

Impulse in the Cart, Stress in the Heart: Marketing's Financial Consequences

Dr. S. Velayutham¹, Dr. S. Lalitha², Dr. Akila B³, Dr. N. Srividya⁴, Dr. Sakthi Selvaraj⁵

¹Professor, Department of MBA, Bharath Institute of Science & Technology (BIST), Selaiyur, Chennai, TN, India

²Assistant Professor, Department of Corporate Secretaryship and Accounting and Finance,
Faculty of Liberal Arts and Business Studies, SRMIST, Kattankulathur, Chengalpattu, TN, India

³Assistant Professor, Department of Commerce, Faculty of Liberal Arts and Business Studies, SRMIST,
Kattankulathur, Chengalpattu, TN, India

⁴Assistant Professor, Department of Corporate Secretaryship and Accounting and Finance,
Faculty of Liberal Arts and Business Studies, SRMIST, Kattankulathur, Chengalpattu, TN, India

⁵Assistant Professor, Department of Commerce, Faculty of Liberal Arts and Business Studies, SRMIST,
Ramapuram, Chennai, TN, India

Abstract: In the digital space, where marketing can be quite persuasive, impulse buying is becoming more prevalent. The conceptual study, entitled 'Impulse in the Cart, Stress in the Heart: Marketing's Financial Consequences, investigates whether and how three independent variables, namely, Social Media Influence, Promotional Stimuli and Scarcity/Urgency Marketing, can affect the dependent variable, namely Financial Stress arising from Impulse Buying. The study is conducted purely conceptual and is based on a literature review and synthesis. It covers the influence of constant exposure to social media, appealing promotional deals and the pressure of marketing messages on impulse buying, and the associated negative financial impact on consumers. The study also suggests the conceptual linkage between Marketing Stimuli, Impulse Buying Tendencies and Financial Stress. No primary data collection, hypothesis testing or statistical analysis is done. The study offers conceptual basis to the understanding of financial implication of the current trend of marketing practices.

Keywords: Impulse Buying, Social Media influence, Promotional Stimuli, Scarcity Marketing, and Financial Stress.

1. Introduction

The rapid growth of ecommerce has revolutionized consumer buying practices from a deliberate method to a more impulsive and trigger-driven experience. Consumers are regularly targeted with persuasive messages in their social media or online marketplaces and mobile apps that may lead to impulse buying. Impulse buying is an urge to purchase that can be so strong that it arises without much foresight, and can be based on feelings and emotions instead of rational thought (Rook, 1987). To get users to respond quickly, modern marketers use social influence, offers of promotion and urgency. Social media influence is an external stimulus which is crucial; influencers, online reviews, recommendations, social proof and personalized content can trigger visibility and motivation to buy products. Discounts, cashback, coupons and bundle offers are other promotional stimuli that further reinforce perception of immediate value. Likewise, scarcity and urgency marketing can also generate the FOMO effect, conveying a sense of scarcity or limited buying time. Research has shown that limited quantity and/or time scarcity can increase arousal and urge to buy impulse items (Wu et al., 2021). The effects of impulse buying don't just happen after an actual purchase. The need to spend more than planned over time can disrupt budgeting processes, cause financial strain and lead to financial stress. Thus, this conceptual study explores the role of social media influence and the scarcity/urgency marketing in the financial stress of the consumers due to impulse buying.

