

# INFLATION IS CHANGING AMERICANS' IMPULSE BUYS. HERE'S HOW.

An Ipsos Point of View

By Sarah Lehman and Wendy Wallner

GAME CHANGERS





## KEY TAKEAWAYS:

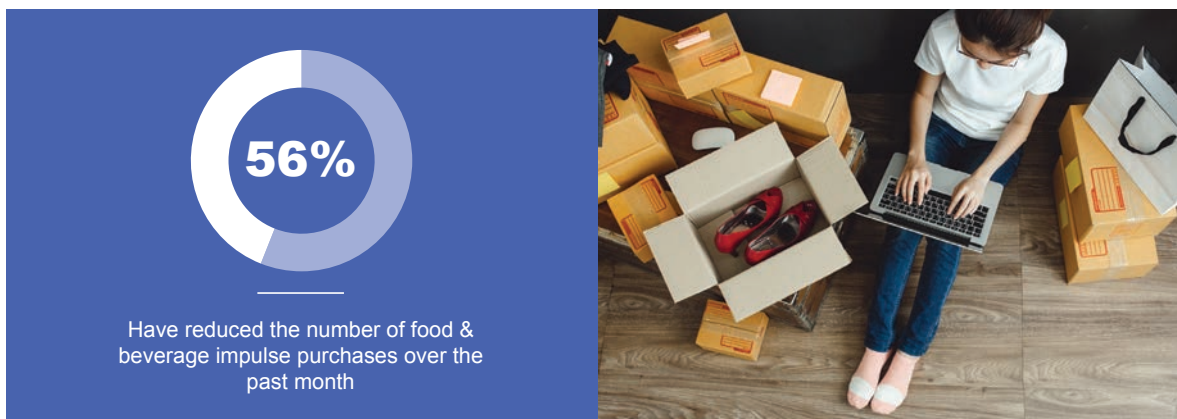
- Overall inflation increased to 9.1% in June, up more than original projections. Fuel and food prices are outpacing other categories with fuel prices up 11.2% and total food up 10.4%. Within food, prices rose even higher for “food at home” aka groceries, up a whopping 12.2%. Not surprisingly, this is changing the way people shop.
- One of the biggest changes has been to the way consumers make unplanned or unexpected purchases, called “impulse buying.” Over half of U.S. consumers say they are making fewer impulse purchases in-store because of increased prices. One-third of the population still says they’ve made an impulse purchase within the past week.
- This paper will describe the facts about what’s happening today, particularly in the food and beverage category, the psychology of when impulse purchasing is likely to occur, and the strategies food and beverage brands can implement to harness the potential of impulse buying today.



## The Facts

Retailers and manufacturers typically employ strategies to encourage buying “just one more thing,” and are particularly happy when that extra item is unplanned. From a consumer standpoint, impulse buying is often an emotional decision to pamper ourselves and make shopping a positive experience. Sources have cited that half of all grocery purchases are bought on impulse.<sup>1</sup>

Even during this period of inflation, impulse buying behaviors remain at fairly high levels across channels in the food and beverage category. While most consumers claim they are making fewer impulse purchases due to the pressures of inflation (56% according to a recent Ipsos survey), impulse buying remains a frequent occurrence with more than one-third of consumers claiming to have made an unexpected impulse food or beverage purchase within the past week.



Consistent across generations

Source: Ipsos Food & Beverage survey, June 8–9, 2022, among n=1,000 adults in the U.S.

<sup>1</sup> [A meta-analysis of consumer impulse buying—ScienceDirect](#)





The physical store channel is strongest when it comes to impulse purchases, which is not surprising given the high relative frequency of in-store grocery shopping compared to online, as well as the increase in overall grocery shopping caused by the pandemic and inflation concerns at the expense of dine-out occasions. While online impulse purchases are generally less frequent (24%) than in-store (61%), generations “raised on the internet,” like Gen Z, are more susceptible to online cues and twice as likely to have made an online impulse purchase in the past month.

Q: When was the last time you made an unexpected, impulse food or beverage purchase in a physical store, like a grocery or convenience store? This means something you were not planning to buy before going to the store, but decided to buy after seeing it.

**Made impulse Food or Beverage purchase in past month (%)**

	Total Gen Pop	Gen Z
In physical store (like grocery or convenience store)	61%	69%
In restaurant	34%	47%
Online (via retail website, restaurant website, delivery service, etc.)	24%	47%

Source: Ipsos Food & Beverage survey, June 8–9, 2022, among n=1,000 adults in the U.S.



