DETERMINANT FACTORS OF IMPULSIVE BUYING BEHAVIOR: CASE ON FLASH SALE IN SHOPEE YEAR OF 2021-2022

Thesis

Presented as Partial Fulfilment of Requirements for the Degree of Sarjana Manajemen (S1) in International Business Management Program Faculty of Business and Economics Universitas Atma Jaya Yogyakarta



Compiled by:

Evelyn Pranoto

Student ID Number: 18 12 24139

Business and Economics Faculty
UNIVERSITAS ATMA JAYA YOGYAKARTA
2022

DETERMINANT FACTORS OF IMPULSIVE BUYING BEHAVIOR: CASE ON FLASH SALE IN SHOPEE



Compiled by:

Evelyn Pranoto

Student ID Number: 18 12 24139

Has been reviewed and approved by:

Supervisor

Wenefrida Mahestu Noviandra Krisjanti, S.E., M.Sc., IB, Ph.D. 7 June 2022



Letter of Statement No. 646/J/I

Based on the Thesis Defense results that has been held on Monday, 4 July 2022 with the following examiners:

1. Mahestu N. Krisjanti, SE., M.Sc.IB., Ph.D. Chairman

2. Nadia Nila Sari, SE., MBA. Member

3. Agnes Gracia Quita, SE., M.Sc. Member

The examiners team has decided that:

Name : Evelyn Pranoto

Student Number: 181224139

Program : International Business Management

Kontak

Telepon

Fax

Surel

Has passed

Without Revision

This letter of statement is made for Yudisium/Graduation of Bachelor of Accounting in Faculty of Business and Economics Universitas Atma Jaya Yogyakarta.

: +62-274-487711 ext. 3120, 3127

: +62-274-485227

: fbe@uajy.ac.id

Drs. Budi Suprapto, MBA., Ph.D.

AUTHENTICITY ACKNOWLEDGEMENT

I, Evelyn Pranoto, hereby declare that I compiled the thesis with the following title:

THE DETERMINANT FACTORS OF IMPULSIVE BUYING BEHAVIOR: CASE ON FLASH SALE IN SHOPEE

Is fully created by the author. All of the references such as idea, theory, citation both direct and indirect that are sourced from various journals are stated in this thesis in the form of bibliography. If it's a proven that the author practices any kind of plagiarism in this thesis, the author would be responsible for it and prepared for the consequences. Therefore, the degree that the author received from Atma Jaya Yogyakarta University would be suspended and the author will give it back to the university.

Kudus, 7th June, 2022

The Author

Evelyn Pranoto

ACKNOWLEDGEMENT

The author wish to express the deepest gratitude and for the countless blessings that are inherited by God Himself. Through His permission, the author is able to implement all the knowledge that the author acquired from Atma Jaya University Yogyakarta to write this thesis. This thesis is desired to fulfil the academic requirements in completion of Bachelor study of International Business Management Program Universitas Atma Jaya Yogyakarta with the title:

THE DETERMINANT FACTORS OF IMPULSIVE BUYING BEHAVIOR: CASE ON FLASH SALE IN SHOPEE

Throughout the process of writing this thesis, the author has to face various obstacles and challenges. However, with the support, encouragement, and prayers from various parties, this thesis can finally be completed. Therefore, with great gratitude, the author would like to express her gratitude and respect for these who have participated and helped the author in completing this thesis. The author would like to say thank you especially for:

- Mrs. Wenefrida Mahestu Noviandra Krisjanti, S.E., M.Sc., IB, Ph.D As a
 great supervisor who takes the time and guides the author in the process of
 writing the thesis. All the support and suggestions are usefull for the author
 both to complete the thesis and for the future.
- 2. My family, Father, Mother, and Cik Lia who always give endless support through prayer, advice, motivation, and financial support.

- 3. My friend, Thirza, who always ready to put her ears through everything and gives a positive motivation that were needed by the author to be able to complete this research.
- 4. Ciluk Ba (Sherly, Sandra, Bibah, and Vania) who have accompanied the author through these 4 years of study and give countless and relentless support both physically and mentally.
- 5. IBMP 2018 class, especially Sherly, Sandra, Bibah, Vania, Michael, Ryan, Alvin, Bagus, William, and Nando who have filled author's university life with laugh and joy. Thank you for highlighting the author's life college.
- 6. Teknovo Industri Digital (Kak Komang, Kak Afan, and Kak Edwin) who have let the author do the thesis while working.
- 7. All of the author's friends that the author couldn't mention individually, who have provide assistance, prayer, and motivation directly and indirectly that were needed by the author to complete the thesis.

