3. | There are some jobs that   |                   |              |                   |
|           |    | a man can always do  |                   |              |                   |
|           |    | better than a woman.   |                   |              |                   |
|           | 4. | It is typical for a man to<br>solve difficult problems<br>that require physical<br>strength. |                   |              |                   |
|           | 5. | Men should not make decisions relying on their feelings. ***                                 |                   |              |                   |

Source: Authors' representation based on SPSS results.

Note: indicates the questions removed based on the reliability analysis.

Table 3 shows a summary of the reliability test and factor analysis. The KMO value and Cronbach's alpha of IB are respectively 0.831 and 0.833. The variable individualism/collectivism records a middling level of KMO value as 0.754 and an acceptable level of Cronbach's alpha value as 0.754. Power distance represents a very good level of KMO value as 0.871 and a good level of Cronbach's alpha as 0.878. The KMO value and Cronbach's alpha value of uncertainty/avoidance are respectively 0.804 and 0.879. Long-term orientation records a middling level KMO value as 0.785 and an acceptable level of Cronbach's alpha as 0.773. The final variable masculinity/femininity represents a 0.782 KMO value which is in the middling level and shows an acceptable level of Cronbach's alpha value as 0.771.

When considering the initial items and the final items, per item was dropped from the variables, individualism/collectivism, power distance, and masculinity/femininity while impulse buying, uncertainty/avoidance, and long-term orientation carry all the items for further analysis.

# Measurement Model

Once internal consistency was confirmed, the individual fit of the measurement model in terms of goodness-of-fit statistics needs to be obtained. To determine whether there is a relatively good fit in the hypothesized model, the root means square error of approximation

(RMSEA), Confirmatory Fit Index (CFI) and Chi-square (CMIN/DF) were tested. After excluding IC 1, UA 5, LTO 3, and IB 1 which are below the 0.6-factor loading and combining UA 3 and UA 4 items which have a modification index above 15, the measurement model showed that all indexes were within acceptable ranges (p = 0.000, RMSEA = 0.068/ CFI = 0.904/ Chi-sq./df = 2.214), thus, indicating that the model had excellent goodness of fit (Awang, 2014).

| Table 4: | Correlation | between | Independent | Variables | and | Dependent |
|----------|-------------|---------|-------------|-----------|-----|-----------|
| Variable |             |         |             |           |     |           |

|     |             |                | r- Value |
|-----|-------------|----------------|----------|
| IC  | <b>~~~~</b> | Impulse buying | 0.345    |
| PD  | <u> </u>    | Impulse buying | 0.067    |
| UA  |             | Impulse buying | 0.289    |
| MF  |             | Impulse buying | 0.150    |
| LTO |             | Impulse buying | 0.706    |
|     | _           |                |          |

Source: Authors' representation based on AMOS results.

According to the measurement model individualism/collectivism (IC) has a low positive correlation with IB indicated by an r-value of 0.345. Power distance (PD) has a weak positive correlation with IB and it indicates a 0.067 r value. Uncertainty avoidance (UA)also shows a weak positive correlation with IB indicated by an r-value of 0.289. Masculinity/femininity (MF) has a weak positive correlation with IB and it indicates an r-value of 0.150. Longterm orientation (LTO) shows a high positive correlation with IB indicated by an r-value of 0.706. The results are available in Table 4.

# Hypothesis Testing

Hypotheses have been tested using standard regression analysis. The results of this analysis are shown in Figure 2 and 3 The results of proposed model (figure 2 and 3) reveal that IB is positively affected bv Individualism/Collectivism ( $\beta$  = 0.214, p <.01), power distance ( $\beta$  = 0.184, p<.05), masculinity/femininity ( $\beta$  = - 0.157, p <.05) and long- term orientation ( $\beta$  = - 0.815, p <.01). These findings supporting the hypothesis H1, H2, H4 and H5. However, the influence of uncertainty/avoidance ( $\beta$  = -0.044, p >.05) is non-significant; therefore, H3 is not supported. These results have been visible in Table 5.



Figure 2: Regression Weights among Variables

Source: Authors' illustration based on AMOS results.

Figure 2 presents the Amos output and for a clear view Figure 3 has been inserted with the variables.





In summary, individualism/collectivism ( $\beta$ =0.214), power distance ( $\beta$ = 0.184), and Long-term orientation ( $\beta$ =0.815) indicates a significant positive impact on impulse buying of consumers while Masculinity/femininity ( $\beta$ =-0.157) indicates a significant negative impact. However, uncertainty avoidance does not indicate a significant impact on impulse buying (Table 5).

