ANALYSIS OF FACTORS THAT INFLUENCE IMPULSE BUYING: A CASE STUDY ON E-COMMERCE USERS IN JAKARTA

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Abstract : E-commerce is a place for people to make both planned and impulsive purchases, especially for younger generations such as gen Z. This study aims to determine the effect of website quality, sales promotion, and shopping lifestyle on impulse purchases in generation Z e-commerce users (Tokopedia, Shopee, Lazada) in DKI Jakarta. This study uses quantitative descriptive analysis which then the data is obtained from distributing questionnaires using non-probability sampling method with purposive sampling. The sample used was 100 generation Z people aged 17 years and over e-commerce users (Tokopedia, Shopee, Lazada) in DKI Jakarta. The data analysis used is descriptive and inferential data analysis techniques using Partial Least Square (PLS) with SmartPLS 3.2.9 software. The results of this study indicate (1) website quality has a positive and significant effect on impulse purchases with a path coefficient of 0.256. (2) sales promotion has a positive and significant effect on impulse purchases. Shopping lifestyle has a positive and significant effect on impulse purchases with a path coefficient of 0, 376.

Keywords: Impulse Buying, Website Quality, Sales Promotion, Shopping Lifestyle, E-commerce.

INTRODUCTION

Along with impulse buying is an action carried out by humans in various types of activities involving purchasing transactions. Impulse buying can occur in traditional markets which display the most ancient buying and selling activities. Also, it can occur in modern transaction venues, namely e-commerce and its various types, which are closely related to psychology or fundamental mental calculations found in every human being. Conceptually, impulse buying is an act of buying spontaneously without considering future consequences (Sofi, 2020).

This is closely related to how the human brain thinks and processes information. In the psychology literature, human decisions are the result of the dynamics of interaction between two very basic thinking systems in humans. These two systems are referred to as System 1 and System 2. System 1 is a system that works automatically and intuitively, while System 2 works reflectively and rationally (Thaler & Sunstein, 2020 p. 5). Nobel prize recipient behavioral economists such as Richard Thaler, call them Automatic Systems (System 1) and reflective systems (System 2) which have the following characteristics:

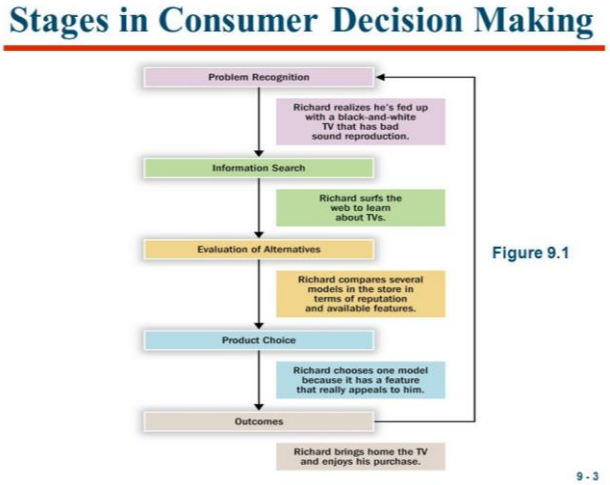
Table 1. *Characteristics of Automatic and Reflective Systems*

Automatic System	Reflective System
Uncontrollable	Controllable
Easy to Move	Effort to Move
Associative	Deductive
Fast	Slow
Unconscius	Conscius
Skilled	Following Rules

Source: (Thaler & sustain, 2016 : 5)

The deep automatic system is fast, instinctive, and does not involve what is usually associated with the word thinking. Humans experience this in events such as ducking to avoid a thrown ball, becoming anxious when plane turbulence occurs, or making a spontaneous purchase when they see a flash sale. On the other hand the Reflective System works consciously and deliberately. This occurs when humans face events that require more mental energy to think, such as calculating the number 411 times the number 37, creating marketing strategies, and making well-calculated purchases. This is in line with the steps in cognitive decision-making process formulated by Solomon (2020).

Figure 1. *Steps In Cognitive Decision-Making Process*



Source : *Euromon*

The decisions taken by humans in living their daily lives are the result of the interaction of Automatic Systems and Reflective Systems. In the context of impulse buying, this can occur when humans encounter various kinds of purchase promotions. Because they are stimulated to make purchases. Another example of purchasing stimulation is a case where supermarkets that provide fruit jam with fewer flavor variants get more sales (Solomon, 2020).

