

Do Fashion Innovators and Risk-Taking Consumers Engage in More Compulsive and Panic Buying?

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Background and conceptual framework. The pandemic has brought about unanticipated consequences across various aspects of society (Prentice, Quach, & Thaichon, 2022), including negative consumer behavior. One negative consumer behavior that has emerged as a significant problem during the pandemic is panic buying (de Brito Junior et al., 2023). Panic buying occurs when consumers purchase a specific product, even if there are no apparent indications of a supply shortage (Prentice et al., 2022). Although research on panic buying has been conducted for the past two decades, the significance of comprehending this behavior has heightened in light of the recent pandemic (Billore & Anisimova, 2021).

Another negative consumption behavior is compulsive buying, defined as ‘chronic, repetitive purchases that become a primary response to negative events or feelings’ (O’Guinn & Faber, 1989, p. 155). Compulsive buyers are sensitive about their appearance and especially look for fashion-related products (Romadhon, Abrar, & Suwandari, 2022). Consumers who adopt new trends and styles early in the fashion life cycle may be more materialistic and impulsive, which increases the likelihood of compulsive buying compared to later adopters (Workman & Lee, 2017). However, there has been little research about panic buying among fashion adoption groups. Potentially, fashion innovators and early adopters (who are more likely to buy new and unique items when they first become available) might engage in panic buying if they perceive an opportunity to acquire something that others may not have.

Consumer decisions inherently involve a certain degree of risk, and some choices are riskier than others, such as adopting a newly introduced fashion item (Lee & Workman, 2018). Consumers who are inclined to take risks may also be more susceptible to compulsive buying. Researchers (e.g., Billore & Anisimova, 2021) contend that consumer behavior theories (e.g., Ajzen & Fishbein’s 1980 Theory of Reasoned Action) fall short of fully explaining panic buying behavior, as it is a reaction to a perceived external or internal uncontrollable situation. Thus, it can be expected that those who are willing to take risks may be more likely to engage in panic buying than those who are not. However, little research has examined the relationship between fashion adoption groups and high/low risk-taking consumers with regard to these negative buying behaviors. Thus, the purpose of the study was to examine compulsive and panic buying behavior among fashion adoption groups and consumers high/low in tolerance for risk-taking to understand the phenomenon better and provide managerial insights. Based on the literature review, four hypotheses were proposed.

H1: Fashion adoption groups will differ in compulsive buying.

H2: Fashion adoption groups will differ in panic buying.

H3: Consumers with higher (vs lower) tolerance for risk-taking will differ in compulsive buying.

H4: Consumers with higher (vs lower) tolerance for risk-taking will differ in panic buying.

Method: For this research, participants living in metropolitan cities in the US were recruited through the Qualtrics Panel service. Participants completed the questionnaire, which included a 6-item Compulsive Buying scale (Mrad & Cui, 2020), a 9-item Trendsetter Questionnaire for fashion innovativeness (Batinic et al, 2008), a 6-item Tolerance for Risk-Taking scale (Sharma, 2010), and a 7-item Panic buying scale (Lins & Aquino, 2020). Each item was accompanied by a 5-point Likert-type scale. For data analysis, descriptive statistics, reliability, M/ANOVA, and SNK post hoc tests were used.

Results. Participants were divided into four fashion adoption groups based on the mean and standard deviation: fashion innovators (n=55); early adopters (n=116); late adopters (n=85); and reluctant adopters (n=74). Two categories of risk-taking were formed based on the median score: low tolerance for risk-taking (n = 162); high tolerance of risk-taking (n = 169). Reliability was: fashion innovativeness (.95); risk-taking (.68), compulsive buying (.87); and panic buying (.93).

MANOVA with fashion adoption groups and risk-taking (high, low) as independent variables and dependent variables of compulsive buying and panic buying revealed significant effects for fashion groups [F=11.34, p< .000] and risk-taking [F=2.80, p< .063] on both compulsive buying and panic buying. There was also a significant two-way interaction between fashion groups and risk-taking [F=5.84, p< .000] on compulsive buying and panic buying.

ANOVA revealed compulsive buying (F=17.75, p< .000) and panic buying (F=18.25, p< .000) differed among fashion adoption groups (see table). Likewise, ANOVA revealed differences in compulsive buying (F=3.97, p< .047) and panic buying (F=18.25, p< .041) between risk-taking groups. Post hoc tests showed that both fashion innovators and reluctant adopters differed significantly (p<.05) from all other fashion groups on compulsive buying and panic buying while early and late adopters were similar to each other.

Discussion and implications. This study's findings offer novel insights and implications for fashion researchers and practitioners. Results provide theoretical implications regarding panic buying and compulsive buying among fashion adoption groups and consumers high and low in tolerance for risk-taking. As expected, fashion innovators and consumers with low tolerance for risk-taking are more likely to engage in compulsive and panic buying than those who are later adopters or with a high tolerance for risk-taking. Also, an interesting result was the interaction between fashion group and tolerance for risk-taking. Within this group of fashion innovators, tolerance for risk-taking varied and this variation affected compulsive and panic buying such that fashion innovators with a low tolerance for risk were more likely to engage in compulsive and panic buying than those who had a high tolerance for risk. These results provide fashion retailers with an understanding of how fashion innovators engage in panic buying and compulsive buying at different levels of risk-taking.

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