| Table 5: Hypothesis Testing  | 1        |       |       |             |                         |
|--|----------|-------|-------|-------------|-------------------------|
| Hypothesis statement of path analysis  | Estimate | SE    | C.R   | p-<br>Value | Result of<br>Hypothesis |
| H <sub>1</sub> : Individualism/<br>collectivism has a<br>significant impact on<br>FMCG | 0.214    | 0.069 | 3.126 | 0.002       | Supported               |
| H <sub>2</sub> : Power distance has a significant impact on impulse buying in FMCG     | 0.184    | 0.072 | 2.552 | 0.011       | Supported               |
| H <sub>3</sub> : Uncertainty/<br>avoidance has a                                       | 0.044    | 0.121 | 0.367 | 0.714       | Not<br>Supported        |

| significant impact on                  |             |           |           |          |           |
|--|-------------|-----------|-----------|----------|-----------|
| impulse buying in FMCG                 |             |           |           |          |           |
| H4: Masculinity/                       |             |           |           |          |           |
| femininity has a                       | -0.157      | 0 080     | -1.997    | 0.048    | Supported |
| significant impact on                  | 0.157       | 0.000     | 1.557     | 0.040    | Supported |
| impulse buying in FMCG                 |             |           |           |          |           |
| H <sub>5</sub> : Long-term orientation | 0.815       | 0.106     | 7.668     | ***      | Supported |
| has a significant impact on            |             |           |           |          |           |
| impulse buying in                      |             |           |           |          |           |
| FMCG                                   |             |           |           |          |           |
| Source: Authors' representati          | ion based   | on AMC    | S result  | s.       |           |
| Note: SE = Standard Error of E         | Estimate. ( | C.R = Cri | tical Rat | io. P-Va | alue =    |

Significant Value, \*\*\* indicates highly significant at p<0.001.

### Discussion

Looking at these results, individualism /collectivism positively impacts impulse buying. Based on the findings through questionnaires it could be said that the Sri Lankan community, enjoys shopping with their families, and would normally buy the products that their families tend to buy on an everyday basis. Moreover, in collectivist cultures, there is an impact on IB in FMCG as the willingness of an individual to purchase a product may be influenced by the opinion of others. This finding is in line with several past studies such as Kacen and Lee (2002) and Roth, (1995) emphasizes that individualism and collectivism are essential factors that affect IB and consumers in individualistic cultures tend to make more independent and self-focused buying decisions than those in collectivists countries. Kongakaradecha and Khemarangsan (2012) mention that others' opinions and word of mouth can influence the new product knowledge and thereby IB in FMCG can assist in interacting with other groups and gaining consent and agreement from a specific group. A study done in China and Japan discovered that collectivists have a higher expectation from their inner groups and tend to connect their happiness to the happiness of their inner groups (especially their close family members) therefore it could be said that collectivists purchase goods with the tendency to enhance the overall happiness of not only themselves but also of others. Moreover, the collectivist culture consumers' IB can be considered as a

decadent desire that should be constantly repressed to keep up with the group goals and interests (Kacen and Lee, 2002).

Concerning the second objective, the power distance has a positive signification impact on impulse buying. However, the impact is in very small percentage (18%). Sri Lankan as an Asian country has a high- power distance considering the lower-level person will differ from the person at a higher level and Sri Lankans tolerate this behaviour as the natural order. They accept and expect power disparity. This affects the decision-making process when it comes to IB in FMCG as well. People in higher power distance cultures display less IB in FMCG. And restraining from temptations can occur without any difficulty for people who are in high power distance cultures. This result is in line with the past finding of Ustuner and Holt (2010) and Albers-Miller and Gelb (1996) mentioned that people in higher power distance, and wealth through exposed consumption due to the strong perception of hierarchy order and social class.

In the third objective, uncertainty avoidance does not significantly impact impulse buying. This result is opposed to the findings of some past researchers, which mentioned identified a significant impact of uncertainty avoidance. Most of the studies indicate a negative impact between uncertainty avoidance and IB for countries where people have high uncertainty avoidance towards IB in FMCG which has an association with novelty and risk-taking (Sharma et al., 2010), (Jung and Kau, 2004). However, as opposed to the findings from past researchers, the findings from this study show that there is no significant impact of uncertainty avoidance on impulse buying. Even though Sri Lanka is a risk-averse country, people provide very less attention on their health and safety. As example people follow law related to road safety only when police officers are available. Otherwise, they do not worry about wearing a helmet or seat belt. Due to this nature, respondents' uncertainty avoidance is unable to impact impulse buying. Moreover, a study conducted in China and Japan discovered that collectivist cultures have a less or no significant impact on risks and uncertainty (Sun et al., 2004).

The fourth objective is to determine the impact of masculinity/femininity on impulse buying. After analyzing the results, this study found out that there is a positive impact of masculinity/femininity on impulse buying. In masculine cultures consumers are concerned with wealth and materialism; hence, they mostly tend to make purchases in FMCG to show off to others in the community. Sri Lankan culture is also more toward masculine culture and individuals in these cultures engage in more aggressive and competitive behaviour. Further, through the experience of the data collection, it is implicit that competitiveness could rapid consumers to purchase impulsively in Sri Lanka since IB in FMCG could be like an ongoing race to be like others in terms of possession and status. These results are in line with the previous studies which mention high masculinity cultures rational behaviour overpowers behaviours such as IB which is towards emotional behaviour Shoham et al. (2015). In these cultures, consumers purchase goods to show off their status and wealth to others in the community (Christiansen et al., 2014). This competitive culture motivates consumers to purchase impulsively to exhibit wealth and materialism (Bathaee, 2014). It can be identified as a never-ending race (Shoham et al., 2015) and can be applied to the Sri Lankan context too.

