

## Do Panic Buyers, Compulsive Buyers, Older or Younger Age Groups Engage in More Retail Therapy during a Pandemic?

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**Background and conceptual framework.** The COVID-19 pandemic has had unanticipated impacts on many aspects of society (Wang et al., 2022), including consumers' unusual consumption. During the pandemic, negative spending behaviors such as panic buying and compulsive buying, have arisen as a significant concern (Arafat, Kar, & Kabir, 2020). Panic buying refers to consumer purchase of a particular type of product, although there has been no apparent sign of a short supply (Pieh, Budimir, & Probst, 2020). Compulsive buying refers to consumers' repetitious shopping, sometimes excessive due to boredom, stress, or anxiety (Jaspal, Lopes, & Lopes, 2020). Recent studies (e.g., Barnes et al., 2021) have reported that pandemic restrictions have increased the level of negative emotions experienced by individuals; these negative emotions may then motivate consumers to seek retail therapy.

*Compensation Control Theory (CCT):* The relationship between consumers' panic and compulsive buying and retail therapy during the COVID-19 pandemic can be explained by Compensation Control Theory (CCT) (Kay et al., 2009). According to the theory, negative buying behaviors motivated by fear and anxiety are ameliorated by countermeasures that alleviate fear, anxiety, and stress. When control is restricted, a sense of control can be maintained through alternative means (Kay et al., 2008). Based on CCT, this study can help researchers better understand the relationship between panic and compulsive buying and retail therapy as a way to compensate.

*Panic/compulsive buying and retail therapy.* Retail therapy (RT) refers to the use of shopping to relieve negative moods (Kacen, 1998). RT may be motivated by psychological distress and occur when an individual experiences a need that cannot be sufficiently satisfied (Rick et al., 2014). According to Kacen, there are four factors of RT: therapeutic shopping motivation, positive mood reinforcement, negative mood reduction, and therapeutic shopping outcomes. The pandemic has resulted in public health problems that can cause distress, leading to unusual buying behaviors. These behaviors derive from excessive cognition and behavior concerning consumption, which are related to pain and distress (Kellett & Bolton, 2009). Research (e.g., Mrad & Cui, 2020) pointed out that compulsive buying is more common to younger consumers, primarily regarding purchasing appearance and fashion products. So, it can be expected that younger adults who are panic or compulsive buyers may be more likely to engage in retail therapy than older adults during a pandemic. However, little research has examined the relationship between these negative buying behaviors and retail therapy, especially in the fashion area. Thus, it is essential to investigate if consumers' panic buying and compulsive buying are associated with retail therapy engagement during a pandemic. Results will provide a

better understanding of these relationships and some managerial insights.

Therefore, *the purpose of the study* was to examine how consumers' panic buying, compulsive buying, and age are associated with retail therapy during a pandemic. *Hypotheses were proposed*: H1abcd: Participants with higher (vs lower) panic buying will differ in a) therapeutic shopping motivation (RT1), b) positive mood reinforcement (RT2), c) negative mood reduction (RT3), and d) therapeutic shopping outcomes (RT4). H2abcd: Participants with higher (vs lower) compulsive buying will differ in a) therapeutic shopping motivation, b) positive mood reinforcement, c) negative mood reduction, and d) therapeutic shopping outcomes. H3abcd: Age groups will differ in a) therapeutic shopping motivation, b) positive mood reinforcement, c) negative mood reduction, and d) therapeutic shopping outcomes.

**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 7-item Panic buying scale (Lins & Aquino, 2020); a 6-item Compulsive Buying scale (Mrad & Cui, 2020); and a 23-item RT scale (Kang & Johnson, 2011). Each item was accompanied by a 5-point Likert-type scale. For data analysis, descriptive statistics, reliability, M/ANOVA, and Duncan test were used.