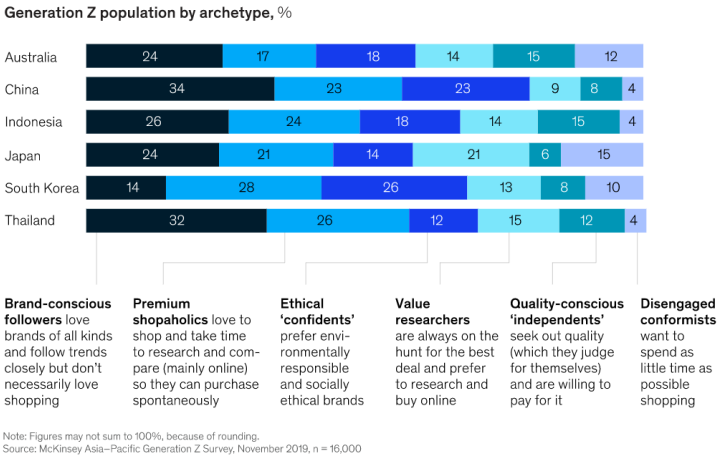
Market or consumer stimulation is something that can be done and is commonplace in the real world. Marketers train consumers' intuition and sensitivity towards products by promoting the product continuously. In the post-COVID-19 world where there is a change in people's behavior which increasingly relies on virtual interactions and cyberspace, e-commerce has the potential to be a catalyst (Nurul Ulya, 2021).

E-commerce itself is a place for buying and selling that utilizes internet technology so that it can be accessed via a computer or smartphone, like a market that has been moved to cyberspace. Currently, e-commerce sites are popular among Indonesian people with a total of more than 150 million visitors (Ahdiyat, 2023). With various features and technological advantages, e-commerce competes to offer convenience in shopping for anyone, without exception in Indonesia (Yusra, 2023).

The competitive efforts made by e-commerce in Indonesia can have a significant influence on consumers, especially generation Z consumers born in 1997 - 2012 (Mahya Nadila, 2022). Behaviorally, generation Z is a very appropriate market to be given marketing incentives such as discounts and others to encourage purchases because they have a high level of consumption. Generation Z buys things they don't need enough or don't need at all (Arda & Andriany, 2019). This behavior can be recognized as impulse buying, which fits the

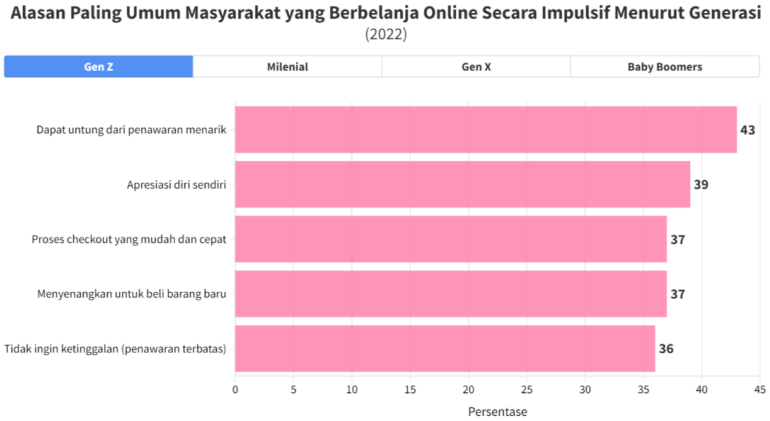
Automated System state of mind.

Figure 2. *Generation Z Population by Archetype*



Generation Z tends to shop online impulsively (figure 2). This image is an identification of generation Z behavior based on six segments that describe generation Z consumers in the Asia Pacific region. Among these six segments, 26% of generation Z consumers in Indonesia are premium shopaholics who like to spend their time comparing products or services. This allows them to make unplanned purchases (impulse purchases).

Figure 3. Common Reasons for Impulsive Online Shopping by Generation



The impulse purchases made by generation Z have various underlying reasons. This was shown in a survey by the Global World Index (figure 3) where as many as 43% of generation Z made impulse purchases because there were attractive offers. Then as much as 39% for reasons of self-appreciation and 37% for reasons of an easy and fast check out process. Furthermore, 37% of generation Z said it was fun to buy new products and 36% did not want to miss out on limited offers (Ayu Rizaty, 2022). Two of the five reasons are the result of promotional activities, one of which is related to website quality, the remaining two are related to personal shopping preferences.