Finally, the author realize that this thesis is nor perfect enough. Therefore, the author is open for any suggestion and constructive critics for all the limitation that exist in this thesis. The author hopes that this thesis could positively contribute to readers, businesses people, and other parties.

Kudus, 7th June, 2022

The Author,

Evelyn Pranoto

TABLE OF CONTENTS

LIST OF TABLES xii
LIST OF FIGURESxiii
CHAPTER I INTRODUCTION
1.1 Background1
1.2 Problem Statements
1.3 Research Questions5
1.4 Objectives and Benefits of the Study6
1.5 The Scope of the Research
1.6 Research Systematic of the Research
CHAPTER II LITERATURE REVIEW 10
2.1 Theoretical Background
2.1.1 Impulsive Buying Behavior
2.1.2 Sales Promotion
2.1.3 Hedonic Shopping Motivation
2.1.4 Attitude towards Flash Sale
2.1.5 Payment Method
2.2 Previous Studies
2.3 Hypotheses Development
2.4 Conceptual Framework

CHAPTER III RESEARCH METHODOLOGY25
3.1 Sample Size25
3.2 Data Collection and Measurement Methods
3.3 Scaling
3.4 Operational Definition29
3.7 Validity Test
3.8 Reliability Test37
3.9 Data Analysis
3.9.1 Structural Equation Model (SEM) Analysis
3.9.2 Hypotheses Testing
3.10.3 Mediation Testing
CHAPTER IV DATA ANALYSIS AND DISCUSSION 43
4.2 SEM-PLS Analysis
4.3 Measurement Evaluation Model (Outer Model)48
4.3.1 Convergent Validity Test
4.3.3 Composite Reliability Test
4.4 Inner Model
4.5 Hypotheses Testing 60
4.5.1 The Influence of Perceived Perishability on Attitude toward Flash Sale
63

4.5.2 The Influence of Perceived Scarcity on Attitude toward Flash Sale 63
4.5.3 The Influence of Perceived Low Price on Attitude toward Flash Sale 63
4.5.4 The Influence of Perceived Perishability on Attitude toward Flash Sale
63
4.5.5 The influence of Perceived Scarcity on Impulsive Buying Behavior. 64
4.5.6 The Influence of Perceived Low Price on Impulsive Buying Behavior .
64
4.5.7 The Influence of Hedonic Shopping Motivation on Attitude toward
Flash Sale64
4.5.8 The Influence of Hedonic Shopping Motivation on Impulsive Buying
Behavior65
4.5.9 The Influence of Attitude toward Flash Sale on Impulsive Buying
Behavior65
4.5.10 The Influence of Cash on Delivery on Impulsive Buying Behavior 65
4.5.11 The Moderating Effect of Cash on Delivery and Attitude toward Flash
Sale toward Impulsive Buying Behavior
4.6 Hypothesis Discussion
4.6.1 The Influence of Perceived Perishability on Attitude toward Flash Sale
66
4.6.2 The Influence of Perceived Scarcity on Attitude toward Flash Sale 66
4.6.3 The Influence of Perceived Low Price on Attitude toward Flash Sale 67

4.6.4 The Influence of Perceived Perishability on Impulsive Buying
Behavior67
4.6.5 The Influence of Perceived Scarcity on Impulsive Buying Behavior. 67
4.6.6 The Influence of Perceived Low Price on Impulsive Buying Behavior.
4.6.7 The Influence of Hedonic Shopping Motivation on Attitude towards
Flash Sale68
4.6.8 The Influence of Hedonic Shopping Motivation on Impulsive Buying
Behavior
4.6.9 The Influence of Attitude towards Flash Sale on Impulsive Buying
Behavior69
4.6.10 The Influence of Cash on Delivery on Impulsive Buying Behavior 69
4.6.11 The Moderating Effect of Cash on Delivery and Attitude towards Flash
Sale toward Impulsive Buying Behavior 69
4.7 Mediation Test
4.7.1 The Attitude towards Flash Sale Mediated Hedonic Shopping
Motivation on Impulsive Buying Behavior
4.7.2 The Attitude towards Flash Sale Mediated Perceived Low Price and
Impulsive Buying Behavior
4.7.3 The Attitude towards Flash Sale Mediated Perceived Perishability on
Impulsive Buying Behavior74