2. Review of Literature

Impulse buying has long been recognized as an important consumer behaviour phenomenon. Rook (1987) defined the buying impulse as a sudden purchasing urge, and noted that such experience can trigger immediate gratification as well as negative consequences. Based on this view, Beatty and Ferrell (1998) showed that situational factors and personality dispositions can affect impulse buying and the desire to impulse buy. They are key to understanding the potential of purchasing environments to trigger unplanned consumption. As e-commerce has become more prevalent, external factors which trigger impulse buying have significantly increased. In this literature analysis, Chan et al. (2017) identified the consumer, situational, product, and online environmental factors related to online impulse buying, and in this study, they organised these relationships based on the Stimulus–Organism–Response perspective. Social commerce adds more force to these mechanisms as a result of social interaction, reviews, recommendations, and platform features, which can provide additional purchase cues. Promotional stimuli are also important to stimulate immediate purchase response. Consumers' deliberation may be obstructed, and the attractiveness of spontaneous purchasing may be raised by online sales promotions (Liu et al., 2016). Furthermore, a scarcity-based promotion may raise psychological arousal, and promote impulsive buying, especially by using limited-time and limited-quantity appeals (Wu et al., 2021). While the literature contains a wealth of research examining the factors that predict impulse buying, much less work has focused on the financial implications of impulse buying, such as financial stress. Thus, this conceptual study links the marketing stimuli with the overall financial implications of impulsive consumption.

3. Objective of the Study

To conceptually examine the influence of social media influence, promotional stimuli, and scarcity/urgency marketing on consumers' financial stress associated with impulse buying.

4. Statement of the Problem

With social media and online shopping platforms on the rise, its users are constantly facing persuasive marketing stimuli. Marketing tactics like influencer recommendations, discounts, bundles, flash sales, and countdown timers and limited stock messages can make consumers more likely to buy without sufficient financial planning. Although impulse buying can make you feel good in the moment, constant unplanned purchases can make it harder to budget, make your finances more stressful, and more stressful. Although much research has been conducted on the psychological and behavioural determinants of impulse buying, the financial implications have not been investigated to the same degree. So, a conceptual link between the current marketing stimuli and consumers' financial stress is needed.

5. Research Gap

The existing literature has extensively discussed impulse buying in psychological, behavioural, technological and marketing aspects. Past studies have examined online shopping environments, social influences, promotional stimuli and scarcity mechanisms as factors influencing impulsive purchase behaviour (Chan et al., 2017; Wu et al., 2021). The literature, however, tends to focus on the short-term consequence of impulse buying and falls short of considering the potential financial ramifications after the purchase. Conceptually, the relationship between multiple contemporary marketing stimuli as a whole and financial stress has received limited attention, in particular. The present study takes a leap in this direction by combining the concepts of social media influence, promotional stimuli and scarcity/urgency marketing into a single conceptual framework centered on financial stress.

6. Research Methodology

The present study is based on the conceptual research design and is entirely secondary data based. No primary data were collected and no questionnaire survey or experiment or hypothesis test and statistical analysis were performed. The study is structured and the academic literature is reviewed and synthesized in the following conceptually related articles: Impulse buying, Digital marketing, social media influence, Sales promotion, Scarcity marketing and Consumer financial stress. The relationship between marketing stimuli, impulse buying and financial outcomes were explored through a review of relevant peer-reviewed journal articles, conceptual studies and established theoretical contributions for the purpose of identifying common patterns of relationships. The literature was analysed thematically to give an integrated conceptual picture rather than measuring empirical relationships. This conceptualization is based on the Stimulus – Organism – Response (S–O–R) approach which has been widely used in previous studies on online impulse buying

(Chan et al., 2017). In the suggested system, social media influence and promotional stimuli and scarcity/urgency marketing are external marketing stimuli. These stimuli are conceptually linked to impulse buying response, which can then cause financial stress. The basic method thus centres on the theory integration, literature synthesis and conceptual model development.

