

# CHAPTER I

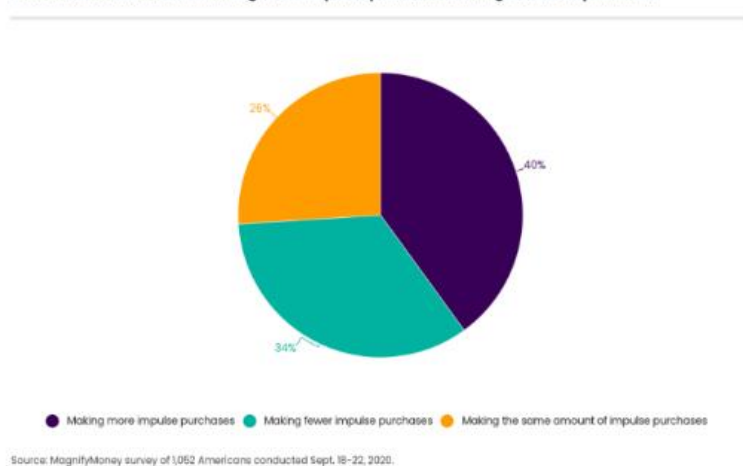
## INTRODUCTION

### 1.1 Background

Some people consider shopping as a physical activity as a means to relieve stress, spend money, and satisfy certain needs and desires (Dharmmesta, 2017:4.2). Impulse buying has been widely discussed in recent years. Impulse buying can go beyond unexpected buying because it makes the customer need it emotionally before buying a product (Liyanage & Wijesundara, 2020).

Impulsive buying or unexpected purchases is the behavior of customers shopping without making plans in advance and making sudden purchasing decisions without thinking before. Impulsive Buying is also defined as another form of consumer buying pattern. Where the purchase is not specifically planned and occurs when the consumer suddenly has a strong desire to buy something immediately (Utami, 2017: 81).

Whether consumers are making more impulse purchases during COVID-19 pandemic



Source: Survey from Magnify Money, 2023

**Figure 1. 1 Diagram whether consumers are making more impulse purchases during pandemic COVID-19**

According to a survey conducted by Berger (2020) through Magnify Money in America by giving questionnaires to 1.052 respondents, there is a phenomenon of impulsive buying. Barger shows that the results are 40% of respondents in America making more impulse buying during a pandemic, 34% making fewer impulse buying during a pandemic, 26% making the same amount of impulse buying during a pandemic.



Source: Survey from Ipsos.com, 2023

**Figure 1. 2 Chart reason why bought the impulse purchase in-store**

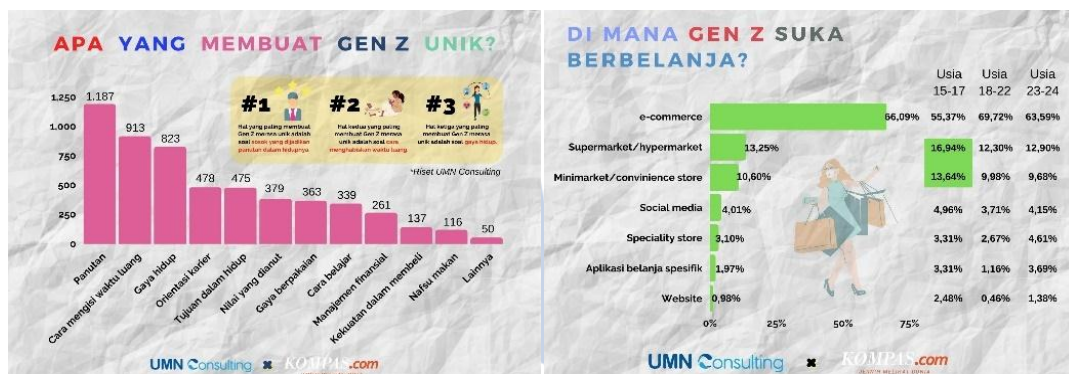
The phenomenon of impulsive buying is not a new economic phenomenon in the world, but after the covid-19 outbreak began to spread, it caused people to make more impulse buying. With various reasons and backgrounds that encourage people to do impulsive buying. The most reason why people bought the impulse buying in-store because they want to treat themselves, this reason reached 37% and 45% among gen Z. Then, good price reach 33% and being the second reason. Third reason that reach 25% is the products looks good. Then, the others reason only reach less than 20% (Lehman & Wallner, 2022).



