The Influence Of In- Store As A Mediation To Impulse Buying (Study On The Retails In Yogyakarta)

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Abstract:

Impulse buying often takes place inside the store. Impulse buying describes unplanned purchasing decisions. This research aims to: 1. analyse hedonic motive that directly affects impulse buying, 2. analyse direct marketing that directly affects impulse buying, 3. hedonic motive and direct marketing influence on impulse buying mediated by in store. Subjects in this research are consumers of three clothing stores in Yogyakarta. The sample uses as many as 75 respondents, data analysis technique uses Structural Equational Model (SEM) with Smart PLS 3.0 Program. The results of this research prove: 1. hedonic motive has influenced on impulse buying, 2. direct marketing has influenced on impulse buying, 3 hedonic motive and direct marketing influence on impulse buying mediated by in store. The findings of this study may contribute to consumer behaviour models, at retails and Tripple duties of Higher Education.

Keywords: hedonic motive; direct marketing; in store; and impulse buying

1. INTRODUCTION

Currently, consumers are verv potential to make impulsive purchases. Engel & Blackwell (1994); Rook and Fisher (1995) define impulse buying as unplanned purchases. Unplanned purchases, without prior thought. (Dholakia, 2000) describes a sudden and spontaneous purchase. The tendency of consumers to buy spontaneously is a natural act (Rook & Fisher, 1995). The reason why the consumers make impulse buying is because of their interest in or TV commercials. brand marketing, in store (Peter Hulte'n and Vladimir Vanyushyn, 2014). Kim (2005) hedonic deals with motive. Consumer purchasing decisions. especially for impulse buying decisions can be based on consumer's individual factors that tend to be affective. Hedonic motive plays an important role in impulse buying. Impulse buying is driven by hedonistic desire or economic reasons,

such as pleasure, fantasy, social or emotional influences.

Impulse buying which is caused by the fulfilment of needs those are hedonism or because of positive emotions or negative emotions (Park, Kim and Forney, 2005). Impulse buying can also be defined as the propensity of individuals spontaneously, to buy reflectively, or less thoughtfully, immediately, and kinetically. (Dholakia, 2000); Engels et al. (1994), grouping impulsive purchases into four criteria: Spontaneous purchases. A thoughtlessly purchases, a hurry purchases, influenced emotional state purchases.

1.1 Purpose of the Research

- a. To analyse the positive influence of the hedonic motive on impulse buying of clothing store in Yogyakata.
- b. To analyse the positive influence of direct marketing on impulse

- buying of clothing store in Yogyakarta.
- c. To analyse the positive influence of the hedonic motive on instore of clothing store in Yogyakata
- d. To analyse the positive influence of direct marketing on in store of clothing store in Yogyakarta.
- e. To analyse the positive influence of in store on impulse buying of clothing store in Yogyakarta.
- f. To analyse the positive influence of hedonic motive on impulse buying mediated by in-store of clothing store in Yogyakarta.
- g. To analyse the positive influence of direct marketing on impulse buying mediated by in-store of clothing store in Yogyakarta

2. LITERATURE REVIEW

2.1 Impulse Buying

Engel and Blackwell (1994), defines unplanned buying as an act of purchase that is made unplanned or purchasing decision which is made inside the store. Hutén, P. &Vladinir V. (2014) explains that impulse buying is an unplanned purchase.

Asil, H. &Hilal Özen. (2015) explain that there is an impulse buying tendency from the consumer. Zang, Xiaoni, Victor R. P., & Chang E.K. (2006) explain about the ease of web usage may encourage an intention to purchase. Rook and Fisher (1995), impulse buying has several characteristics, as follows: spontaneity, strength, compulsion, and intensity, excitement and stimulation, and an ignorance of the consequences.

Shen, Kathy Ning. & Mohamed K. (2012) describes the other stimuli that affect impulse buying, those are marketing, products and others. Park, J. & Sharron J. L. (2006) explain that the social interaction in television affect

impulse buying. Hutén, P. &Vladinir V. (2014) describe that in-store affects impulse buying. Muller, A., et al (2015) describes that consumer behavior influenced by many factors.

2.2 Hedonic motive

Consumers who do impulse buying are the consumers who do not look for benefits but the pleasure of shopping. Most consumers who have emotional passions often get shopping experiences hedonically. Hedonic shopping motivation is a subjective value. The hedonic value is believed to have the potential to provide entertainment in shopping. Kim (2006) explains dimensions to measure consumer's hedonic motives: adventure. social. gratification, idea, role, and value.

a. Adventure shopping

Consumer go shopping because of the existing experience. By shopping, consumers feel to have their own world.

b. Social shopping

The consumers consider that the enjoyment in shopping will be created when they spend their time with families or friends.

c. Gratification shopping

Shopping is one of the alternatives way to reduce stress, to overcome problems and a tool to forget their problems.

Idea shopping

Consumers do shopping to follow the trends and to see the products or other things. They usually do that because they see the advertisements offered through mass media.

d. Role shopping

Consumers prefer to do shopping for others than for themselves, so the consumers feel that shopping for others is something pleasure to do.

e. Value shopping

Consumers consider that doing shopping is a game at the time they are bargaining the prices, or at the time they are looking for a place for shopping which offers discount or low prices.

