

The Influence of Promotion, Price and Brand Image on Impulse Buying with Hedonic Shopping Motivation as Intervening Variable

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Abstract: This study aims to determine impulse purchases when shopping on the Shopee platform. The purpose of this research is to analyze the relationship between impulsive buying, with independent promotion variables, price, brand image and hedonic shopping motivation as intervention variables. This study uses a quantitative approach in the form of a survey method. The population in this study consisted of Shoppe users who shopped more than 2 times throughout Indonesia. The sample in this study consisted of 147 Shopee users. Data processing is carried out using the Partial Least Square (PLS) method. The results of this study indicate that price and brand image have a positive and significant effect on hedonic shopping motivation while promotions have a positive and insignificant effect. The influence of brand image and hedonic shopping motivation has a positive and significant effect on impulsive purchases, while promotions and prices have a positive and insignificant effect. The effect of price and brand image has a positive and significant effect on impulsive purchases through hedonic shopping motivation while promotion has a positive and insignificant effect.

Keywords: Promotion, brand image, impulse buying, hedonic shopping motivation.

Introduction

Consumptive behavior and ease of transactions for people of all walks of life are the reasons the e-commerce industry in Indonesia will continue to grow. As well as lifestyle can affect consumer behavior (Permata Ilmawati Ruswendi Pura & Nina Madiawati, 2021). Based on data released by <https://www.statista.com> states that until January 1, 2022, the Asian Region occupies the top position in terms of the most internet users in the world. The results of statistical data released by <https://www.statista.com> show that Indonesia is ranked fourth in the statistical data of 20 countries with the number of internet users as of January 1, 2022. According to data from Similarweb.com, in August 2022 the Shopee site received 190, 7 million visits from Indonesia (Indaryani & Wulandari, 2023). This figure increased by 11.37% compared to the previous month, where visits to the Shopee website totaled 171.2 million in July 2022. This achievement also made Shopee the first ranked e-commerce site in Indonesia according to Similarweb as of August 2022 (Andani & Wahyono, 2018; Siddik & Dwita, 2022).

Brand image is one of the variables that can influence impulse buying. The main factor that consumers look for in buying a product is the existence of a label or brand attached to a product. Based on research from (Siddik & Dwita, 2022) promotions and brand image have a significant effect on impulse buying. Before making a purchase, consumers usually make comparisons in terms of promotions and prices on the Shopee application. (Dunuwille & Pathmini, 2016) found that there was a positive and significant influence between sales promotions on impulse buying. But on the contrary, according to (Nagadeepa & Tamil Selvi, 2015) found that there was no relationship between sales promotion and impulse buying (Doddy & Wulandari, 2023). Price is the amount of money sacrificed for a good or service, or the value of consumers exchanged for the benefits of using a product or service. According to (Ningsih, 2017) states that prices have a significant effect on impulse buying. Impulse buying itself is influenced by the lifestyle of a consumer, one of which is hedonic shopping motivation. The results of research from (Budiarto & Saputri, 2022), say that Hedonic shopping motivation has a significant effect on impulse buying (Hidayah & Marlana, 2021; Iyer, Blut, Xiao, & Grewal, 2020).

Research Method

This study uses a descriptive approach to identify the extent to which the independent variables, which consist of promotion (X1), price (X2), and impulse buying (X3), interact with the intervening hedonic shopping motivation variable. The aim is to describe research objects or research results, especially impulse buying of products on the Shopee platform. The

research method used in this study is a quantitative research method with a descriptive approach. According (Sekaran and Bougie, 2016), Quantitative descriptive research is designed to collect data that describes individuals, events, or situations. The descriptive method serves to provide an overview of the object under study through data or samples that have been collected as they are, without conducting analysis or making general conclusions. Therefore, this study uses a method with a questionnaire distributed online. The population in this study consisted of Shopee users who shopped more than 2 times and were randomly selected (Meutia, 2021; Ramadania et al., 2022). The sample size was determined using the Hair formula, referring to (Hair et al, 2017), determining the number of samples based on the number of items used in the questionnaire, assuming a range of $n \times 5$ to $n \times 10$ observations. Based on these calculations, the minimum number of samples that will be used by researchers is 132 respondents. Thus, the conceptual framework in this study can be made as follows:

