The Study of Sales Promotion and Compulsive Buying

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Abstract

Purpose – The purpose of this study is to explore the relationship between sales promotion and compulsive buying of clothing by using logistic regression measurement.

Methodology- Basing on theoretical and research perspectives, this study utilized observation and questionnaire. The final sample size was 162 subjects in both genders.

Findings- Logistic regression measurement indicated that the direct saving was the most effective promotion to stimulate compulsive buying. The stimulation of new and creative promotion method to compulsive was weak. The gift winning should be appealing and easy to get.

Research limitations- Some factors might affect triggering compulsive buying were not excluded.

Originality/value- The present study provided possible an approach to measure the logistic regression between sales promotion and compulsive buying.

Keywords: sales promotion, compulsive buying, model, logistic regression

1. Introduction

Since 1940s researches and studies has be conducted on the compulsive buying, a number of variables have been found to related to it including consumers' emotional requirements (Faber et al., 1995), personal characteristics (Yurchisin and Johnson, 2004). Kacen (2002) noted that with the development of modern marketing skills, more marketing methods have strongly stimulated compulsive buying. Ailawadi and Neslin found the promotions could make consumers to spend more and less hesitation.

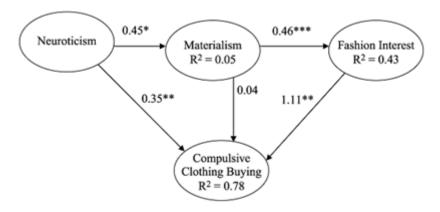
In addition, researchers indicated that compulsive buying more often occur in fashion products such as clothing, jewelry, shoes and cosmetics (Christenson et al., 1994; McElroy et al., 1995; Yurchisin and Johnson, 2004; Johnson and Attmann (2009).

Despite the fact that many variables have been explored in previous compulsive buying studies. Variables are more focused on consumers rather than marketing tactics. The purpose of this study was to investigate the stimulation of sales promotion towards compulsive buying in the context of clothing, which is expected to have the contribution to fashion marketing.

2. Theoretical Framework

Mowen and Spears (1999) proposed a hierarchical approach to analyzing relationships between some variables and compulsive buying. A model composed cardinal, central and surface traits was founded. Based on Mowen and Spears' model, Johnson and Attmann (2009) conducted a study by making questionnaire research among 228 female college students to explore relationships between neuroticism, materialism and fashion interest. Using Amos 6.0, Johnson and Attmann assessed scales measurement properties. Result was as Figure 1:

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Note: *p = 0.05, **p = 0.01, ***p = 0.001

Figure 1. Path coefficient of Johnson and Attmann (2009)

3. Research Method

The present study utilized Johnson and Attmann's model and data measurement method to exam the relationship between compulsive buying and five ways of sales promotions in context of clothing as variables. According to Zhang et al. (2006), sales promotion was divided into four categories: free, save, wins, and mix. One typical promotion method was chosen from each category, namely shopping more than 300 yuan get 50 yuan coupon in H&M (H&M), shopping more than 200 yuan get 80 yuan off in Honey (Honey), shopping more than 799 yuan win accessories in Lee (Lee), and 30% off plus amour marketing in Who. a. u (Who. a. u).

Observation and questionnaire were combined. An observation sheet was designed to record consumers' buying behavior on the four promotion spots. When buying occurred, second questionnaire was followed to measure wherever the buying is compulsive buying. According to Rook (1987), and Doods (1991), compulsive buying was unplanned; therefore planned or unplanned buying was the main measurement of the compulsive buying. There were 200subjuects who participated in the present study. The final sample size was 162 subjects in both genders.

4. Data Analysis

Utilizing SPSS18.0, the logistic regression was measured. Measures were listed in the following tables.

Table 1. Measures for the promotion in H&M

H&M	В	S.E.	Wald	P	OR	95% C.I	
						Lower	Upper
Compulsive buying	2.747	0.662	17.226	0.000	15.600	4.263	57.089
able 2. Measures for the	promotion in I	Honey					
	R	SE	Wald	D	OR	95% C.I	

Honey	В	S.E.	Wald	P	OR	95% C.I	
						Lower	Upper
Compulsive buying	2.853	1.059	7.254	0.007	17.333	2.174	138.175

Table 3. Measures for the promotion in Lee

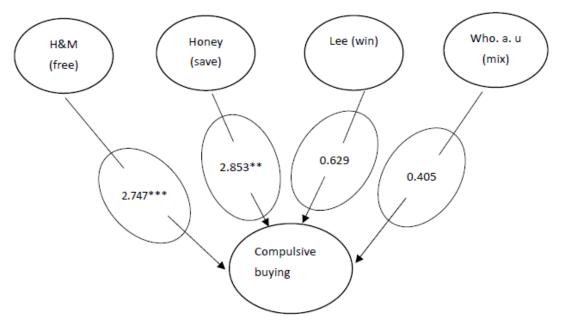
						95% C.I	
Lee	В	S.E.	Wald	P	OR		
						Lower	Upper
Compulsive buying	0.629	1.195	0.276	0.599	1.875	0.180	19.525

Table 4. Measures for the promotion in Who. a. u

Who. a. u						95% C.I	
	В	S.E.	Wald	P	OR		
						Lower	Upper
Compulsive buying	0.405	0.986	0.169	0.681	1.500	0.217	10.361

5. Discussion

Based on Johnson and Attmann's (2009) model, the present study developed a model which revealed the logistic regression of sales promotions related to compulsive buying.



Note: *p=0.05, **p=0.01, ***p=0.001

Figure 2. Logistic regression for the model

The present study indicated that promotions in Honey and H&M had strong stimulation to compulsive buying, which belonged to free and save. The least favor one is the 30% off plus amour in Who. a. u. These results revealed that the direct saving was the most effective promotion to stimulate compulsive buying. The new and creative promotion method such as amour in Who. a. u might have contribution of pulling consumers into the store, while the relevance

to compulsive was weak. The gift winning in Lee ranked in the middle, which suggested that gifts should be appealing and easy to get.

The present study explored the relationship between promotion and compulsive buying in the context of clothing. The limitation of the study was that only one promotion in each category was examined. In addition, factors might affect triggering compulsive buying such as brand preference, and extent of promotion were not excluded.

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