To stimulate impulse purchases in-stores and online, brands need to first understand what impulse buying is and how it works in the minds of their consumers.

## The Psychology

### What is “Impulse”?



Spontaneous



Immediate



Felt

Behavioral science is a great tool to help better understand impulse buying because it enables us to measure, analyze, and activate the hidden and nonconscious drivers of behavior from all angles including the cognitive, the social, the economic, and the cultural factors that shape our choice architecture, says Jesse Itzkowitz, Chief Behavior Scientist at Ipsos.

An impulse is something that is spontaneous, immediate and felt. “Impulse purchases are made spontaneously; this is something that happens in the moment and is always unplanned—which, in part, contributes to the gap we see between actual impulse buying behaviors and claimed impulse buying behaviors,” Itzkowitz says. “Whether it’s the purchase made or the behavior to consume, it all has the feeling of it happening in the moment.”

“Second,” Itzkowitz explains, “an impulse purchase is immediately gratifying. The buyer feels the impulse and feels the reward immediately whether it be the gratifying taste of a sweet beverage or a decadent treat, or in the immediate sense of gratification when an impulse decision like ordering takeout rewards by not needing to clean a dirty kitchen. The idea of the reward coming immediately can be very powerful in driving purchase decisions.”

With this definition in mind, Ipsos asked people what drove them to make their most recent in-store or online impulse purchase. The data supports that these spontaneous, in-the-moment purchases are indeed evenly driven by emotion and function. The top reasons cited were “the price was too good to pass up” (function) and wanting to “treat myself” (emotion).

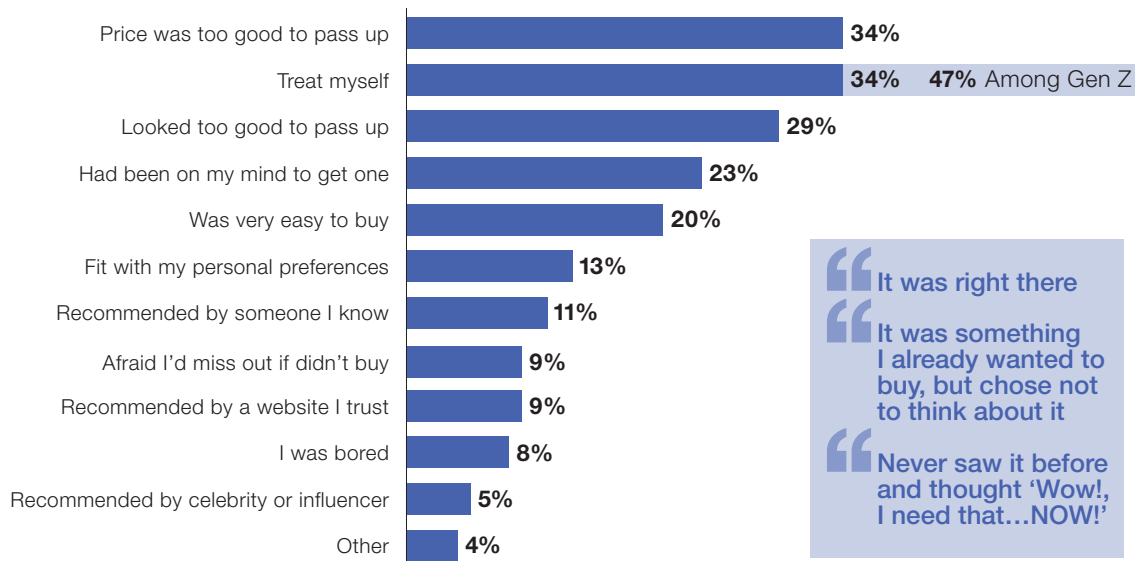




The emotional aspect was particularly pronounced among the Gen Z population. Here we see almost half of impulse purchases were made with the view of personal reward in mind, more than 10 points higher than the general population.