Source: Suurvey from Katadata.com, 2023

**Figure 1. 3 Chart of Indonesian consumer spending priorities after the pandemic**

In Indonesia, impulsive buying is also seen significantly. According to Harlina & Widyaningrum (2022) 54% of consumers make impulsive buying affectively, and 46% of consumers make impulsive buying cognitively. Then, according to the results of a survey from katadata.co.id conducted to respondents, 77% of respondents admitted that the products that have become people's priority since the pandemic to after-pandemic are health products, then followed by food amount 67%, entertainment 54%, food delivery services 47%, and 32% for home repair tools.



Source: Survey from UMN Consulting, 2022

**Figure 1. 4 Gen Z uniqueness chart and Gen Z favorite places to shop**

Gen Z has a large enough opportunity to do impulsive buying because they have unique characteristics. Lifestyle occupies the third position in the uniqueness of Gen Z with a total of 823 votes according to a survey conducted by UMN Consulting and Kompas.com in January 2022 (UMN Consulting, 2022). The survey also explains that in their lifestyle, Gen Z also has an attractive shopping lifestyle, where Gen Z prefers to shopping in e-commerce, super markets, and mini markets with snack and beverage and fast-food products which are the most purchased items in a month.

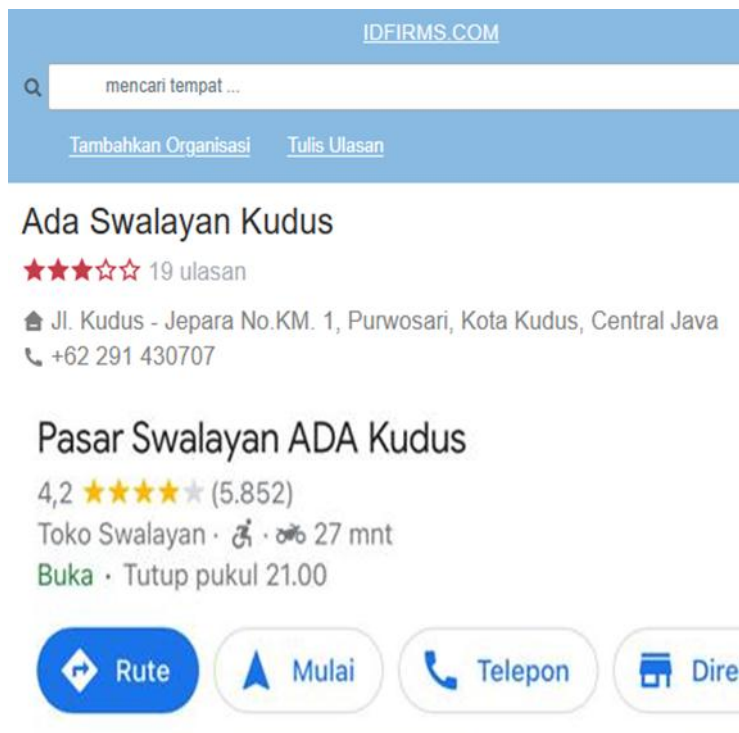
ADA Supermarkets that provide a variety of household needs including health needs and daily needs also offer many attractive promotions to attract their customers. Such as promotions giving special prices at certain times with the Latest Promos, Weekday Promos, Weekend Promos, and Low-Price Promos. Then, ADA also provides discount promos for several selected products as shared on the ADA Supermarket's Instagram page (@swalayan\_adakudus).



