# Efforts to Increase Impulse Buying Through Discount Prices, Positive Emotions and Situational Factors

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ABSTRACT: This study aims to analyze the effect of discount prices, positive emotions and situational factors on impulse buying at the Ramayana Department Store Banyuwangi. The population in this study were all buyers who made purchases at the Ramayana Department Store Banyuwangi which during the period of the last year of January to June 2019 amounted to approximately 87,050 visitors. Determination of the sample using the Slovin formula with an error rate of 10% obtained a sample of 100 visitors who became respondents. Validity and reliability tests are used to test research instruments in the form of questionnaires. Data analysis uses multiple linear regression. The results showed that the discount price did not significantly influence the impulse buying. Positive emotions have a significant effect on impulse buying. Situational factors do not significantly influence impulse buying.

KEY WORD: discount price, positive emotions, situational factors, impulse buying

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## I. INTRODUCTION

Nowadays, the development of retail business in the modern market in Indonesia is experiencing rapid growth and competition, the rapid development of modern retail is based on the desire to meet the needs of its customers. A retail company or retailer is a product marketing system in which sales transactions are directed to consumers and retail businesses one of the business activities that sell daily necessities in the form of goods and services, which are shown to consumers for personal or family use. Retail is a retail seller covering all activities involving sellers of goods or services to end consumers for personal use rather than business (Lupiyoadi, 2013).

Indonesia's retail sales growth, reportedly at 3.7% in 2019-08, this record is up compared to the previous 2.4%, for 2019-07, data on Indonesia's retail sales growth is updated monthly, with an average of 9.8 % from 2011-01 to 2019-08 with 104 observations. This data reached a high of 28.2% in 2013-12 and a record low of -5.9%. (Retail Sales Growth. MIN\_DATE). So based on the facts, the development and competition of the retail industry in Indonesia is very competitive, so every retail industry company must carry out a marketing strategy well in order to be able to compete with similar businesses. The marketing strategy that can be done is to pay attention to unplanned purchases made by the buyer. Buyers often make unplanned purchases because something new is in store or shopping (Kotler & Amstrong, 2008). Unplanned purchases are purchases that are made suddenly by the buyer without prior planning(Qomariah, 2016). This purchase could be due to several factors such as price discounts, positive emotions from the buyer and situational factors from the condition of the existing shop.

One factor that can increase unplanned purchases is price cuts. Discount price is a savings offered to consumers and the normal price of a product listed on the label or package (Tjiptono & Candra, 2012). Discounted promotions offer several benefits, including triggering consumers to buy in large quantities, anticipating competitor promos and supporting large amounts of trade. With this discount, visitors or buyers who visit a shopping place will usually be affected by the price discounts provided. Thus, visitors from their homes who have no intention to buy goods are ultimately affected to buy goods due to price discounts. There have been many studies on impulse buying and discounted prices including:(Negara & Kusumadewi, 2018), (Safa'atilah, 2017), (Nindyakirana et al., 2016), (Kurniawan & Kunto, 2013), (Ittaqullah et al., 2020)., (Vannisa et al., 2020).

Positive emotions are an effective component of the psychological process in impulse purchases, positive emotions are said to be a condition where potential consumers have a positive mood that comes from their motivation to satisfy themselves through impulse purchases. Positive emotions expressed by consumers will encourage to acquire a product immediately without any prior planning and vice versa negative emotions can encourage consumers not to make impulse purchases. People who shop with a bad emotional state tend to buy impulse and buy things to entertain themselves. So basically the psychological approach put forward its view on human behavior, that human behavior is influenced by moods that have been felt before, coupled with a

pleasant store environment reaction and the color of the store and fashion colors that are sampled can also influence consumers to spend time in the store, and raises the feeling of pleasure experienced by consumers so that it encourages unplanned or impulse purchases. This positive emotion often makes the visitor who initially won't make a purchase end up having to buy goods that are actually less needed, but because they feel happy, the purchase of the goods is finally done. Research on impulse buying and positive emotions has been carried out by several researchers, including: (Purnamasari et al., 2020), (Kusuma, 2014), (Permatasari et al., 2017), (Nindyakirana et al., 2016), (Kurniawan & Kunto, 2013), (Hetharie, 2011), (Bhatti et al., 2020), (Choudhary & Kashyap, 2019), (Hetharie et al., 2019), (Ittaqullah et al., 2020), (John et al., 2019), (Rahadhini et al., 2020).