Q. For your most recent online unexpected, impulse purchase, why did you buy it?

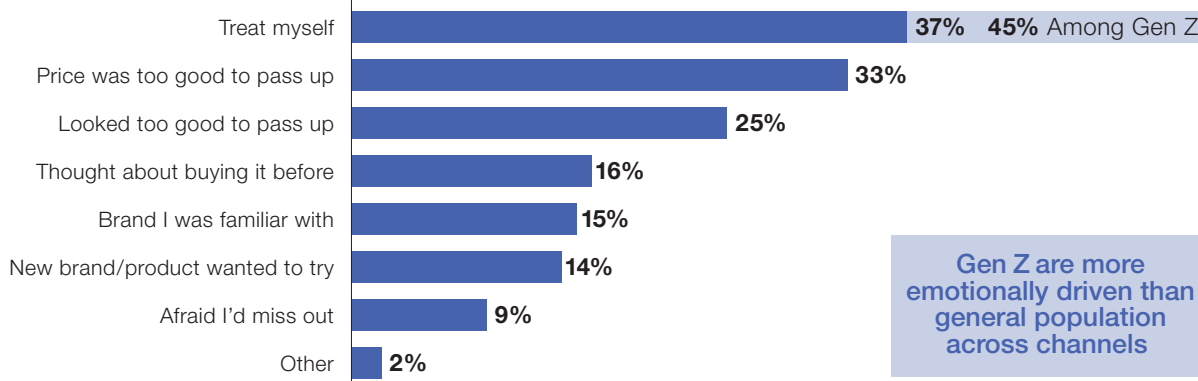
#### Why bought the impulse purchase online?



Source: Ipsos Omnibus 18–22 February, 2022. Base n=1,005 U.S. adults.

Q. For your most recent in-store unexpected, impulse purchase, why did you buy it?

#### Why bought the impulse purchase in-store?



Source: Ipsos Food & Beverage survey, June 8, 2022, among n=1,000 adults in the U.S.



## The Strategy

How can brands strategize around consumer decisions that are both spontaneous and emotional? Impulse purchase opportunities are incredibly contextual. Controlling when and how products are presented to consumers can help determine the likelihood of an impulse purchase being made.

Ipsos shows that more than half of in-store impulse purchases are made where the item is normally found—for instance, in the aisle they are regularly

shelved. This same thinking carries over into expectations in the digital space: If it is an item a consumer is accustomed to seeing near the end of their purchase journey in-store, they are likely to also be more sensitive to cues around this item near the end of their digital journey. Creating these natural, intuitive, and organic moments without disrupting the expected or typical shopper journey will help stimulate food and beverage impulse buying.

Q. For your most recent in-store unexpected, impulse purchase, where did you see it when you decided to buy it?

### Why discovered impulse item in-store?



Source: Ipsos Food & Beverage survey, June 8–9, 2022, among n=1,000 adults in the U.S.



How brands control when products are presented to consumers can also involve strategizing around day parts. When it comes to impulse purchasing, we know that variety-seeking behaviour is lowest in the morning, when thinking is more deliberate, and is highest in the evening when cognitive fatigue is setting in. Emphasizing these moments, both in-store and online, around evening and night-time shopping behaviours will help grow impulse buying.

With online purchases specifically, the type of device being used also plays a key part in how impulse purchase decisions are made. We see the use of desktop computers evoke a stronger rational thinking style compared to other devices. This greater rational thinking endorses the purchase of utilitarian products and is less suitable to stimulating impulse purchasing. On the other end of the spectrum, we see that the use of touchscreen devices evokes

a stronger experiential thinking style and enhances a consumer's preference toward hedonic purchases (things that will provide pleasure).

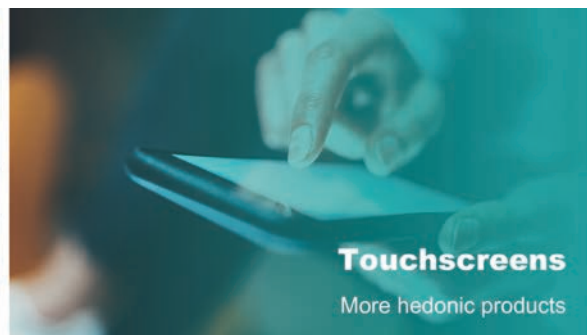
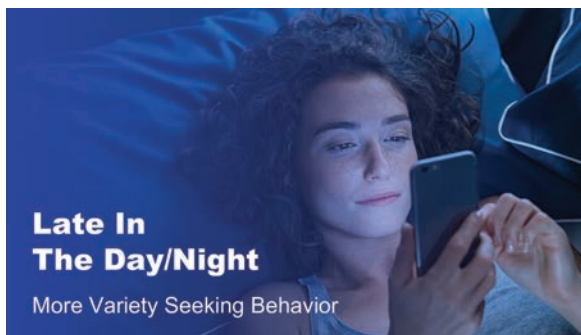
Furthermore, to motivate and prompt consumers to act, marketers will want to showcase the sensory appeal of the product or experience. It is important to create an urge—draw people in. And that means bringing the act of consumption or interaction as close to the consumer as possible by depicting something both visually and aurally in a way that seems close.