Source: Instagram page @swalayan\_adakudus, 2023

**Figure 1. 5 Screenshot of comments complaining about the promotion from @wiwiek\_ambarwatie**

Various promotional activities used by ADA Supermarkets of the Kudus Branch have not been able to meet customer satisfaction. Seen on the comments page on Instagram @swalayan\_adakudus there are several complaints about ADA Supermarket promotions, especially the Kudus branch, which are unsatisfactory and make customers disappointed. A customer with the username @quensasa\_12 said that he was disappointed because ADA was still running a promotion where the goods were out of stock. In addition, @wiwiek\_ambarwatie was disappointed with the uploading promotional pamphlets which were always late.

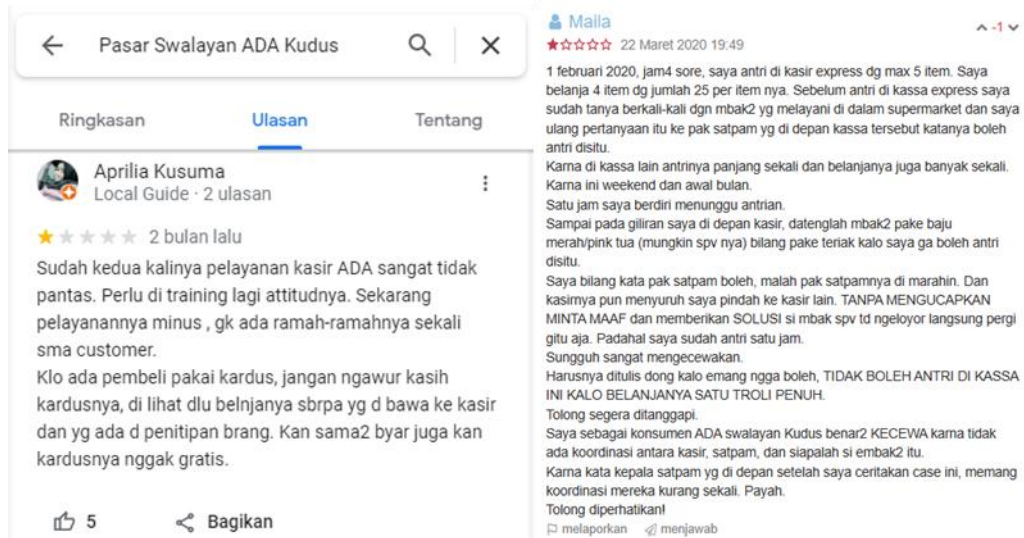


Source: Google Maps and Idfirms.com, 2023

**Figure 1. 6 Rating ADA Supermarket Kudus from Idfirms.com**

However, there are some customers who seem disappointed with the service quality from ADA Supermarkets Brach Kudus. This can be seen from the reviews on several platforms with a rating of 3 stars on idfirms.com and 4,2 stars on Google Maps. Even since 2020 the review of ADA customer dissatisfaction with service quality has still not been resolved until 2023. This needs to be given more attention because service quality is an important thing that must be met by every company to win market competition (Chandra, Chandra, & Hafni, 2020: 4).





Source: Google Maps and Idfirms.com, 2023

**Figure 1. 7 Screenshot of comments complaining about service quality by Aprilia Kusuma on Google Maps**

Apart from that, several customers also left comments showing their disappointment with the service quality of the ADA Supermarket Kudus Branch on the idfirms.com and Google Maps platforms. The customer with the username Malia said that he was disappointed with the poor service quality of the ADA Supermarket cashier because there was no coordination with related parties. Then Aprilia Kusuma regretted that the cashier's attitude was very unfriendly in serving customers.

Research gap in this research can shown in the research conduct by Ahmad et. al that promotion has an influence on impulsive buying (Ahmad, Wolok, & Abdussamad, 2022) and promotions partially have a positive and significant effect on impulse buying (Trihudyatmanto, 2020) and (Chan, Akhmad, & Hinggo, 2022). But different from the results of research conducted

by Sari & Hermawati (2020) that explains promotion have no effect on the impulsive buying behavior.