The conflict between humans' rational and irrational minds is nothing new in research on impulse buying. This topic has attracted the attention of researchers for more than 70 years (Sen & Nayak, 2022). There are many factors that influence impulse buying both externally, internally and situationally (Ünsalan, 2016). In the context of e-commerce and the interrelated behavior of generation Z, several factors that influence impulse buying include website quality, sales promotions, and shopping lifestyle. Some research supports that some of these factors influence impulse buying, others do not.

Further research with diverse data samples and richer case studies on the topic of impulse

buying is needed. Based on the background description above and supported by several previous research results, the researcher is interested in researching and exploring further information regarding how sales promotions, website quality and shopping lifestyle influence impulse purchases at Top Brand e-commerce in Indonesia. namely Tokopedia, Shopee and Lazada (Ahdiyat, 2023). Therefore, researchers were encouraged to conduct research entitled "Analysis of Factors that Influence Impulsive Buying in Generation Z E-Commerce Users in DKI Jakarta."

LITERATURE REVIEW

Marketing Management

Marketing activities are the main efforts carried out by organizations that aim to offer competitive value that can satisfy consumer needs and desires (Green & Keegan, 2020 p. 26).

Impulse Buying

According to Utami (2017, p. 61) impulse buying is a purchase made without any prior planning, the same as making a purchase while in a shop because of the stimulation provided by the shop to consumers. In this research, it has been decided to use four indicators whose function is to measure the impulsive buying variable, including spontaneity, strength and persistence, stimulation, and ignoring the consequences.

Website Quality

According to Sawlani (2021, p. 28) states that website quality is one method for measuring quality based on responses by end users. This research uses three indicators that function as measurements, namely usability quality, information quality and service interaction quality.

Sales promotion

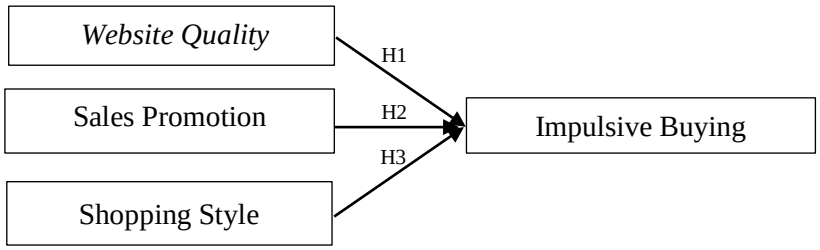
Sales promotions according to Armstrong et al (2019) consist of short-term incentives to encourage sales or purchases of services or products. Sales promotion is a direct stimulus aimed at consumers to buy (Firmansyah, 2019). This research uses four indicators, namely coupons, cashback/refunds, raffles and discounts.

Shopping Lifestyle

According to (Solomon, 2020 p. 262), lifestyle is how consumption reflects a person's life choices regarding how they spend time and money. This research uses three indicators, namely activity, interest and opinion.

Research Framework

From the constituent variables in this research, a research framework or research conceptual framework can be created as follows:



Research hypothesis

Based on the research model that has been created, the following research hypothesis can be drawn:

H1: There is an influence of website quality on generational impulse buying Z e-commerce users in DKI Jakarta.

H2: There is an influence of sales promotions on impulse buying generation Z e-commerce users in DKI Jakarta.

H3: There is an influence of shopping lifestyle on impulse buying generation Z e-commerce users in DKI Jakarta.

RESEARCH METHODOLOGY

This research is quantitative research with the variables studied, namely website quality, sales promotions, shopping lifestyle and impulse buying. The population in this research is generation Z (born 1997 – 2012) who have made purchases and provided reliable information to researchers. The sampling technique used was non-probability sampling with a purposive sampling method which sorted the samples using the following criteria: (1) male and female respondents, (2) who had made at least three purchases on e-commerce Tokopedia, Shopee and Lazada , (3) domiciled in DKI Jakarta, (4) and at least 17 years old. The total number of samples tested was 100 respondents. Respondent data was measured using a Likert scale, collected and managed using a digital questionnaire using the Google Form platform and using previously available supporting data, sourced from research literature, books, articles and so on. The data was then analyzed using PLS (Partial Least Square) with the help of SmartPLS 3.0 software as a statistical analysis tool to test the data that had been collected. Data were analyzed descriptively, interpreting data from respondents' responses and inferentially for broad generalizations or drawing conclusions.

RESULTS AND DISCUSSION

Descriptive Analysis

Descriptive analysis is useful for explaining and describing the collected data but not for forming general conclusions (Sugiyono, 2013).

