THE EFFECT OF SALES PROMOTION TOWARDS IMPULSE BUYING WITH LIFESTYLE AS AN INTERVENING VARIABLE DURING THE COVID-19 PANDEMIC

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Abstract: The development of the digital technology era greatly affects daily life to be easier. E-Commerce is one of the technologies that are in great demand in this digital technology era. In addition, the Covid-19 pandemic has caused people to use online media electronic every day. This phenomenon can lead to the emergence of impulsive consumer behavior, especially when E-Commerce offers promotions that can give benefits to consumers. This study aims to determine how much sales promotion influence has on the impulse buying behavior of Generation Z Shopee users through lifestyle as an intervening variable. The method used in this research was the quantitative method with descriptive analysis and Structural Equation Modelling (SEM-PLS) analysis technique using SmartPLS 3.2.9 software. The sample used was determined through probability sampling with a simple random sampling approach with a total of 385 respondents. This study concludes that the results of hypothesis testing indicated sales promotion has a positive and significant effect on lifestyle, lifestyle has a positive and significant effect on impulse buying, sales promotion has a positive and significant effect on impulse buying and sales promotion has a positive and significant effect on impulse buying through lifestyle, which means lifestyle partially mediates.

Keywords: Generation Z; Impulse Buying; Lifestyle; Sales Promotion

INTRODUCTION

The development of the digital technology era affects our daily life. Especially at this time, many things can be done easily just by using a smartphone and an internet connection. Everyone is using technology in this era, and the younger generation of Indonesia is more familiar with and proficient in using technology. Not only studying, and looking for entertainment, the younger generation also has a high interest in online shopping. Increased technological innovation has an impact on various sectors, including the economy sector. One of the positive impacts of the development of the digital economy is online shopping. The development of E-Commerce has had an impact and is most in demand by Indonesian people. E-Commerce is a technology that connects sellers with potential buyers using social media or platforms. One of the most famous E-Commerce with high users is Shopee. In addition, the Covid-19 pandemic has caused people to use electronic media every day and do online shopping. Generation Z is a group of people born between 1997 to 2012 (Bayu, 2021). This generation is very familiar with the use of digital technologies such as the internet, social networks, and mobile systems from an early age. This causes Generation Z to be hypercognitive and reliable in gathering information online and offline (Francis & Hoefel, 2018).

According to research conducted by Boston Consulting Group, Generation Z tends to shop more and spend their money online shopping through E-Commerce compared to other generations Ahmed in (Venia et al., 2021). Another research conducted by McKinsey and Company proves that 24% of Generation Z consumers in Indonesia are premium shopaholics. They like to compare a product or service with one another to do impulse buying (Venia et al., 2021). Promotion makes consumers interested to buy something. When Harbolnas 9.9 Super Shopping Day 2021 campaign was held, Shopee Indonesia recorded that up to 1.8 million products were sold in just one minute (Yati, 2021). In addition, Shopee has also claimed that there were up to IDR 1.3 trillion
transactions during the peak promotion of Shopee's 12.12 Birthday Sale in Indonesia in 2019 (Fikrie, 2019). From this, it can be seen that promotions can affect impulse buying behavior in consumers. Sales promotion is a marketing activity that provides added value or incentives to sales forces, distributors, or main customers with the main goal of being able to stimulate sales quickly (Belch & Belch, 2015). By doing promotions, the company aims to increase the number of transactions. Sales promotions are made to stimulate consumers to buy various products or services in a short time (Kotler & Keller, 2016). The dimensions of promotion according to Belch & Belch (2015) promotion that is used to stimulate consumers to make transactions such as sampling, couponing, free premium gifts, contest, sweep takes, rebates, bonus packs, and price-off deals, loyalty programs, and event marketing. In this research, the author uses couponing, rebates, bonus packs, and price-off deals as dimensions for sales promotion variables. This study was conducted to determine whether there is an influence of lifestyle in mediating the influence of promotion on impulse buying Generation Z at Shopee during the Covid-19 Pandemic.

From the research conducted by Andani & Wahyono (2018) entitled "Influence of Sales Promotion, Hedonic Shopping Motivation, and Fashion Involvement towards Impulse Buying through a Positive Emotion", it can be concluded that if a company carries out a good sales promotion it will generate emotions. positive for customers and can make a person have a hedonic lifestyle.