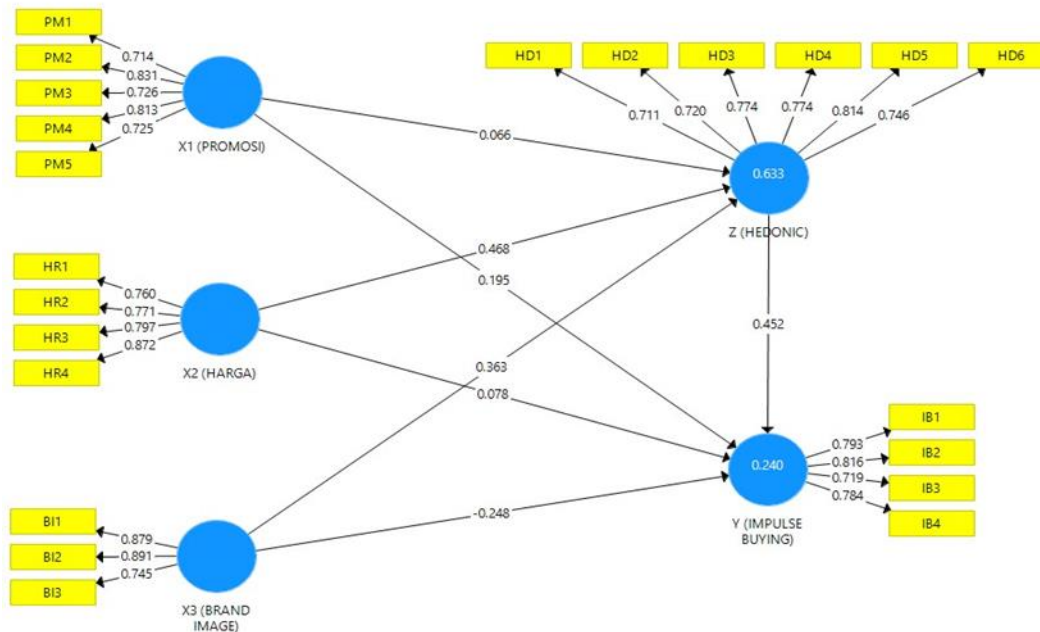


Figure 1 Design through Hedonic Shopping Motivation Mediation

Result and Discussion

The structural conceptual framework is used in this study to build the structural model, and each variable is calculated using indicators that will be tested to determine the validity and reliability of the model. Outer model analysis is carried out to ensure that the measurement instruments used are valid and reliable for measurement purposes. This outer model defines

how each indicator relates to latent variables. There are two attitude indicators, two subjective norm indicators, and seven indicators of perceived behavioral control. The structural equation model (SEM) approach based on partial least squares was used to evaluate the research hypothesis (PLS). PLS is a predictive model, while covariance-based SEM usually assesses causality or theory. Using structural equation models to test or develop hypotheses for predictive purposes is the difference between covariance-based SEM and component-based PLS.

Convergent Validity

The term "convergent validity" is used to describe the extent to which two assessments of conceptually equivalent constructs are in harmony with one another. Convergent validity, a type of construct validity, is similar to discriminant validity, which makes it possible to distinguish between different constructs. To assess convergent validity, the correlation coefficient can be used. When a concept test shows a strong correlation with other tests evaluating possibly similar concepts, it indicates convergent validity. For example, the results of a particular assessment can be compared with the results of another assessment designed to measure basic math skills, thereby establishing the convergent validity of the test. The observed correlation between test results serves as an indicator of convergent validity.

Convergent validity can be assessed by comparing the factor loading values of each indicator with their respective constructs. In confirmatory research, a factor loading of 0.7 or higher was considered significant. The results obtained from the PLS-SEM algorithm, which indicate convergent validity, are presented in Figure 2. The findings of the model estimation show that all indicators show a factor loading that exceeds 0.7. Therefore, all measures were considered suitable for research purposes and valid for assessing their respective constructs. The figure below provides a summary of the factor loading values for each construct indicator.