In addition to the discount price and positive emotions on unplanned purchases or impuse buying, situational factors also play a role in impulse purchases and influence shopping decisions which suggest that shopping decisions will be influenced by trust. One of the things that influences consumer behavior is the attitude of employees or employees who like to help consumers, customer service is an activity and program carried out by retail, to create a shopping experience and is more giving to the customer. Situational factors are temporary environments that shape the context in a consumer's activities, which occur at certain times and places. There are a number of things regarding situational factors such as the level of crowd and the role of employees in the dimension of store situational factors that have a tendency to influence consumers in making unplanned or impulse purchases. So the situational factors play a role in a comfortable place for consumers, as well as the attitude of employees in the store environment will have a very positive influence in the interest to increase purchases that are not planned by consumers (Hetharie, 2011). There are several studies that discuss the relationship between situational factors with impulse buying, including:(Kurniawan& Kunto, 2013), (Hetharie, 2011), (Negara & Kusumadewi, 2018), (Amanah & Harahap, 2020), (Singh et al., 2014).

PT. Ramayana Lestari Sentosa TBK, is a supermarket chain that has around 119 branches in Indonesia that sell clothing products such as clothes and shoes, Ramayana also has a supermarket or supermarket that sells food needs. In addition Ramayana has more promotions in the field of clothing or fashion products that can bind the hearts of its consumers, so that buyers can buy it without being planned or impulse buying, one branch in Indonesia, namely in Banyuwangi which has the name Ramayana Department Store. This research was conducted at the Ramayana Department Store in the city of Banyuwangi which is a branch of the company, this retail company located in the middle of the city, which sells various fashion products at affordable prices and is often visited by many consumers both in the city of Banyuwangi and outside the city of Banyuwangi . Ramayana Department Store is famous for its fashion that has many discounted prices, in this Ramayana there are various products offered such as various types of clothing, shoes, various fruits, household needs, and games. Making it possible for unplanned buying behavior or can be called impulse buying. Various efforts that have been carried out by the manager of the Ramayana Department Store in Banyuwangi so far have provided a simulation through the store environment using good lighting elements, capturing attractive colors, soft music, fragrant scents or other promotions.

Table 1. Top Brand Index 2019 Indonesian Department Store Categories

No.	Brand	TBI 2019
1.	Matahari	48.7%
2.	Ramayana	12.7%
3.	Toserba Yogya	4.7%
4.	Cebtro	3.4%

Sumber: (Https://www.topbrand-award.com/top-brand-index/, 2019)

Table 1. shows that Ramayana Department Store is in the second position with an average of 12.7%. this shows the number of consumers who choose to buy at the Ramayana Department Store is quite a lot, so that sales will increase every year, but there is also a decrease but it is not much. Based on the description that has been explained, the research question in this study is how to increase impulse buying based on discount prices, positive emotions and situational factors in the Ramayana Department Store Banyuwangi. While the purpose of this research is to find out and analyse the effect of discount price, positive emotions and situational factors on impulse buying at the Ramayana Department Store Banyuwangi.

## II. RESEARCH METHODS

This research is explanatory research with a quantitative approach. Research explanatory method that aims to explain the position of the variables studied and the influence of one variable with other variables, is useful to find out how big the role of discount prices, positive emotions and situational factors in impulse buying fashion products in Ramayana Department Store Banyuwangi.

Research variables are anything in the form of what is determined by researchers to be studied in order to obtain information about it, then conclusions (Sugiyono, 2013). The independent variables in this study consisted of 3 variables: price cuts, positive emotions, situational factors. While the dependent variable is impulse buying.

Discount price is an attractive discount so that the actual price is lower than the original price, the discount price system is often used by sellers or companies to increase sales, the discount price is very attractive to many people especially if the discount is on a fashion product people will buy it without any prior plans. The discount price has a strategy to reduce prices to reward consumers, such as: special prices, free testing, promotion of point of purchase, coupons. Positive emotions are positive emotions felt by consumers that will encourage consumers to buy products immediately without any prior planning, which will ultimately make unplanned purchases. There are three dimensions of emotional indicators as follows: pleasure, passion, domination. Situational factors are situations that exist around shopping places or stores that are targeted by consumers. The dimensions of situational factors in stores are as follows: internal layout, sound, aroma, store location. Impulse buying is a fact of life in consumer behavior as evidenced by the nature of purchasing activities related to the environment and time constraints in shopping, where the purchase route they take will be different. People often do impulse buying, or that is often said, that is, purchases that are not planned in advance and moreover, on this fashion product that has a discounted price, people will be interested in buying it without being planned. There are 4 dimensions of impulse buying in unplanned purchases, namely: pure impulse, suggestion impulse reminder impulse, planned impulse

Population can also be defined as a combination of all elements that have a set of similar characteristics that cover the interests of marketing research (Malhotra, 2006). In this study the population is consumers visiting and shopping at the Ramayana Department Store Banyuwangi during the last year period January to June 2019, amounting to around 87,050 visitors. The sampling technique in this study uses a nonprobability sampling technique, which is sampling technique with not all sample members being given the opportunity to be selected as sample members. The appropriate sample size in the study is between 30 to 500. So in this study will use 100 respondents who will be used as research samples (Sugiyono, 2010). To get a sample of the available ppulation Slovin formula with an error rate of 10% obtained 100 respondents.