**H1**: Sales promotion has a direct and positive effect on lifestyle

According to Kotler & Keller (2016), lifestyle is a person's life shown through activities, interests, and opinions. It can be concluded that lifestyle is a person's style in living the life cycle. According to Kotler & Keller (2016), a person's lifestyle can be known and measured through three dimensions activity, interests, and opinions. In a study conducted by Venia et al. (2021) entitled "Analysis of Factors Affecting Impulse Buying Behavior (Case Study on Generation Z of E-Commerce Users)“, it is known that lifestyle has a significant effect on impulse buying. The same thing happened in research conducted by Ittaqullah et al. (2020) entitled "The Effects of Mobile Marketing, Discount, and Lifestyle on Consumers' Impulse Buying Behavior in Online Marketplace". People who were initially not very familiar with technology began to try to do online shopping. Moreover, Generation Z is said to be familiar with technology from an early age, plus their hedonistic, consumptive, and extravagant characteristics, as well as the lifestyle during a pandemic that makes all activities done online.

**H2**: Lifestyle has a direct and positive effect on impulse buying.

Impulse buying occurs spontaneously without any planning to buy the goods or services beforehand, consumers just want to get the product as soon as possible Lestari (Putra & Kusuma 2021). From the definition of impulse buying, it can be concluded that impulse buying is a purchase that was not planned and is done spontaneously. Impulse buying behavior usually does not think about the consequences that will be obtained from the purchase. One of the triggers for impulse buying is sales promotion. The types of impulse buying according to Duarte et al (2013) in Felita & Oktivera (2019) are: (1) Pure Impulse Buying, which occurs in purchases that are not planned at all by consumers; (2) Reminder Impulse Buying, usually occur when consumers are reminded of their need for the product, and make transactions without planning. It could be because consumers see advertisements or recommendations from other people; (3) Suggestion Impulse Buying, occurs because of promotions that the company offers to consumers; (4) Planned Impulse Buying is purchased that is caused when consumers see the price or brand of the product.
Impulse buying can not only be influenced by lifestyle, but also by sales promotion. In a study conducted by Felita & Oktivera (2019) entitled “The Effect of Shopee Indonesia's Sales Promotion on Impulsive Buying of Consumers Case Study: Impulsive Buying of STIKS Tarakanita Students”, it was concluded that Shopee’s sales promotion had a positive and significant effect on impulse buying. Therefore, this study will look at the potential of lifestyle as a mediator in influencing the relationship between sales promotion and impulse buying.

H₃: **Sales promotion has a direct and positive effect on impulse buying.**

H₄: **Sales promotion has a positive and significant influence on impulse buying mediated by lifestyle**

![Figure 1. Framework](Image)

Based on figure 1 above, the framework in this study shows the relationship between Sales Promotion (X₁) as the independent variable, Lifestyle (Z) as the intervening variable, and Impulse Buying (Y) as the dependent variable.

**METHODS**

This study examines the effect of promotion on impulse buying, with lifestyle as an intervening variable. This research is categorized as quantitative research because it uses data in the form of numbers and calculations using static methods. Quantitative research is research that uses numbers more in various processes, starting from data collection, and data analysis, to data appearance Siyoto & Sodik (Hardani et al, 2020). This research is also included descriptive research, which according to Hardani et al. (2020), descriptive research is research that is focused on providing systematic and accurate symptoms, events, or facts related to the characteristics of certain populations. In addition, this research has a causal relationship, causal research is research conducted to describe the cause of an event, either experimentally or non-experimentally.
There are variables in this study including independent variable, intervening variable, and dependent variable. Where the independent variable is sales promotion \((X)\), lifestyle \((Z)\) is the intervening variable, and impulse buying \((Y)\) is the dependent variable. This study obtains data from online questionnaires. The technique used by the author is probability sampling and simple random sampling. To get the right sample, the author used simple random sampling. This sampling technique takes sample members from the population which is done randomly without regard to the strata that exist in the population. Author distributes online questionnaires to 385 respondents who meet the criteria as generation z Shopee users with a Likert scale measurement scale. The Likert scale can be used to measure the opinions, perceptions, and attitudes of a person about a phenomenon (Sugiyono, 2014). The author uses partial least square (PLS) analysis techniques and data processing is carried out with SmartPLS 3.2.9 software.