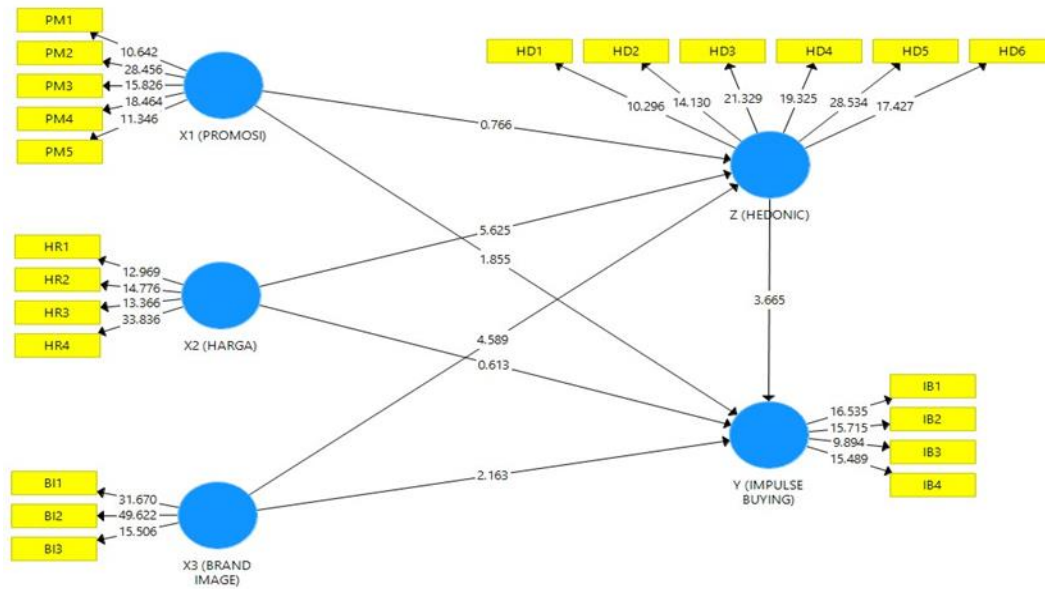


Figure 2 Loading Value

Summary of Hypothesis Testing

In proving this hypothesis, the test is based on the values in the path coefficient table as shown in the table below.

Table 1 Two Way Coefficient Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Promosi -> Impulse Buying -> Hedonic Shopping Motivation	0,030	0,029	0,038	0,777	0,437
Harga -> Impulse Buying -> Hedonic Shopping Motivation	0,211	0,210	0,070	3,023	0,003
Brand Image -> Impulse Buying -> Hedonic Shopping Motivation	0,164	0,161	0,063	2,620	0,009
Promosi -> Impulse Buying	0,195	0,214	0,105	1,855	0,064
Harga -> Impulse Buying	0,078	0,079	0,127	0,613	0,540
Brand Image -> Impulse Buying	-0,248	-0,251	0,114	2,163	0,031

Promosi -> Hedonic Shopping Motivation	0,066	0,073	0,086	0,766	0,444
Harga -> Hedonic Shopping Motivation	0,468	0,474	0,083	5,625	0,000
Brand Image -> Hedonic Shopping Motivation	0,363	0,357	0,079	4,589	0,000
Hedonic Shopping Motivation -> Impulse Buying	0,452	0,445	0,123	3,665	0,000

The process of testing the hypothesis depends on the results of testing the internal model (structural model), which involves evaluating the output R-squared, parameter coefficients, and t-statistics. Significance values between constructs, t-statistics, and P-value are considered to determine whether the hypothesis can be accepted or rejected. The research hypothesis was evaluated using the SmartPLS (Partial Least Squares) 3.2.9 software, and the appropriate value can be observed in the bootstrapping results. The rule of thumb used in this study is the t-statistic > 1.96 with a significance level of p-value 0.05 (5%), and the beta coefficient is positive. Based on Table 1, it was found that there were findings indicating that price and brand image had a positive and significant effect on hedonic shopping motivation while promotions had a positive and insignificant effect. The influence of brand image and hedonic shopping motivation has a positive and significant effect on impulse buying, while promotions and prices have a positive and insignificant effect. The effect of price and brand image has a positive and significant effect on impulse buying through hedonic shopping motivation while promotion has a positive and insignificant effect.

Conclusion

This study aims to determine impulse buying when shopping on the Shopee platform. The purpose of this study is to analyze the relationship between impulse buying, with the independent variables promotion, price, brand image and hedonic shopping motivation as intervening variables. Each variable is tested, and the resulting values are analyzed. In addition, this conclusion responds to the cases found during this investigation. H1: Promotion has a positive and insignificant effect on hedonic shopping motivation. H2: Price has a positive and significant effect on Hedonic Shopping Motivation. H3: Brand Image has a positive and significant effect on Hedonic Shopping Motivation. H4: Promotion has a positive and insignificant effect on Impulse Buying. H5: Price has a positive and insignificant effect on Impulse Buying. H6: Brand Image has a positive and significant effect on Impulse Buying. H7: Hedonic Shopping Motivation has a positive and significant effect on Impulse Buying. H8:

Promotion has a positive and insignificant effect on Impulse Buying through Hedonic Shopping Motivation. H₉: Price has a positive and significant effect on Impulse Buying through Hedonic Shopping Motivation. H₁₀: Brand Image has a positive and significant effect on Impulse Buying through Hedonic Shopping Motivation.

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