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The Rise of the Impulsive Shopper: the Case of the Amazon Dash Button

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The Amazon Dash Button technology allows customers to remotely reorder products by the mere press of a button. To investigate the impact of this tech disruption on the consumer journey, a survey was completed by 630 U.S. Dash Button users. The findings show that its usage significantly affects shopping impulsiveness.

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EXTENDED ABSTRACT

When completing a purchase decision, consumers are no longer limited to the traditional journey across the marketing funnel stages of awareness, consideration, evaluation, and action. Indeed, technological disruptions, such as the Amazon Dash buttons that allow customers to remotely order a given product by the mere press of a button (Hockett 2015), are removing key stages of the consumer journey, forgoing the consumer selection phase and forcing his/her loyalty to a given retailer or brand.

Technological disruptions to the consumer journey have not yet been discussed in the marketing literature. The case of the Amazon Dash buttons will be utilized to develop a further understanding of the changes in consumer decision making and consumer impulsive purchase behavior resulting from their usage.

Conceptual Framework

The Effects of Tech Disruptions on Retailers and Shoppers

Consumer impulsiveness is an individual's sudden desire or urge to purchase an item in an immediate, spontaneous manner; this is generally bought on by physical closeness to the product or the promise of prompt satisfaction and gratification (Arens and Rust 2012). Perceived service value is a consumer's expectation that a given product's usage allows him/her to achieve benefits that are believed to be of value to the user (Boksberger and Melsen 2011). Accordingly, the researchers hypothesize:

Hypothesis 1: The higher the shopper's perceived service value of Amazon Dash button, the higher his/her purchase impulsiveness.

When the consumer perceives that the value of the service he/she is receiving from the retailer is congruent to his/her personal needs, this establishes an affective bond of love and commitment to the retailer (Sabbir and Nazrul 2014; Ramadan and Farah 2017). Nevertheless, consumer love is based on a retailer's efforts not only to satisfy the consumers' needs, but to also provide them with additional values and benefits that induce affective responses (Hye-Young et al. 2008). Consequently, the researchers posit the following:

Hypothesis 2: The higher the shopper's perceived service value of Amazon Dash button, the higher his/her retailer love.

The Effects of Consumers' Affective Feelings Towards Retailers on Shopping Impulsiveness

Consumer impulsiveness has also been found to be a direct result of retailer love (Mishra et al. 2014). The emotions of attachment towards the retailers tend to arouse a positive, affective response in consumers that in turn has a significant impact on impulsive purchasing tendencies (Mishra et al. 2014). In fact, consumers are more likely to purchase and utilize Dash buttons if they feel an affective feeling to Amazon. Consequently, the researchers hypothesize:

Hypothesis 3: The higher the shopper's retailer love, the higher his/her shopping impulsiveness.

The Effects of Consumer Self-Control on Shopping Impulsiveness

An important factor in determining a consumer's likelihood to buy products through the Amazon Dash button is his/her individual spending self-control. Accordingly, a decrease in self-control leads to an increase in a consumer's likelihood to purchase products and services impulsively (Sharma et al. 2014). Subsequently, the researchers hypothesize:

Hypothesis 4: The higher the shopper's perceived consumer self-control, the lower his/her purchase impulsiveness.

Based on the above discussion, this study proposes a conceptual framework that identifies the main triggers for consumer impulsive purchases relative to three specific elements, namely: (1) the perceived service value of Dash button, (2) retailer's love and affective commitment, as well as (3) consumer spending self-control.

Research Methodology

A survey was devised including multi-item scales adopted from the literature to measure the interrelationships between the aforementioned constructs. The empirical data was collected in the US through a web survey distributed and completed by 630 Amazon prime users of the Dash Button. The data was analyzed using SPSS 24 and LISREL 8.8.

Discussion of the Findings and Implications

The findings showed all linkages to be significant. The estimation of the model shows a good fit. As hypothesized, perceived service value had a direct impact on impulsiveness and retailer's love. Retailer's love had also a significant positive effect on impulsiveness, while consumer self-control had -as expected- a significant negative effect on impulsiveness.

The empirical findings of this study show the scale at which technological advances such as the Amazon Dash button would affect consumers' buying patterns and their expected effect on the traditional consumer journey. With its Dash button technology, Amazon will make it very difficult for shoppers using it to consider new brands. As the technological disruption's perceived value increases for consumers in regards to value and convenience, these shoppers are expected to have higher affective feelings towards the retailer, and hence to potentially become more impulsive in their buying behavior. While shoppers' spending self-control will be the main inhibitor on the impulsiveness attribute, the consumer journey in its different stages and touch points appears to be fundamentally altered with the adoption of these buttons. Ultimately, the dash button is expected to increase the relative cost of searching for other brands and retailers as it promotes brand and store (Amazon) loyalty. The dash button is expected to have a long-term service value and hence may become a necessity in certain product categories.

Conclusion

This study enhanced the understanding of the alterations brought to the consumer's journey in light of the newest technological disruptions, specifically the Amazon Dash Button and contributed to the development of theories related to consumer impulsive behavior in online environments. This study is yet not free from limitations as it

utilizes data only from Amazon Prime users based in the US market. Future research could focus on consumer impulsiveness with regards to various product categories and to other types of tech disruptions. It could also be conducted in other markets.

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