Validity test is data that aims to determine the extent of data validity obtained from questionnaire distribution (Ghozali, 2011). Validity measurement is done by testing the significance level of Pearsos's product moment. A variable is said to be valid, if the variable gives a significant value of approximately 0.05. Reliability is data to measure a questionnaire which is an indicator of a variable or construct (Sekaran 2006). A questionnaire is said to be reliable if a person's answers to questions are consistent or stable from time to time. Statistical Package Social Science (SPSS) provides facilities to measure reliability with the Cronbach Alpha (a) statistical test. A variable is said to be reliable if it gives a value of (a) 0.06. To find out or measure the intensity of the relationship between the dependent variable (Y) with several independent variables (X), the type of analysis used is multiple linear regression analysis. The regression equation model used can be formulated as follows: Y = a + b1X1 + b2X2 + b3X3 + e.

## III. RESULTS AND DISCUSSION

## **Descriptive Characteristics of Respondents**

Respondents in this study were those who had shop at the Ramayana Department Store in Banyuwangi and had made unplanned purchases totaling 100 people. Table 2 explains descriptive statistics based on the age of the respondent. Table 3 explains the descriptive statistics of respondents on the basis of age. Table 4 explains descriptive statistics based on recent education.

Table 2. Respondents by Age						
1.	17 – 21 Year	25	0,25			
2.	22 – 25 Year	31	0,31			
3.	26 – 30 Year	22	0,22			
4.	31 – 35 year	12	0,12			
5	>35 Year	10	0,10			
	Total	100	100 %			

 Table 3. Respondents by Gender

 1.
 Man
 23
 0,23

 2.
 Woman
 77
 0,77

 Total
 100
 100%

Table 4. Respondents Based on Education						
1.	Elementary school	4	0,4			
2.	Middle school	11	0,11			
3.	High school	64	0,64			
4.	BACHELOR	21	0,21			
	Total	100	100%			

## Validity and Reliability Test Results

The results of the validity test can be seen in table 5. In table 5 it can be seen that the correlation between each indicator variable Discount Price (X1), Positive Emotions (X2), Situational Factors (X3) and Impulse Buying (Y) shows that Rhasil>Rtable and Sig <0.05. It can be concluded that all items in question variable Discount Price (X1), Positive Emotions (X2), Situational Factors (X3) and Impulse Buying (Y) are declared valid. Reliability test results can be seen in table 6. In table 6 you can see the reliability test results on the variable instrument Discount Price (X1), Positive Emotions (X2), Situational Factors (X3) with Cronbach Alpha values below 0.60. This proves that the research instrument in the form of this questionnaire is reliable because Cronbach Alpha is below 0.60.

**Table 5. Validity Test Results** 

Variable	Item	$\mathbf{R}_{ ext{tabel}}$	R <sub>hasil</sub>	Sig	Information
Discount Price	X1 <sub>1</sub>	0,1654	0,815	0,000	Valid
	X1 <sub>2</sub>	0,1654	0,886	0,000	Valid
	X1 <sub>3</sub>	0,1654	0,833	0,000	Valid
	X1 <sub>4</sub>	0,1654	0,793	0,000	Valid
Positive Emotions	X2 <sub>1</sub>	0,1654	0,752	0,000	Valid
	$X2_2$	0,1654	0,856	0,000	Valid
	X2 <sub>3</sub>	0,1654	0,810	0,000	Valid
Situational Factors	X3 <sub>1</sub>	0,1654	0,775	0,000	Valid
	$X3_2$	0,1654	0,858	0,000	Valid
	X3 <sub>3</sub>	0,1654	0,863	0,000	Valid
	X3 <sub>4</sub>	0,1654	0,721	0,000	Valid