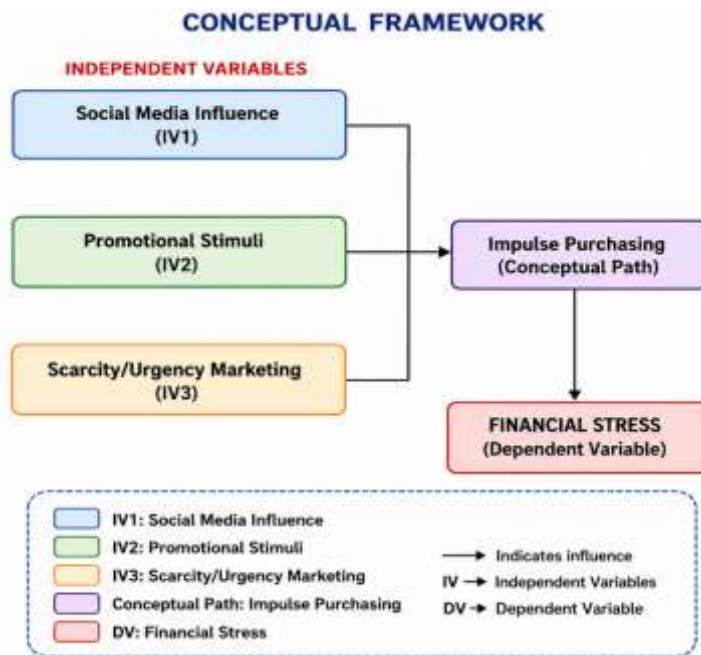


Fig 1 – Conceptual Framework

7. Framework Explanation

The framework suggests that the influence of social media, promotional stimuli and marketing using scarcity/urgency act as external marketing stimuli that can promote impulsive buying. These are the unplanned expenditure that are conceptually expected to affect the dependent variable called as financial stress. The framework is heavily rooted in the Stimulus–Organism–Response (S–O–R) approach, which offers a valuable conceptual framework to describe how environmental stimuli may elicit internal stimulation/response and then result in behaviour. The notion has been used in studies on impulse buying online to categorize factors that affect impulse buying, whether they are external or internal. This article is conceptual, so Impulse Purchasing should be considered as a conceptual pathway/mechanism and not as a fourth separate variable or mediator that is tested statistically. This study is not empirical in nature.

8. Conceptual Research Discussion

The more specifically the social media is influencing the user, the more likely that user will be prone to financial stress. From a marketing communications perspective, social media has revolutionized the way marketers share information about products with their audience, as well as added features for entertainment, peer interaction, and purchasing. Content from influencers, user-generated content, online reviews, recommendations, likes and social proof can make a product look desirable and socially validated. The modern social commerce landscape may also make it easier for shoppers to make the transition from browsing to buying, raising the possibility of impulse buying. Recent studies call the features of social-commerce platforms "enabling impulse buying. Theoretically, the repeated exposure to social media can increase the likelihood that consumers will buy items outside of their budget. If this is the case, the problem becomes more pronounced if consumers are repeatedly exposed to the products recommended to them through their personalized recommendations. Unplanned small purchases can add up over the course of the month. Thus, social media influence could lie in the way it leads to impulse-oriented consumption, which can indirectly result in financial stress. Discounts, cashback, bundle offers, flash sales, free shipping and other things that are offered to make their purchase appear more valuable are promotional stimuli. These can make the customers feel like they are saving money, even if they don't really need the product. Studies of impulse buying online have found sales-promotion stimuli to be important mechanisms that can help to arouse consumer desire to purchase. It's not the concept of promotion per se that's problematic. In contrast, over time, an excessive exposure to incentives may lead to a consumer's over-purchase. For instance, a consumer

planning to spend ₹1000 might spend ₹2000 as the 20% off looks appealing. The discount will be used as a perceived value of the transaction allowing the consumer to feel that the bargain was made, and they will also be adding to their total spend. Hence, when consumers repeatedly see the savings potential through the promotion as more important than a financial need, they may be subject to financial stress. The use of promotional stimuli leads to impulse purchasing, which in turn results in excess expenditure, and eventually to financial stress. The scarcity and urgency marketing tactics include “Only 2 left”, “Offer ends in 10 minutes”, “Limited stock”, “Buy now” and countdown timers. These messages limit consumers' time to make decisions and create a fear of missing out. Rather than considering the need for or the cost of the product, consumers may think about not missing out on it. Wu et al. (2021) found that scarcity tactics, in limited quantities and times, can generate more arousal and then, more online impulse purchases. More recent research similarly examines scarcity persuasion as an important element of impulse buying in livestream commerce. In terms of money, that can mean that the urgency to buy means that there are unexpected costs and budget discipline is compromised. Thus, scarcity/urgency marketing can indirectly be a connection with financial stress if it leads to impulse-based spending. When there is a scarcity/urgency marketing, it triggers a FOMO/Arousal which then leads to impulse purchasing and then to financial stress.