2.3 Direct Marketing

Direct marketing is a marketing system in which organization communicate directly with the costumers to give responses. The responses can be direct selling, direct mail, direct-action advertising, catalogue selling, cable TV selling, etc.

2.4 In-Store

In-Store consists of five indicators.

1. An offering of two or more products (a package of product) for one price.

2. Incentive selling, 3. Promotion, 4. The offered products in different prices, 5. Product qualities. In-store is very important for the shops to attract visitors to cause impulse buying (Huten, P. & Vladinir V., 2014)

2.5 Conceptual Framework



Figure 2.5.1. Conceptual Framework Hypothesis

- a. *Hedonic motive* has a positive effect on impulse buying in clothing store in Yogyakarta.
- b. *Direct Marketing* has a positive effect on impulse buying in clothes store in Yogyakarta.

- c. *Hedonic motive* has a positive effect on in-store in clothes store in Yogyakarta.
- d. *Direct marketing* has a positive effect on in-store in clothes store in Yogyakarta.
- e. *In-store* has a positive effect on impulse buying in clothes store in Yogyakarta.
- f. Hedonic motive has a positve effect on impulse buying mediated by in-store of clothing store in Yogyakarta.
- g. Direct marketing has positive influence on impulse buying mediated by in-store of clothing store in Yogyakarta

3. METHODS

The populations in this study were all consumers at three clothing stores in Yogyakarta; Matahari Department Store, Ramayana Department Store, and Ramai Mall. The samples are some consumers in three clothing stores. The sample this research amount in respondents. Sampling technique is using purposive samples. Hypothesis testing is done by using model of Structural Equation Modelling with PLS (Partial Least Square) technique to test the influence of each variable.

In this research, the instrument testing is done with validity and reliability testing. Validity testing is done by using 1. Convergent Validity test, the score is expected > 0.7, (2) Discriminant Validity Test is done by comparing loading value on target value must be bigger than loading value with other variable, (3) Average Variance Extracted (AVE), the score is expected > 0.5. Reliability test in a research is done by composite reliability test, it is said to be reliable if the composite reliability score is ≥ 0.7 . The result of validity and

reliability test in research is all of the indicators valid and reliable.

3.1 Variable Identification

3.1.1 Impulse Buying (Y)

Impulsive buying is a sudden, forceful, enduring and unplanned urge to buy something directly, without paying much attention to the consequences. Impulsive purchases occur when the consumer sees a particular product or brand, then they become interested to buy. Tibert Verhagen and Willemijn Van Dolen (2011) are:

- a. Spontaneous purchase.
- b. Unplanned purchase.
- c. Unconditional purchase
- d. Love to a product that encourage doing purchasing
- e. An interesting product display affects to do purchasing.

3.1.2 Hedonic Motive (X1)

Gultekin and Ozer (2012) Describes hedonic motive is a consumer who has a high emotional passion when shopping. Consumers with such hedonic behavior will not be encouraged without a strong motive and a feeling of happiness when they shopping. Consumers' prefer the fun feeling than the benefits of the products they get.

Indicators for hedonic motive based on Kim (2006) are:1. The level of pleasure in shopping adventure for an interesting product search; 2. Motivation to shop with close friends, friends and family; 3. Level of motivation to shop to change mood; 4. Level of motivation to shop to follow the latest trends; 5. Shopping motivation to give something to others; 6. Shopping motivation arising from being in a promotional program

3.1.3 Direct marketing (X2)

Huten, P. & Vladinir V. (2014) explain that direct marketing are direct selling, direct mail, telemarketing, direct-action advertising, catalogue selling, cable TV selling, etc.

3.1.4 In- store (X3)

Huten, P. & Vladinir V. (2014) explain that there are five in-store indicators, as follow:

- a. An offering of two or more products (a package of product) for one price;
- b. Incentive selling;
- c. Promotion:
- d. The offered products in different prices; and
- e. Product qualities.

Based on the PLS data analysis result, it can be analysed as follow:

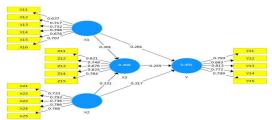
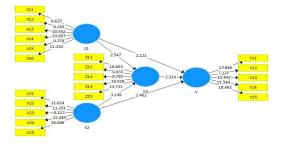


Figure 4.1. Algorithm

Figure 4.2. Bootstrapping



4. RESEARCH RESULT AND DISCUSSION

4.1 Hypothesis Test

4.1.1 The test; The influence of antecedent impulse buying variable. There are five

kinds of path cooficient tests (direct influence) as follows:

Hypothesis Test I

Based on figure 4.1 can be seen that the Hedonic motive effect directly to impulse buying is 0,281 (P-value =0.000). It is said that hedonic motive has a positive effect to impulse buying (H1 is proven/ H1 is accepted).

Hypothesis Test 2

Based on figure 4.1 can be seen the effect of direct marketing directly to impulse buying is 0.317 (P-value = 0.000). It is said that direct marketing has a positive effect to impulse buying (H2 is proven/ H2 is accepted).

