The influence of discount and bonus pack on impulse buying and hedonic shopping motivation

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Abstract: This study aimed to analyse the influence of discount and bonus pack towards impulse buying through hedonic shopping motivation at Indomaret Denpasar. The variables used were discount, bonus pack, hedonic shopping motivation and impulse buying. The type of research used was a quantitative approach with the collecting data method using a questionnaire and sampling amounted 99 respondents. The research location was conducted in Denpasar by using Indomaret consumers as the research object. Data analysis used in this study was partial least square. The test results showed that the discount had a significant positive effect on hedonic shopping motivation; the discount had no significant effect on impulse buying; bonus pack had no significant effect on hedonic shopping motivation, bonus pack had a significant positive effect on impulse buying; and hedonic shopping motivation had a significant positive effect on impulse buying.

Keywords: Discount, Bonus Pack, Hedonic Shopping Motivation, Impulse Buying

INTRODUCTION

Quoting Nielsen's Associate Service Retailer Associate Director, Febby Ramaun in an interview with okezone.com in June 2012 stated that currently shoppers in Indonesia are becoming increasingly impulsive. The results of previous studies related to impulse buying a retail in Surakarta showed that 95% of retail consumers had made unplanned purchases, while the rest had never made purchases outside of planning (Wiyono, Haryanto and Dwi Hastjarja KB 2017. Currently discount and bonus packs are sales promotions that are widely used, both online and offline sales (Chen, Marmorstein, Tsiro, & Rao, 2012; Dawson & Kim, 2009). Kotler and Armstrong (2012) defines a discount is a straight reduction in price on purchases during a stated period of time. Based on this, researchers can defined that the price discount is a price reduction in some products at a certain period. According to Clow and Baack (2005) Bonus Pack is a state that when an additional or extra number of items is placed in a special product package. In other words, the seller provides additional products in one package. In the analysis conducted by Istafin (2018) conducted at Carrefour customers in Surakarta, it showed that discounts and bonus packs had a significant effect on impulse buying.

One of the factors driving impulse buying is hedonic shopping motivation. Consumers with hedonic lifestyles in satisfying their needs often use emotional criteria rather than logic in evaluating brand choices. The type of consumption of people with a hedonic lifestyle involves the use of products to fulfill fantasy and satisfy emotions. According to Assael (2001), for consumers with a hedonist lifestyle shopping is an adventure to get an acknowledgment from their social group. The hedonist lifestyle is one of the driving forces behind impulse buying according to Japarianto (2011) various shopping centers or malls deliberately creating a hedonic atmosphere. The creation of this hedonist atmosphere is intended to attract visitors and make satisfaction so that it linger in the mall and can spend money, this can increase the likelihood of impulse buying. In addition, the habits of consumers who prefer to spend their free time in the mall will trigger impulse buying. Seeing the increasing hedonist lifestyle, many minimarkets

also want to participate in attracting the attention of the hedonists by giving discounts and bonus packs.

LITERATURE REVIEW

Discount

According to Sutisna (2003) a discount or discount is a reduction in the price of a product from a normal price for a certain period. According to Tjiptono (2008) a discount is a price discount given by the seller to the buyer as an appreciation for certain activities of the buyer that are pleasing to the seller. According to Kotler and Keller (2009) the discount is the official price given by the company to consumers who are soft in order to increase sales of a product or service. According to Mc Carthy and Pereault (2009) a discount is a reduction of the recorded price proposed by the seller to the buyer whether or not performing a specific marketing function or performing the marketing function or performing the function himself.

Bonus Pack

According to Belch (2009) bonus packs offer consumers an extra charge for a product at a normal price. According to Shimp (2004) defining bonuses in packages or gimmick bonus packs are extra quantities given by the company to consumers at normal prices. According to Kotler and Keller (2009) free gift strategies or bonus packages (gimmicks) are goods offered at relatively low or free prices as incentives to buy certain products. According to Cummins (2001) defining bonus packs is an offer with extra benefits where the extra benefits are in the form of a merchandise. According to Boyd Harper W. (2002) bonuses in packaging (bonus pack) is an attempt to attract purchases by offering free products or services at reduced prices to encourage the purchase of other products. From some of the meanings above, it can be concluded that bonus packs are one of the strategies in sales promotions that offer products or services for free at reduced prices to encourage the purchase of 25 other products. This promotion is commonly used to increase the purchase of impulse buying by consumers.