That can be accomplished with:

- Bigger, zoomed in images—help me see/feel the texture
- Sounds or descriptions product usage that are only experienced closely—like the fizz of a coke
- Or detailed descriptions of the feel, taste, smell

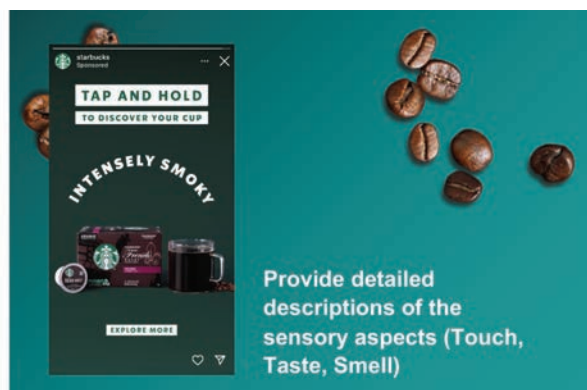
### Day parts and device types matter and change the category type

Ipsos Behavioral Scientists suggest targeting afternoon and evening, and touch screens rather than laptops



### Optimize sensorial elements to increase purchase likelihood

For Hedonic (experiential, sensory) goods





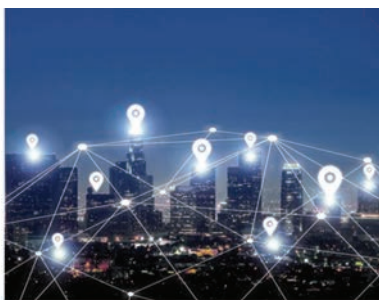
Lastly, be mindful of the two top drivers of impulse buying: being priced too good to pass up and meeting the desire for the consumer to treat themselves. Setting price points as such—where the price doesn't diminish the reward felt and positioning the reward where the price is an added benefit stimulating the purchase—is key to driving impulse purchases. This blended approach will help consumers through the natural tension they may experience between the negative perceptions of impulse buying where they may feel a sense of lower self-control and the positive perceptions of impulse buying where they have done something good for themselves.

How can you be sure you're getting your impulse-buying strategy right? The proper measurement of efforts as well as checks on frontline compliance are key to being sure strategies align with execution. The Channel Performance team at Ipsos utilizes micro-shops wherein trained objective mystery shoppers test the real consumer experience, given both an introspective view as well as the ability to gain competitive intelligence. The team also uses geolocation intercepts, asking customers who have just left a retail location about their purchases versus intentions, and finally Ipsos offers shopper video evaluations to see what the customer sees during their in-store journey.

### How can we measure our efforts to be sure we're getting it right?



Mystery Shopping—Micro Shops



Geolocation Intercepts



Shopper video evaluations



## WHAT'S NEXT:

### The Impulse Purchase Playbook

1. Strive to satisfy both functional and emotional needs. Give shoppers permission to treat themselves and lean into categories that naturally provide both.
2. Imbed cues that fit intuitively in the shopper journey—and don't disrupt the journey. For instance, candy is often purchased in-store at checkout; in an online shopping journey, prompt for a candy purchase at checkout as well.
3. Personalized, micro-targeted messaging works to spur impulse purchasing.
4. Think about dayparts, and if given the chance choose later in the day when consumers are fatigued and system 1 is more likely to kick in.
5. Provide stimulus that simulates consumption, appealing to the senses in ways that are up-close and personal.
6. In digital environments, optimize the experience for touchscreens where impulse purchasing is likely to occur.
7. Take advantage of in-the-moment advertising to engage Gen Z in impulse purchasing, especially online and in restaurants.
8. Measure the efficacy of your efforts through geo-location intercepts, meeting people in the moment to better understand what was purchased versus what was planned in your stores.

## About the Authors

### **Sarah Lehman**

VP, Ipsos Channel Performance  
sarah.lehman@ipsos.com

### **Wendy Wallner**

SVP, Ipsos Client Officer  
wendy.wallner@ipsos.com

## About Ipsos

At Ipsos we are passionately curious about people, markets, brands, and society. We deliver information and analysis that makes our complex world easier and faster to navigate and inspires our clients to make smarter decisions. With a strong presence in 90 countries, Ipsos employs more than 18,000 people and conducts research programs in more than 100 countries. Founded in France in 1975, Ipsos is controlled and managed by research professionals.