There is a correlation between service quality and impulsive buying (Rahmawati & Onsardi, 2022). Research conducted by Fazri, Arifin & Primanto (2020) service quality also has a positive but not significant effect on impulse buying partially positive and significant effect (Fadilata & Astuti, 2022). Meanwhile, Service quality has no effect on impulsive buying (Harjanti & Gunawan, 2023).

Shopping lifestyle variable can affect impulse buying (Sari & Hermawati, 2020) and have a significant influence (Gardi & Darmawan, 2022). It is contrast to research by Satrio (2020) which has no significant effect between shopping lifestyle and impulsive buying.

The difference between this research and other research is the object. Several studies have used e-commerce user objects such as Shopee and social media such as Tiktok Shop. Some studies also use the same object, namely customers from a shop/market. Another difference from this study with others is that it is found in the use of shopping lifestyle as an intervening variable which has not previously been used by other researchers.

Beside description above that explain the background and research gap. Author decides to take research with the title is **“The Influence of Promotion and Service Quality on Impulsive Buying with Shopping Lifestyle as an Intervening Variable (Study on ADA Customers of Kudus Branch)”**.



## 1.2 Scope

The object of research that the author takes in this research is Customers of ADA Kudus Branch. Then, the variables that will be used in this research are:

### a) Exogenous Variables

The exogenous variables used in this study are:

- a. Promotion.
- b. Service Quality.

### b) Intervening Variable

The intervening variables used in this study is:

- a. Shopping Lifestyle.

### c) Endogenous Variable

The endogenous variables used in this study is:

- a. Impulsive Buying.

## 1.3 Problem Statement

Based on the background that has been described, can be concluded that there are problems as follows:

- 1) There is a trend that 54% of Indonesia consumers make impulsive buying affectively, and 46% cognitively.
- 2) There is a unique shopping style from Gen Z who prefers to shop for foods & beverages in supermarkets, as shown in the figure 1.4.
- 3) There are consumers disappointment regarding the promotion by ADA, can be seen from the ADA Kudus Instagram comments page in the figure 1.5.

- 4) There are consumers disappointment regarding the service quality by ADA, as seen from the ADA rating and review from several platform in the figure 1.6 and 1.7.

Based on the identification of the problems that have been explained, the problem can be formulated into a research question as follows:

1. How is the influence between Promotion on Impulsive Buying of ADA's customers?
2. How is the influence between Service Quality on Impulsive Buying of ADA's customers?
3. How is the influence between Promotion on Shopping Lifestyle of ADA's customers?
4. How is the influence between Service Quality on Shopping Lifestyle of ADA's customers?
5. How is the influence between Shopping Lifestyle on Impulsive Buying of ADA's customers?

#### **1.4 Research Purposes**

Based on the problems formulated above, the objectives the researcher wants to achieve are:

1. To prove the influence of Promotion on Impulsive Buying.
2. To prove the influence of Service Quality on Impulsive Buying.
3. To prove the influence of Promotion on Shopping Lifestyle.
4. To prove the influence of Service Quality on Shopping Lifestyle.

5. To prove that Shopping Lifestyle can be an intervening between Promotion and Service Quality to Impulsive Buying.

### **1.5 Research Usefulness**

In conducting research, of course the research is expected to provide benefits to various parties, including:

- 1) Theoretical

This research hoped that this research can be used as a means to add information and insight about the factors that influence Impulsive Buying at ADA Supermarket KUDUS Branch. Especially about the Promotion and Service Quality trough Shopping Lifestyle as intervening. In addition, it is hoped that this research can be used as a reference for future researchers.

- 2) Practical

This research hoped that this research will provide benefits to the managers of the ADA Supermarket Kudus Branch in making decisions. Especially in improving Promotions and Service Quality at ADA Supermarket Kudus Branch.