Table 2. Average Index Value of Respondents

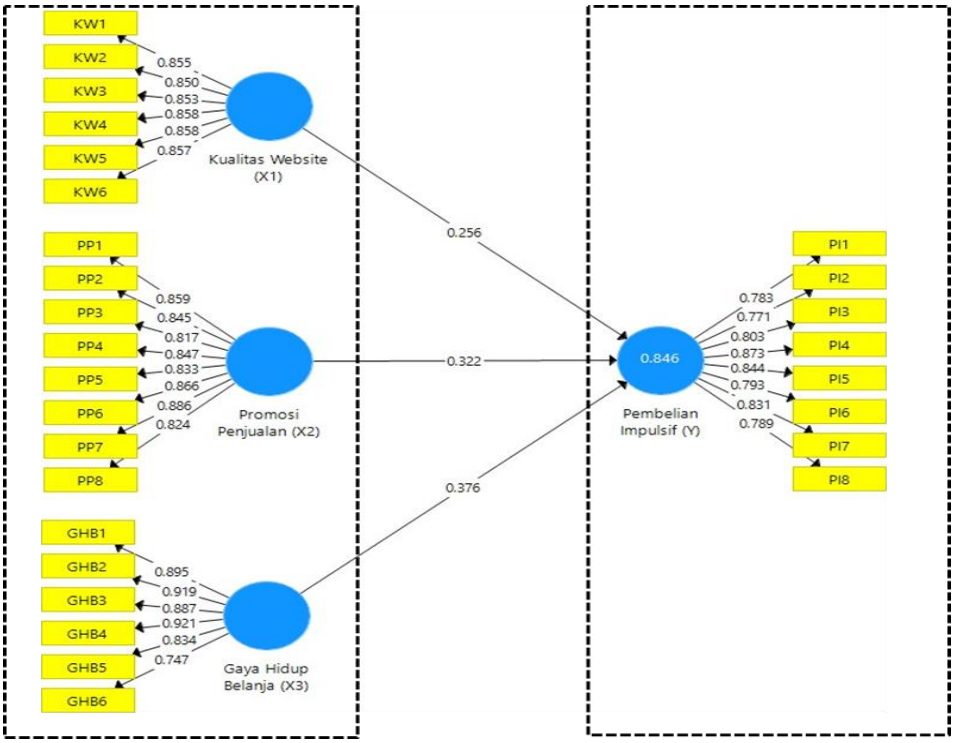
Variable	Index	Intepretation
Impulsive Buying	78,04	High
Website Quality	76,97	High
Sales Promotion	75,09	High
Shopping Style	77,05	HIgh

Source: processed data (2022)

Inferential Analysis

The analysis used to evaluate this research is through evaluation of the outer model, inner model, and hypothesis testing

Figure 4. Output *Outer Loading*



Source: processed data (2022)

Based on Figure 4, it can be seen that all variables, namely impulse buying, website quality, sales promotions, and shopping lifestyle, have statement instruments for each indicator in this research. Next, the measurement model is used to test validity and reliability.

Table 3. Average Variance Extracted Result

	Average Variance Extracted (AVE)
Impulsive Buying	0,659
Website Quality	0,732
Sales Promotion	0,718
Shopping Style	0,755

Source: processed data (2023)

Based on the results of obtaining the SmartPLS 3.0 output as in the table above for variables Y, X1.This shows that the construction of the variables used in the analysis is good, and each variable has succeeded in meeting the requirements for discrepancy validity. As a result, it can be concluded that the hash results of the study variables are verifiable and statistically valid.

Table 4. *Cronbach's Alpha* and *Composite Reliability Test*

	Cronbach's Alpha	**Composite Reliability**
Impulsive Buying	0,926	0,939
Website Quality	0,927	0,942
Sales Promotion	0,944	0,953
Shopping Style	0,934	0,949

Source: Data processed in 2023

Based on table 4, the output value obtained for composite reliability for all constructs is > 0.7, which is a statement that the entire model has met the criteria.
In evaluating structural models, the R-Square value is useful for each endogenous latent variable as the predictive power of the structural model. The limitation criteria (rule of thumb) consist of three classifications, namely 0.67 (good), 0.33 (moderate), and 0.19 (weak).

Table 5. Table R-Square

	R Square	R Square Adjusted
Impulsive Buying	0,846	0,841

Source: SmartPLS 3.3.0 output results

Based on the data in the table above, judging from the Adjusted R Square value, the influence of Website Quality, Sales Promotion, and Shopping Lifestyle contributes to Impulsive Buying by 0.841 or 71%. Where the remaining 0.159 or 29% is influenced by other independent variables not used in this research.