**RESULTS AND DISCUSSION**

**Descriptive Analysis**

<table>
<thead>
<tr>
<th>16.67%</th>
<th>30.56%</th>
<th>44.45%</th>
<th>58.34%</th>
<th>72.23%</th>
<th>86.12%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Bad</td>
<td>Bad</td>
<td>A Bit Bad</td>
<td>A Bit Good</td>
<td>Good</td>
<td>Very Good</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 2. The Position of The Promotion Sub Variable on the Continuum**

Source: Data by the author (2021)

Based on the descriptive analysis results, it was found that the average ideal score of eight statement items for promotion \((X_1)\) was 78.3% which can be seen in the figure above.

<table>
<thead>
<tr>
<th>16.67%</th>
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<td></td>
</tr>
</tbody>
</table>

**Figure 3. The Position of The Lifestyle Sub Variable on the Continuum**

Source: Data by the author (2021)

Figure 3 shows the lifestyle \((Z)\) variable it was found that the average ideal score of six statement items was 78.5%. 

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Figure 4. The Position of The Impulse Buying Sub Variable on the Continuum
Source: Data by the author (2021)

Finally, the average ideal score of six statements for impulse buying (Y) is included in the criteria for a percentage of passable with 67% which can be seen in figure 4.

Validity and Reliability Test

For the validity test, the convergent validity value is said to be good if the Average Variance Extract (AVE) has a value > 0.5 for the latent variable with its indicators. The discriminant validity test was carried out to determine whether the construct had the appropriate discriminant. Cross-loading is used as a measuring tool by comparing the intended construct to be greater than the loading value with other constructs. According to Abdillah & Hartono (2015) if two different instruments measure two constructs that are predicted to be uncorrelated will produce an uncorrelated score, then discriminant validity occurs. The results of the validity test based on cross-loading using SmartPLS showed that all items were valid.

Table 1. Validity Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>AVE</th>
<th>Critical Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>0.531</td>
<td>&gt; 0.5</td>
<td>Valid</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>0.560</td>
<td>&gt; 0.5</td>
<td>Valid</td>
</tr>
<tr>
<td>Impulse Buying</td>
<td>0.727</td>
<td></td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Data by the author, 2022

For reliability tests, data processing is done by using SmartPLS. According to Abdillah & Hartono (2015), the reliability test shows the accuracy, consistency, and accuracy of a measuring instrument in making a measurement, data that has a composite reliability value > 0.7 and Cronbach Alpha > 0.6 means reliable. The result of the reliability test is stated as reliable as can be seen in table 2.

Table 2. Reliability Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite Reliability</th>
<th>Critical Value</th>
<th>Cronbach’s Alpha</th>
<th>Critical Value</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>0.900</td>
<td>0.873</td>
<td></td>
<td></td>
<td>Reliable</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>0.884</td>
<td>&gt; 0.7</td>
<td>0.843</td>
<td>&gt; 0.6</td>
<td>Reliable</td>
</tr>
<tr>
<td>Impulse Buying</td>
<td>0.941</td>
<td>0.925</td>
<td></td>
<td></td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Data by the author, 2022
Table 3. R Square Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impulse Buying</td>
<td>0.247</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>0.397</td>
</tr>
</tbody>
</table>

Source: Data by the author, 2022

Based on table 3, R Square value of impulse buying is 0.247, which means that the impulse buying variable can be explained by the promotion and lifestyle variables of 24.7% while the remaining 75.3% is explained by other variables not examined in this study. Furthermore, the R Square value for lifestyle has a value of 0.397, which means that the lifestyle variable can be explained by the promotion and impulse buying variables of 39.6% while the remaining 60.3% is explained by other variables not examined in this study. According to Sarwono & Narimawati (2015), if the R Square value of 0.67 is considered strong, 0.33 is considered moderate and 0.19 is considered weak. Therefore, the impulse buying variable is stated to be moderate while the lifestyle variable is stated to be strong.

Path Coefficients

According to Abdillah & Hartono (2015) on PLS, R-Square is used for the dependent construct and path coefficients to indicate the level of significance in research hypothesis testing conducted using SmartPLS software. The path coefficients score indicated by the T-statistic value must be above 1.96 in the two-tailed hypothesis. To get accurate calculation results, a bootstrapping procedure is carried out, the following is the path diagram of the inner model obtained through the bootstrapping process in this study:

![Path Diagram](image)

**Figure 5. Bootstrapping Results**

Source: Data by the author (2021)

The results for path coefficients and hypothesis testing in this study can be seen in Table 4.
### Table 4. Path Coefficients and Hypothesis Test Results

