

# CHAPTER I

## INTRODUCTION

### 1.1 Background

Most people believe that, the choices they make that time are the most rational and conscious choices they made and without them realizing that. Sometimes, the decisions we make are influenced by a person's emotional state (Murray, 2013). When someone is faced with a decision, the emotions from previous experiences will give value to the choices we consider and lead to the decisions we will make.

In the theory by Kidwell *et al* (2008), the consumer emotional intelligence is a new concept and beneficial for individuals who study this cases and want to understand various variations in the ability of consumers to deal with negative things emotionally and choose the right strategy. It can be said that, the concept of consumer emotional intelligence (CEI) is based on the concept of emotional intelligence (EI) which is better understanding for its ability to perceive, facilitate, understand, and manage emotions.

Impulsive buying is often described as a spontaneous and instant buying action that was not supported by previous purchase plans. Therefore, every purchase event is an experience for the consumer concerned so that emotions can play a major role in all momentary decision making that is carried out (Nair & Das, 2015). Changing market dynamics as well as competition and the struggle to achieve maximum market share are driving forces for marketers in modern times (Zia *et al*, 2018). The fact that marketing people use psychological abilities to facilitate them in market offerings by understanding the aspects of the human personality that are vulnerable to marketing stimuli. Consumers have now established a set of emotional controls identified as "Emotional Intelligence" (Kidwell *et al*, 2008).

Gender attribution in decision-making style is a crucial aspect for predicting the decisions that consumers will take. It also became a little different when generations began to be involved in making purchasing decisions, in the last decade there have been at least 5 generations in the world that have been classified at this time, and each of these generations has its characteristics and uniqueness. One of the generations that

are in the spotlight is the millennial generation because it is considered the most productive generation today and plays an important role in technological advancement and idea development, as well as carrying out Indonesia's future tasks in the next few years (Ramdhani, 2018).

When dealing with consumers who are generation Y, it will be very different from generation X or baby boomers (Pesquera, 2005). This underlines the importance of this study that the influence of gender and generation moderation needs to be considered for its contribution to the marketing literature in the future. So that it can be useful for personal use in marketing and academics who are interested in knowing the dimensions of impulsive buying behavior.

This research study is more focused on knowing how gender characteristics and generation characteristics influence consumer decision making which results in impulsive buying behavior even in the presence of emotional intelligence. The research model of this study has a three-way hypothesis of consumer emotional intelligence on impulsive buying behavior, the role of gender moderation, and the role of generation moderation for this relationship as a hypothesis with impulsive buying behavior. Generation and impulsive buying behavior will also be tested in this study, besides gender and impulsive buying have differences concerning aspects of male and female decision-making patterns (Tsao & Chang, 2010). Generations and impulsive buying also have differences concerning aspects of the five generations such as Baby Boomers (1946-1960), Gen X (1961-1980), Gen Y (1981-1994), Gen Z (1995-2010), Gen Alpha (2011 - Present) (Ramdhani, 2018).

## **1.2 The Scope of Study**

This research study aims to analyze the effect of generation and gender between the consumer emotional intelligence and impulsive buying behavior. For this purpose, generation and gender moderation are used to know the effect of consumer emotional intelligence on impulsive buying behavior.

### **1.3 Problem Statements**

Based on the background that has been written, the problem statements that be discussed are:

1. Does the consumer emotional intelligence affect impulsive buying behavior?
2. Does generation moderate the effect of consumer emotional intelligence on impulsive buying behavior?
3. Does gender moderate the effect of consumer emotional intelligence on impulsive buying behavior?

### **1.4 The Research Objective**

The research objectives of this research are:

1. Analyzing the effect of consumer emotional intelligence on impulsive buying behavior.
2. Examining the effect of generation in moderating the effect of consumer emotional intelligence on impulsive buying behavior.
3. Examining the effect of gender in moderating the effect of consumer emotional intelligence on impulsive buying behavior.

### **1.5 Research Benefits**

Benefits that can be obtained from the results of this study are:

1. For traders and business owners, as a developer material on how to promote products based on generation and gender.
2. For the author, it can increase knowledge to be related to the theories studied and deepen insights about various marketing theories in this study, especially how generation and gender moderated the influence of consumer emotional intelligence on impulsive buying behavior.
3. For other parties, as a source of comparison for further research.

## **1.6 Hypothesis**

Based on the problem formulation and research objectives previously described, the following hypothesis can be taken:

H1. Consumer emotional intelligence have an effect on impulsive buying behavior

H2. Generation moderated the effect of consumer emotional intelligence on impulsive buying behavior.

H3. Gender moderated the effect of consumer emotional intelligence on impulsive buying behavior.

## **1.7 Systematic Writing**

### **CHAPTER I INTRODUCTION**

The introduction will be disclosed about the background, problem formulation, research objectives, research benefits, research hypotheses, and systematic writing sequentially.

### **CHAPTER II LITERATURE REVIEW**

This chapter will explain the previous studies and the theories that have been found.

### **CHAPTER III RESEARCH METHODS**

Description in the research method includes the source and type of data, research models, and analysis tools that will be used in research.

### **CHAPTER IV RESULTS AND DISCUSSION**

The results and discussion will discuss the results of the research data analysis.

### **CHAPTER V CONCLUSION**

The conclusions described are based on the results of the research and provide suggestions related to this research

## CHAPTER II

### LITERATURE REVIEW

#### 2.1 Impulsive Buying Behavior

Impulsive buying often interpreted as a spontaneous and instantaneous buying act that is not supported by a prior purchase plan. Therefore, every purchase event is an experience for the consumer concerned that can be said as emotions play a primer role in all momentary decision making (Nair & Das, 2015). A study conducted by Badgaiyan *et al* (2016) stated that the tendency to buy impulsively is always interpreted as a consumer behavior that can make someone accidentally, directly, and make ineffective purchases which were initially based on momentary desires and hedonistic attitudes.

Impulsive buying itself is a complex behavior because of when this viewed from one side that can be considered problematic for consumers and on the other hand is necessary for sellers to increase their sales. The cause of impulsive buying behavior to be crucial to studied further is to determine the factors that influence it. In various studies conducted, researchers looked at the relationship between personality factors (i.e. neuroticism, agreeableness, extroversion, conscientiousness, and openness), cultural factors (individualism and collectivism), and store stimulation (store window and sales promotion) that can trigger impulsive buying behavior (Miao *et al*, 2020).

One theory of personality factors written in the research of Gangai and Agrawal (2016), states that impulsivity is divided into four dimensions, namely: narrow assertiveness, risk-taking, non-planning and activeness. The researchers also found four dimensions of impulsivity to be different with extraversion, neuroticism, and prediction where the impulsivity factor was narrowly correlated with neuroticism and psychoticism but not with extraversion.

Sofi and Najar (2018) in their study, found that impulsive buying can cause a conflict between two psychological processes, namely cognitive-wise control and affective-impulsive effects. Thus study reveals that the emotional element produces a will that arises spontaneously while the cognitive element facilitates self-control or