Table 6. Q-Square

	Q^2 (=1-SSE/SSO)
Website Quality	
Sales Promotion	
Impulsive Buying	0.541
Shopping Style	

Source: Data processed in 2023

Based on the test results obtained in the table, it is known that the Q-square value is 0.541, where this value is above 0, which shows that the model has predictive relevance. It can also be seen that the Q square value is 0.541. Ghozali (2021, p. 75) said that if the Q square value is above 0.35, it shows that the validity of the model's predictive relevance is strong. So it can also be interpreted that the model is able to predict the topic or problem being raised in this research by 0.541 or 54.10% so that it is very likely that the research objectives can be achieved

Hypothesis testing

Table 7. Results of Direct Effect Testing

	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
Website Quality -> Impulsive Buying	0,256	2,264	**0,024**
Sales Promotion ->Impulsive Buying	0,322	2,533	**0,012**
Shopping Style -> Impulsive Buying	0,376	2,637	**0,009**

Source: Processed data, 2023

An overview of the average value, maximum value, minimum value and standard deviation can be seen from the results of descriptive statistical tests. The following are the results of descriptive statistical tests processed using the Smart PLS 3.0 application:

The Effect of Website Quality on Impulsive Buying

Using the table above as a guide, we can see the results of our investigation into the relationship between website quality and impulse buying. The original sample results show a positive correlation of around 0.256, indicating that the website quality variable has a

favorable relationship with impulse buying. Furthermore, the t-statistic threshold was set at 2.264 > 1.98, and the significance level (p value) was set at 0.024 0.050. Thus, it can be concluded that the website quality variable has a positive and significant effect on the impulse buying quality variable. In this way, the first hypothesis can be confirmed, and the last hypothesis sounded.

The Effect of Sales Promotion on Impulsive Buying

To show that the sales promotion variable has a positive relationship with impulse buying, research on this topic includes original sample data with a positive figure of around 0.322. Furthermore, the results of the t-statistical analysis show that the tcount value is equal to 2.264 > ttable 1.98 and the significance level (p value) is 0.024 and 0.050 respectively. This shows that the relationship between the sales promotion variable and the impulse buying variable has a positive and significant effect. Therefore, the second hypothesis can be verified, and the first hypothesis is rejected.

The Influence of Shopping Lifestyle on Impulsive Buying

Results of research on the relationship between shopping lifestyle variables and impulse buying. The original sample results have a positive test statistic of around 0.376, which indicates that the variables of shopping lifestyle and impulse buying have a positive relationship. The results of the T-statistical analysis show that the t value is 2.637 > t table 1.98, and the p value is 0.009 0.050. Thus, it can be concluded that the shopping lifestyle variable has a positive and significant correlation with the impulse buying variable. Therefore, the third hypothesis can be read, and the null hypothesis is eliminated.

CONCLUSION

Based on the discussion in the previous chapter, it can be concluded that website quality influences impulsive purchases. These results prove that websites that have quality of use (usability), quality of information (information quality), and quality of information service (information service quality) from Tokopedia, Shopee, and Lazada are able to influence impulse purchases among generation Z e-commerce users in DKI Jakarta . This means that generation Z users of e-commerce Tokopedia, Shopee and Lazada pay attention to website quality.

Sales promotions also influence impulse buying. These results prove that promotional incentives such as discounts, coupons, cashback/refunds, and raffles from Tokopedia, Shopee, and Lazada are able to influence impulse purchases among generation Z e-commerce users in DKI Jakarta. This means that the discounts, coupons, cashback/refunds, and sweepstakes provided by e-commerce are attractive and appropriate to consumer desires and needs so that Tokopedia, Shopee, and Lazada have been able to attract consumers in fulfilling consumer needs and desires which can trigger online purchases. impulsive.

This is no different from the shopping lifestyle which also influences impulsive purchases. These results prove that shopping activity (activity), interest in shopping (interest), and opinions about shopping (opinion). This means that Tokopedia, Shopee, and Lazada have been able to support online shopping activities that are in line with the shopping lifestyle of users who are classified as generation Z in DKI Jakarta. In this case, generation Z users in DKI Jakarta feel harmony with their daily shopping activities, perceptions based on their perceived interest in their environment, and perceptions about themselves and conditions in the environment such as political problems, business problems and social problems.

In preparing this scientific work, there is still limited time for compiling and collecting data, which is very important to know as an evaluation material for further research. It is

hoped that future researchers can study more varied objects, with the hope that research can be developed further.

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