Hedonic Shopping Motivation

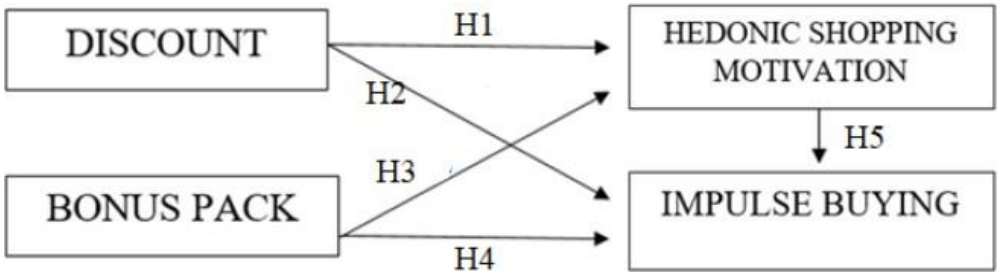
Hedonist motivation is motivation that arises due to psychological needs such as satisfaction, prestige, emotions and other subjective feelings. This need arises to meet social and aesthetic demands and is also called an emotional motive (Sumarwan, 2014). According to Kaczmarek (2017), Hedonic Motivation is the willingness to initiate behaviors that enhance positive experiences (pleasant or good experiences). Consumers buy and consume products not only just functional value, but also because of social and emotional values (Setiadi, 2013).

Impulse Buying

Impulse Buying, namely the name of consumers behaving to buy spontaneously or want to buy because they remember what they had thought, or suggested to buy, or planned to buy Bayley and Nancarrow (1998). Cobb and Hayer (1986), classifying an impulsive purchase occurs when there is no purpose to purchase a particular brand or specific product category when entering into the store. Rook (1987) defines the nature of impulse buying as "a consumers" tendency to buy spontaneously, immediately and kinetically ". Impulsive purchases are purchases that occur when consumers experience a sudden feeling, full of strength and a strong drive to buy something immediately (Engel, et al (2008). Engel, et al.

Defines impulsive buying as a purchase action that is made without prior planning or a purchase decision is made while in the store.

Figure 1. Framework



Research Hypothesis

H1: Discount has a significant influence on the intention to Hedonic Shopping Motivation

H2: Discount has a significant influence on the intention to Impulse Buying

H3: Bonus Pack has a significant influence on the intention to Hedonic Shopping Motivation

H4: Bonus Pack has a significant influence on the intention to Impulse buying

H5: Hedonic Shopping Motivation has a significant to Impulse Buying

METHOD(S)

Research Design

This study used a path analysis technique (path analysis) because this study required one independent variable, one dependent variable, and one mediating variable. In Riduwan and Kuncoro (2014) path analysis was used to analyze how the pattern of relationships between variables in order to determine the direct or indirect influence of free (exogenous) variables on the dependent variable (endogenous). This research used Smart PLS software version 3.0.m3 which was run on computer media. PLS (Partial Least Square) is a variance-based structural equation analysis (SEM) technique that can simultaneously test measurement models as well as structural model testing. The measurement model was used to test the validity and reliability, while the structural model was used to test causality (hypothesis testing with predictive models). Partial Least Squares (PLS) is a multivariate statistical technique that makes comparisons between multiple dependent variables and multiple independent variables. PLS is one of the variant-based SEM statistical methods that is designed to solve multiple regression when specific problems occur in the data (Jogiyanto and Abdillah, 2009).

FINDINGS AND DISCUSSION

Respondent characteristics observed in this study include: gender, age, employment and monthly income. Descriptions of the characteristics of the respondents are presented as follows:

1) Gender

   Descriptions of the characteristics of respondents by gender are presented in the table below:

Table 1. Characteristics of respondents by gender

Gender	Frequency	Percentage
Male	56	56,6%
Female	43	43,4%
Total	99	100%

Based on the data above there is more male gender because researchers use accidental sampling. Those people who feel that they fulfill the criteria can fill out the questionnaire.