9. Managerial Implications

There are a number of implications from the conceptual framework for marketers and managers. First, it is important to organizations to understand that effective marketing does not always mean immediate sales. Relying too heavily on psychological factors can promote consumers buying items they cannot afford and do not need. Second, social marketers can help practice responsibly by ensuring that sponsored content always gives clear information about a product and not just emotional appeals or social pressure. Thirdly, promotional methods like discounts, cashback, bundle offers must be clearly perceived as real value, instead of providing the false impression that it is a large consumption. Finally, scarcity and urgency appeals should be used judiciously, and the information provided should be accurate and honest about the availability of stock and the length of time for the offer. Managers can also add some element of customer friendliness, like spending reminders, wish list functionality and delayed checkout options, which can help to make people make more conscious choices. These can help to foster consumer confidence and build brand reputation. With this in mind, responsible marketing can achieve commercial goals without compromising customers' financial health while ensuring sustainable customer relationships.

10. Policy Implications

The conceptual discussion underscores the importance of policies that help safeguard consumers against some digital persuasion tactics that may be harmful to consumers but maintaining legitimate marketing innovation. The regulators have the power to increase transparency around influencers, sponsored recommendations and personalized advertising to make it more obvious that consumers are seeing commercial ads. There could also be a push for digital marketplaces to make sure there are no claims of scarcity, no countdowns, and no artificial messages about "limited stock" that cause unnecessary urgency. Authorities in charge of consumer protection could create the guidelines for responsible communication in promotion, especially when the promotion is directed to financially vulnerable consumers. Digital consumption, impulse buying and online promotional persuasion should also be included in consumer education programmes for financial-literacy programmes. Platforms could be incentivised to offer an option to send alerts to users when they are spending money that isn't essential, or to give them a view of their spending history and cooling-off periods to help them keep track of discretionary spending. Policymakers should therefore make a balanced decision not to ban persuasive marketing, but promote transparency, accountability and informed consumer decision making. These can help to make digital markets healthier and consumer financial resilience stronger.

11. Future scope of the study

The conceptual framework can be tested empirically by future researchers by utilizing quantitative or mixed methods research. To explore the relationship between social media influence, promotional stimuli and scarcity/urgency marketing and financial stress, online shoppers can be surveyed. To explore the suggested relationships and to test the mediation effect of impulse purchasing, Structural Equation Modelling (SEM) may be used. Future studies can also include financial literacy, self-control, income as well as moderating variables and control variables: as age, materialism, impulsivity and digital payment usage. Comparative studies might be done to look for differences in the proposed

relationships between Gen Z and Millennials and older consumers. Researchers can also use a comparative approach to compare Instagram, YouTube, Facebook, TikTok and e-commerce platforms to provide insights into platform-specific impacts. Research could be done to determine if repetitive impulse buying creates a build-up of financial stress over time. Experimental research can also examine how consumers' spending intentions are impacted by various discount, scarcity and urgency messages.

12. Conclusion

In the modern digital marketing landscape, impulse buying is becoming a growing impact. This conceptual study suggests that social media influence, promotional stimuli and scarcity/urgency marketing can induce impulse buying and may be a factor in the consumers' financial stress. The incorporation of marketing stimuli and financial consequences is beyond the simple outcomes of purchase, extending the discussion beyond simple purchase outcomes and emphasizing the importance of consumer financial well-being. The framework does not claim empirical causality as no primary data or statistical test is conducted. Rather, it serves as a theoretical basis for further study. Effective marketing combined with increased consumer awareness and suitable policy tools can facilitate a balance between the effective marketing of products and financially sustainable consumer choice.

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15. Conflict of Interest

The author(s) have no conflict of interest to disclose that could have influenced the interpretation, analysis, or presentation of this study.

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