Table 6. Reliability Test Results

Variable	Item	Cronbach's Alpha if Item Deleted	Reliability Standards	Information
Discount Price	X1 <sub>1</sub>	,808	0,60	Reliable
	$X1_2$	,801	0,60	Reliable
	X1 <sub>3</sub>	,805	0,60	Reliable
	$X1_{4}$	,804	0,60	Reliable
Positive Emotions	X2 <sub>1</sub>	,825	0,60	Reliable
	$X2_2$	,817	0,60	Reliable
	$X2_3$	,822	0,60	Reliable
Situational Factors	X3 <sub>1</sub>	,810	0,60	Reliable
	$X3_2$	,784	0,60	Reliable
	$X3_3$	,796	0,60	Reliable
	$X3_4$	,805	0,60	Reliable

## **Multiple Linear Regression Test**

This research hypotheses test using multiple regression which will be tested empirically to look for the functional relationship of two or more independent variables with the dependent variable, or to predict two or more independent variables on the dependent variable. The results of multiple linear tests in this study can be seen in table 7. The results of the study can be developed using the multiple linear regression equation model.

Impulse Buying =  $\alpha + \beta 1$  discount price +  $\beta 2$  positive emotions +  $\beta 3$  situational factors if the values in the table above are substituted, then the following values will be obtained: Y =  $7.02 + -0.79 \times 1 + 0.63 \times 2 + 0.08 \times 3$ . T test results above can be concluded that the discount price variable (X1) as in the table above obtained t count with a probability of 0.443 whose value is above 0.05. Thus H1 is rejected, which means there is no significant positive effect on the dependent variable (Y). T test results on positive emotional variables (X2) as in table 4.11 above obtained t count with a probability of 0,000 whose values are below 0.05. Thus H2 is accepted, which means that there is a significant influence on the dependent variable (Y). T test results on situational factor variables (X3) as in table 4.11 above obtained t count with a probability of 0.392 with a value below 0.05. Thus H1 is rejected, which means it has no significant positive effect on the dependent variable (Y).

	Table 7. Multiple Linear Regression Test Results						
		В	Std. Error	Beta	t	Sig.	
1	(Constant)	7.028	1.946		3.611	.000	
	X1	079	.102	076	-771	.443	
	X2	.634	.123	.475	5.134	.000	
	X3	.081	.094	.088	.860	.392	

#### Discussion

## The Effect of Discount Price on Impulse Buying

Based on the results of the t test conducted showed that there was no significant effect on the discount price variable on impulse buying on Ramayana Department Store Banyuwangi consumers. T test value of 443 which means above 0.05. These results indicate that the discount price cannot influence consumers to carry out buying. With no discount price effect on impulse buying, among others, that consumers feel they are buying a product that has a discounted price but they feel they are not making the right purchase of the product, other than that some of them are only trying to buy a product when there is a discount so they do not know for sure the quality of the product(Qomariah, 2016)..

## The Effect of Positive Emotions on Impulse Buying

Based on the results of the t test conducted showed a significant influence on the variable positive emotions on impulse buying in Ramayana Department Stores Banyuwangi consumers. T test value of 0,000, which means below 0.05. These results indicate that the presence of positive emotions can influence consumers to do Impluse buying.

## The Influence of Situational Factors on Impulse Buying

Based on the results of the t test conducted showed that there was no significant effect on situational factor variables on impulse buying on the Ramayana Department Store Banyuwangi consumers. T test value of 0.392 which means above 0.05. These results indicate that the presence of situational factors cannot influence consumers to carry out buying. This tendency is caused by the situation felt by consumers when shopping, with the limited time they have to shop certainly creates a feeling of being rushed and not feeling comfortable. Crowded conditions are of particular concern because they can cause feelings of discomfort and displeasure with visitors, thus impacting shopping behavior at the Ramayana Department Store Banyuwangi.

## IV. CONCLUSIONS AND RECOMMENDATIONS

## Conclusion

Variable discount price does not significantly influence impulse buying. This shows that no matter what the price is given by the Ramayana Department Store, the buyer will not change the planned purchase from home. Positive emotions have a significant effect on impulse buying. Positive emotions in the form of a heart condition that can actually increase the buyer to buy goods that actually will not be purchased, but because the situation of the hearts of the buyers are happy it will buy the goods without planning in advance. Situational factors do not significantly influence impulse buying. The condition and situation of the place of shopping apparently cannot influence unplanned purchases. Buyers are familiar with the condition of the shop which has been a shopping destination. Thus, whatever the conditions are in the shop, the buyer will still buy the goods that have been planned.

#### Suggestion

As for the advice that can be given to the Ramayana Department Store to evaluate factors that are not significant or have no effect on impulse buying so that it can add to the benefits of the Ramayana Department Store Banyuwangi. For further researchers, it is necessary to identify other factors that can influence impulse buying at the Ramayana Department Store Banyuwangi.

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