**Results.** Participants were 122 men (36.9%) and 209 women (63.1%) whose age ranged from 20 to 64 ( $M=40.06$ ,  $SD=11.96$ ). A total of 331 valid responses was used in data analysis. Ethnicity included 239 Caucasian, 52 African American, 22 Hispanic American, 12 Asian American, and 6 others. Most participants were employed full time (133; 40.2%). Cronbach's alpha for each scale ranged from .799 to .925. As preliminary analysis, participants were divided into two panic buying groups (high  $N=161$ ; low  $N=170$ ) and two compulsive buying groups (high  $N=171$ ; low  $N=160$ ) based on the median. Also, they were divided into four age groups: 20s  $N=78$ ; 30s  $N=83$ ; 40s  $N=93$ ; 50s+  $N=77$ .

MANOVA was conducted with panic buying and compulsive buying groups as independent variables and four dimensions of RT as dependent variables. There were significant effects for panic buying group [ $F(4, 324)=7.96$ ,  $p<.001$ ] and compulsive buying group [ $F(4, 324)=3.24$ ,  $p<.05$ ] on four dimensions of RT. ANOVA revealed panic buyers (high vs low) differed in 4 dimensions of RT; therapeutic shopping motivation ( $M^{\text{high}}=21.94$ ;  $M^{\text{low}}=18.38$ ;  $p<.001$ ), positive mood reinforcement ( $M^{\text{high}}=18.06$ ;  $M^{\text{low}}=15.59$ ;  $p<0.001$ ), negative mood reduction ( $M^{\text{high}}=20.46$ ;  $M^{\text{low}}=16.19$ ;  $p<0.001$ ), and therapeutic shopping outcomes ( $M^{\text{high}}=21.22$ ;  $M^{\text{low}}=19.44$ ;  $p<0.001$ ). Also, compulsive buyers (high vs low) differed in 4 dimensions of RT; therapeutic shopping motivation ( $M^{\text{high}}=22.57$ ;  $M^{\text{low}}=18.54$ ;  $p<.001$ ), positive mood reinforcement ( $M^{\text{high}}=17.59$ ;  $M^{\text{low}}=15.93$ ;  $p<0.001$ ), negative mood reduction ( $M^{\text{high}}=19.92$ ;  $M^{\text{low}}=16.51$ ;  $p<0.001$ ), and therapeutic shopping outcomes ( $M^{\text{high}}=20.71$ ;  $M^{\text{low}}=18.08$ ;  $p<0.001$ ). Thus, H1abcd and H2abcd were supported. To test H3, one-way ANOVA with Duncan test was used to see if different age groups have different levels of RT. Results showed that youngest and middle age groups had higher scores on RT shopping motivation ( $M^{20s}=20.8$ ;  $M^{30s}=20.74$ ;  $M^{40s}=20.63$ ;  $p<.005$ ), positive mood reinforcement ( $M^{20s}=16.54$ ;  $M^{30s}=17.33$ ;  $M^{40s}=17.44$ ;  $p<.05$ ), negative mood reduction ( $M^{20s}=19.27$ ;  $M^{30s}=19.03$ ;  $M^{40s}=18.45$ ;  $p<.005$ ), and RT outcomes ( $M^{20s}=20.41$ ;  $M^{30s}=20.05$ ;  $M^{40s}=19.81$ ;  $p<.001$ ) than

oldest group [ $M^{50s+}=18.1$  (RT1), 15.68 (RT2), 16.21 (RT3), 17.32 (RT4)]. Thus, H3abcd were supported.

**Discussion/implications.** Results indicate that consumers who exhibit panic and compulsive buying engaged in retail therapy during the pandemic. Based on CCT theory, consumers engaged in RT as a way to alleviate negative emotions, to reinforce a positive mood, to engage in therapeutic shopping or to enjoy therapeutic shopping outcomes. These results provide fashion retailers with an understanding of the overall phenomenon of panic buying and compulsive buying with RT managerial strategies. Fashion retailers can comprehend that younger consumers tend to engage in RT. Thus, fashion retailers can develop RT shopping strategies to help customers who exhibit panic or compulsive buying and younger customers. They can upgrade delightfully the sales environment, making their customers feel good and satisfied with their therapeutic shopping experience. For further research, this study can be extended to explore in-depth variables (e.g., psychological and social variables) of panic and compulsive buying related to RT shopping and compare cross-cultural differences during a pandemic and post-pandemic.

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