4.	.7.4 The Attitude towards Flash Sale Mediated Perceived Scarcity on	
	Impulsive Buying Behavior	. 75
CHAI	PTER V CONCLUSION AND RECOMMENDATION	. 76
5.1	Conclusion	76
	Managerial Implications	
5.3	Limitation of the Research	81
5.4	Suggestions for Further Research	82
BIBL	IOGRAPHY	. 83

LIST OF TABLES

Table 1. 1	3
Table 2. 1 Previous Study	3
Table 3. 1 Operational Definition	9
Table 3. 2 Face Validity	6
Table 4. 1 Respondent Distribution Based on Gender	3
Table 4. 2 Respondents Distribution Based on the Average spending for shopping	5
at Shopee per month4	4
Table 4. 3 Respondents Distribution Based on the Frequency of Participating in	
Shopee's Flash Sale Program in the Last Three Months 4.	5
Table 4. 4 Respondents Distribution Based on Product Category that Usually	
Purchased during Shopee Flash Sale Program	6
Table 4. 5 Respondents Distribution based on the most Interesting Program in	
Shopee Flash Sale Program	7
Table 4. 6 Outer Model 50	0
Table 4. 7 Average Variance Extracted (AVE)	1
Table 4. 8 Cross Loading	3
Table 4. 9 Composite Reliability	8
Table 4. 10 R-Square and Q-Square Result	8
Table 4. 11 F-Square Result	9
Table 4. 12 Path Coefficient	2
Table 4. 13 Specific Indirect Effect	1

LIST OF FIGURES

Figure 2. 1 Research Model	24
Figure 3. 1 Ecommerce Web Application Used for Online Shopping	26
Figure 3. 2 Mediation Model	40
Figure 4. 1 Structural Model	48
Figure 4. 2 Construct Model	49
Figure 4. 3 Bootstrapping Construct	61
Figure 4. 4 Fourth Mediation Model	72
Figure 4. 5 Second Mediation Model	73
Figure 4. 6 Third Mediation Model	74
Figure 4. 7 Fourth Mediation Model	75

LIST OF APENDIXES

APPENDIX I : QUESTIONNAIRE

APPENDIX II : THE RESULT OF THE QUESTIONNAIRE

APPENDIX III : SEM-PLS RESULTS

THE DETERMINATON FACTORS OF IMPULSIVE BUYING BEHAVIOR: CASE ON FLASH SALE IN SHOPEE

Compiled by:

Evelyn Pranoto

Student ID: 18 12 24139

Advisor:

Mahestu Noviandra Krisjanti

International Business Management Program, Faculty of Business and Economics Atma Jaya Yyogyakarta University, Jalan Babarsari 43-44, Yogyakarta

ABSTRACT

In recent decades, as the development of technology started to grow, a couple of significant movements have occurred in consumer behavior, especially the impact on e-commerce. Prior study has found that online users are more impulsive than those offline. The driven factors of impulsive buying behavior still need to be investigated. The study was conducted on flash sale customers in Shopee marketplace. Online questionnaire was distributed to collect primary data with a total valid sample of 202 respondents. The data were analysed using SmartPLS 3 program with Structural Equation Modelling (SEM) approach.

The study tested eleven hypotheses with the results showing that 6 out of 11 hypotheses were accepted. Among three elements of sales promotion, only perceived low price that could drive attitude towards flash sale. Other element, namely perceived scarcity only has a direct effect on impulse buying behavior as its effect on attitude towards flash sale is insignificant. In contrast, all the dimensions of hedonic shopping motivation were proven to have a significant effect on attitude towards flash sale and impulsive buying behavior. The finding supported both the relationship between cash on delivery and impulsive buying behavior and the moderating role of cash on delivery in the correlation between attitude towards flash sale and impulsive buying behavior. This study provides insight to businesses in improving flash sale program systems by applying text or image designs to attract customers during the flash sale program.

Keywords: Impulsive buying behavior, Flash sale, Hedonic shopping motivation, Sales promotion, Cash on Delivery