The results related to the final objective mentioned that long-term orientation has a significant positive impact on IB. This dimension explains how society prepares for the future strategically (Hofstede and Bond, 1988). Hence, this finding is in line with several past studies which mentioned Long term orientation has a significant impact on IB (Ali and Sudan (2018), Manrai and Manrai (1995), Matsumoto and Juang (2004), De Mooij (2011). In Sri Lanka, based on the long-term view, consumers may purchase products impulsively believing they will be having future usage. The uncertainty in the economic and social environment may encourage consumers to collect as much as stuff for their households.

# Conclusion

Despite the increasing use of impulse buying in the marketing field, this study is one of the first studies analysing the cultural factors

the region. This work confirms affecting IB in Asian that individualism/collectivism, power distance, masculinity/femininity and longterm orientation are key factors that lead to impulse buying. This result is consistent with previous literature suggesting the key factors should be looked at encouraging impulse buying. In individualism/collectivism, as collectivist cultures believe making group decisions are better than individual decisions people tend to make group decision rather than individually decision on impulse buying. As a result, they may look for the opinions of the people they accompanied before making the purchase. Further, in a country like Sri Lanka where financially tight economy it is natural that people would like to share the responsibility of purchasing products impulsively. On the other hand, power distance encourages consumers to use their purchasing habits as a way to present their social class. Due to this reason to maintain the social image people may spend their money on certain products and services. This human weakness has been used by some vendors to encourage consumers to purchase some products which are difficult for them to afford. Moving away from these kinds of unethical practices, marketers can position their products in a way that allows consumers to show their social status. The unexpected result of the study was uncertainty avoidance. This may be explained by the fact that consumers in Sri Lanka are less concerned about the risk when they purchase products/services impulsively. Hence, encouraging consumers for IB can be done through different sales promotion techniques as they are attractive to Sri Lankan consumers. This trend is further emphasized by the masculinity culture in Sri Lanka which tend to display wealth and status to others in the community through buying behaviour. Applying this fact, the marketers can use the bandwagon appeal among customers to encourage them to make impulse purchases. Finally, concerning the long-term orientation, the inflation and the current economic downturn in the country may fuel the IB to secure the long-term consumption of families.

# **Theoretical and Managerial Implications**

In studies regarding consumer behaviour, researchers have made an effort to comprehend IB which is considered a psychological phenomenon (Lim and Yazdanifard, 2015; Rook, 1987). Besides, the cultural impact on IB in FMCG is under investigation by Muruganantham and Bhakat (2013) and this study attempts to fill the gap. The study expands the understanding of IB in FMCG by looking further into the role of cultures, which shows a different perspective in the IB literature. The cultural role of IB was brought up by a few researchers in the literature. However, Hofstede's five cultural dimensions and their relationship to IB especially focusing in FMCG is tested for the first time in Sri Lanka, according to information available to authors.

Most organizations tend to expand their businesses to developing countries and marketers need to understand the cultures of these countries. According to Park and Choi (2013) countries with collectivist cultures, marketers could support rationalization to minimize the feeling of uncertainty and to attract customers, limited offers to majority consumed products or offering a good deal could be given. Furthermore, based on the positive relationship between power distance and IB for collectivist cultures, it would be rational to recommend marketers depict status, popularity and power. These prominent values could be seen in advertisements or used in a way to create stories of the brands. However, the positive relationship between masculinity/femininity and IB in FMCG depicts that marketers in Sri Lanka could use more tactics to increase the competition among customers. Special discounts and bonuses could be provided to loyal customers and brands could organize different events. These strategies will encourage customers to indulge in IB in FMCG.

# **Future Research and Limitations**

The main motive to undertake the current study was the lack of literature available within the area in the Sri Lankan context. Concerning the present study, quantitative considerations have been considered. However, other data collection methods can be used such as interviews or observations to get a better understanding of the research. In this study, only the FMCG industry was analyzed. This module should not only be extended to the industry in question. It can be applied to other markets, such as fashion, cosmetics, etc. Moreover, only the Sri Lankan context has been considered, but this study can also be extended to other countries. Furthermore, future research may

involve diverse cultures, which would provide a richer context for understanding the impact of culture on impulse buying. In this type of research approach, the validity of the study can be further enriched.

The convenience sampling method was considered as the sampling technique in this study. According to this sampling method, the data collection method is limited to a certain area and not the whole population. Thus, if a few groups are over-spoken to or under-spoke to, this influences the nature of information being accumulated. Moreover, the research tries to identify the cultural facts, but the researcher can't exactly identify the real cultural status of the population, as it can vary. Further, the lack of previous research studies on the topic is noted as a different issue. This research specifies the industry of FMCG and was conducted with interest in Sri Lankan. There are no prior research studies conducted in Sri Lanka according to the topic we have chosen. In addition to that, there has been previous research done but they have only studied power distance, individualism, and collectivism on a cultural level. Therefore, the other dimensions of cultural values that impact IB such as masculinity or femininity, uncertainty/avoidance, and long-term orientation was discussed and empirically tested in this research study.

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