<table>
<thead>
<tr>
<th>Path</th>
<th>Original Sample (O)</th>
<th>Mean Sample (M)</th>
<th>Deviation Standard (STDEV)</th>
<th>T Statistic (O/STDEV)</th>
<th>P Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion -&gt; Lifestyle</td>
<td>0.630</td>
<td>0.635</td>
<td>0.037</td>
<td>17.106</td>
<td>0.000</td>
<td>H1 accepted</td>
</tr>
<tr>
<td>Lifestyle -&gt; Impulse Buying</td>
<td>0.259</td>
<td>0.259</td>
<td>0.071</td>
<td>3.665</td>
<td>0.000</td>
<td>H2 accepted</td>
</tr>
<tr>
<td>Promotion -&gt; Impulse Buying</td>
<td>0.291</td>
<td>0.294</td>
<td>0.066</td>
<td>4.388</td>
<td>0.000</td>
<td>H3 accepted</td>
</tr>
<tr>
<td>Promotion -&gt; Lifestyle -&gt; Impulse Buying</td>
<td>0.163</td>
<td>0.164</td>
<td>0.046</td>
<td>3.543</td>
<td>0.001</td>
<td>H4 accepted</td>
</tr>
</tbody>
</table>

Source: Data by the author, 2022

Based on table 4, it can be seen that the effect of the Promotion variable \( (X_1) \) on Lifestyle \( (Z) \) has a \( t_{\text{count}} \) greater than the \( t_{\text{table}} \) value \( (17.106 > 1.96) \) and the significance value is smaller than the alpha level \( (0.000 < 0.05) \), then \( H_1 \) is accepted. The original sample value is 0.630. This shows that there is a positive and significant relationship between lifestyle promotion. With a positive direction, it shows that the increasing promotion will be followed by an increase in lifestyle. This is in line with the research of Kiki Andani & Wahyono (2018) which states that a good promotion can make a person have a hedonic lifestyle.

The influence of the Lifestyle \( (Z) \) variable on Impulse Buying \( (Y) \) has a \( t_{\text{count}} \) greater than the \( t_{\text{table}} \) value \( (3.665 > 1.96) \) and a significance value less than the alpha level \( (0.000 < 0.05) \), so \( H_2 \) is accepted. The original sample value is 0.259. This shows that there is a positive and significant relationship between lifestyle to impulse buying. With a positive direction, it shows that the increasing lifestyle will be followed by an increase in impulse buying. This is in line with research conducted by Ittaqullah et al. (2020) which states that lifestyle has a significant effect on impulse buying. Also, the research of Venia et al. (2021) has the same result.

The effect of the Promotion variable \( (X_1) \) on impulse buying \( (Y) \) has a \( t_{\text{count}} \) greater than the \( t_{\text{table}} \) value \( (4.388 > 1.96) \) and the significance value is smaller than the alpha level \( (0.000 < 0.05) \), then \( H_3 \) is accepted. The original sample value is 0.291. This shows that there is a positive and significant relationship between promotion to impulse buying. With a positive direction, it shows that the increasing promotions carried out by Shopee will be followed by an increase in impulse buying. These results are in line with research conducted by Felita & Oktivera (2019) showing that shopee promotions have a positive and significant effect on impulse buying. Generation Z is easily stimulated by promotions offered by Shopee, thereby increasing the opportunity for impulse buying.

The effect of the Promotion variable \( (X_1) \) on Impulse Buying \( (Y) \) through Lifestyle \( (Z) \) has a \( t_{\text{count}} \) greater than the \( t_{\text{table}} \) value \( (3.543 > 1.96) \) and a significance value less than the alpha level \( (0.000 < 0.05) \), than \( H_4 \) is accepted. The original sample value is 0.163. This shows that there is a positive and significant relationship between promotion to impulse buying through lifestyle. Where in this case lifestyle mediates partially, because previously in \( H_3 \) it was proven that the direct relationship between promotion to impulse buying had a significant effect. With a positive direction, it shows that with the increasing lifestyle, the influence of promotion on impulse buying will also increase.
CONCLUSION

Based on the results of this research and discussion, it can be concluded that sales promotion has a direct positive and significant impact on lifestyle. The more sales promotion is given, the more it will affect consumers’ lifestyles. Lifestyle has a direct positive and significant impact on impulse buying. Consumer’s lifestyle can increase the opportunity for impulse buying behavior. Sales promotion has a direct positive and significant impact on impulse buying. the more sales promotion is given, then the rate will increase in impulse buying behavior among consumers. Lifestyle was able to mediate between sales promotion to impulse buying. Good sales promotion will generate lifestyle and be able to increase impulse buying.

REFERENCES