Hypothesis Test 3

Based on figure 4.1 can be seen the effect of hedonic motive directly to in-store is 0.301 (P-value = 0.000). It is said that hedonic motive has a positive effect to instore (H3 is proven/ H3 is accepted).

Hypothesis Test 4

Based on figure 4.1 can be seen the effect of direct marketing directly to in-store is 0.331 (P-value = 0.000). It is said that direct marketing has a positive effect to instore (H4 is proven/ H4 is accepted).

Hypothesis Test 5

Based on figure 4.1 can be seen the effect of in-store directly to impulse buying is 0,255 (P-value = 0.000). It is said that in-store has a positive effect to impulse buying (H5 is proven/H5 is accepted).

4.1.2 In-store as Mediation to Impulse Buying in Clothes Store in Yogyakarta

Based on picture 1 can be seen the effect of Hedonic motive directly to in-store is 0,281 (P-value = 0.000), the effect of direct marketing to impulse buying is 0,371 (P-value = 0.000).

Whether in-store a mediation or not among the hedonic motive to impulse buying. After seeing the numbers, the arisen analysis that instore can be said mediate hedonic motive and direct marketing to impulse buying. In-store is related to an offering of two or more products (a package of product) for one price, selling incentive, discount price, colour offers, products with different prices and the variety product qualities. If we look at all the paths on the significant model then it should be clearer to see whether instore as mediation or not between hedonic motive to impulse buying by seeing to the following data that coefficient X to Y in picture 2 is larger than the coefficient on the picture variable 1 so in store is a mediation variable.

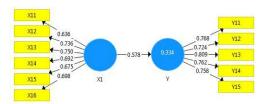


Figure 4.2.1

Fit model of this research is $Q^2 = 1 - (1 - R^2 1)(1 - R^2 2) = 1 - (0,309)(0,491) = 0,6482$ in which means hedonic motive, direct marketing, and in-store contribute 64,82% to impulse buying in three clothing store. The rest, 35,18% is affected by the others variable.

4.2 Discussion

Test results with PLS prove that Hedonic motive have positive significant effect to impulse buying. This means that the higher hedonic motive in a person, the higher impulse to do impulse buying. So, the pleasure of adventure in shopping for an exciting product search, the motivation to shop with friends, and family, the level motivation to shop to change mood, shopping motivation to keep up with the latest trends, and shopping motivations arising from being in a promotion program. This is the tendency of consumers doing impulse buying. This research supports a research by Beyza Gultekin and Leyla Ozer (2012)

Direct marketing has a positive effect on impulse buying. It means if direct marketing such as, direct mail, telemarketing, direct-action advertising, cataloguing selling, are intensified. customers' impulse buying will appear. The results of this research prove Hedonic Motive and Marketing has a positive influence to Impulse Buying mediatd by in-store. By using in-store as mediation, the influence on impulse buying is higher than without using it.

This means impulse buying will be highly developed if it is supported with in-store. This means that consumers curiosity is higher about the various offers in a store such as an offering of two or more products (a package of product) for one price, incentive selling, promotion, the offered products in different prices, and product qualities. This research supports a research by Beyza Gultekin and Leyla Ozer (2012); Hulte'n and Vladimir Vanyushyn, 2014); (Peter Hulte'n Kim's (2006).Vladimir Vanyushyn, 2014)

5. CONCLUSIONS

- a. *Hedonic motive* has a positive effect on Impulse buying in clothing store in Yogyakarta.
- b. *Direct Marketing* has a positive effect on impulse buying in clothes store in Yogyakarta.
- c. *Hedonic motive* has a positive effect on in-store in clothes store in Yogyakarta.
- d. *Direct marketing* has a positive effect on in-store in clothes store in Yogyakarta.
- e. *In-store* has a positive effect on impulse buying in clothes store in Yogyakarta.
- f. Hedonic motive has a positve effect on impulse buying mediated by in-store of clothing store in Yogyakarta.
- g. Direct marketing has positive influence on impulse buying mediated by in-store of clothing store in Yogyakarta

6. SUGGESTION

Hedonic motive and direct marketing have a positive effect on impulse buying. The efforts of marketers related to hedonic motive is to create shopping pleasure, providing a choice of product choices so that consumers linger in the store, as if consumers want to buy more products, in pairs product for men and women, altering the mood of consumers along with photographed friends in the shop because of the uniqueness of the store. Direct marketing is related to direct selling, direct mail, telemarketing, direct-action advertising, catalogue selling.

The results of this study show instore as a mediation between hedonic motive and direct marketing to impulse buying. The effort that must be done such as incentives for purchasing products in large quantities, offering discount prices

for limited sizes products, offering prices based on color, offering different quality at different prices.

Theoretical benefits of this study is that it can develop consumer behavior theory in clothing retailers by creating the higher hedonic motive, direct marketing and in-store in developing impulse buying. The practical benefits is that it can strategize the shop related to interesting in-store offers. The benefits for the next researcher is as an opportunity to conduct research on the same or different object.

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