2) Ages

Descriptions of the characteristics of respondents by age are presented in the following table:

Table 2. Characteristics of respondents based on age

Ages	Frequency	Percentage
<20	20	20,2%
21-25	49	49,5%
26-30	15	15,2%
31-35	9	9,1%
36-40	6	6,1%
Total	99	100%

The table above shows that respondents aged 21-25 is a dominant because researcher put the questionnaire at random person which have same criteria.

3) Employment

Descriptions of respondents characteristics based on work are presented in the following table:

Table 3. Characteristics of Respondents Based on Employment

Jobs	Frequency	Percentage
Student	54	54,5%
Entrepreneurship	18	18,2%
Government Employees	16	16,2%
Private Employees	13	13,1%
Unemployment	0	0%
Total	99	100%

The table above shows that majority of respondents who mostly aged 21-25 is students.

4) Income

Descriptions of respondents' characteristics based on monthly income are presented in the following table:

Table 4. Characteristics of Respondents Based on Earnings per month

Income	Frequency	Percentage
Rp.500.000- Rp1.000.000	27	27,3%
Rp1.000.000-Rp3.000.000	34	34,3%
Rp3.000.000-Rp5.000.000	24	24,2%
>Rp. 5.000.000	15	15,2%
Total	99	100%

The table above shows that respondents are student who aged 21-25 so provision provided is an average of Rp1.000.000-Rp3.000.000.

Measurement Model (Outer Model)

Validity test was done by assessing the loading factor that reflects the relationship between each question item or indicator with latent variables. Ghozali (2008) states if loading factor items 16 questions> 0.6 then the question items are valid. In addition, the rule of thumb that is usually used in carrying out these tests is 0.70.

Table 5. Validity Test

	Discount	Bonus pack	HSM	Impulse Buying	Valid/Not Valid
X1.1	0.640				Valid
X1.2	0.794				Valid
X1.3	0.827				Valid
X2.1		0.619			Valid
X2.2		0.700			Valid
X2.3		0.892			Valid
Y1.3			0.719		Valid
Y1.4			0.831		Valid
Y1.5			0.750		Valid
Y2.2				0.835	Valid
Y2.4				0.899	Valid

Source : Primary data processed, 2019

The next step was to conduct a discriminant validity test. For discriminant validity, the measurements were assessed based on cross loading measurements with the construct or by comparing the AVE roots for each construct with the correlation between one construct with the other constructs in the model. Discriminant validity test is done by looking at the value of cross loading. The criterion in cross loadings is that each indicator that measures its construct must correlate higher with its construct compared to other constructs. In the loading score table it will be seen that each indicator in a construct will be different from the indicators in other constructs and collect in the construct in question. This can be seen in the following table

Table 6. Discriminant Validity

	Bonus Pack	**Discount**	**Hedonic Shopping Motivation**	**Impulse Buying**
X1.1	0.356	0.640	0.150	0.287
X1.2	0.425	0.794	0.341	0.233
X1.3	0.391	0.827	0.252	0.290
X2.1	0.619	0.353	0.144	0.169
X2.2	0.700	0.429	0.098	0.168
X2.3	0.892	0.413	0.185	0.391
Y1.3	0.036	0.150	0.719	0.304
Y1.4	0.166	0.263	0.831	0.303
Y1.5	0.237	0.316	0.750	0.221
Y2.2	0.240	0.276	0.299	0.835
Y2.4	0.377	0.327	0.319	0.899

Source: Results of processing with SmartPLS 3.0

Based on the results of cross loading in previous table, it can be seen that all indicators that measure the latent variable have a higher loading factor when compared to the loading factor on other latent variables. This indicates that the indicators are valid in measuring latent variables.

A model is also said to have sufficient discriminant validity if the AVE roots for each construct are greater than the correlation between the constructs and the other constructs in the model. From the table, it shows the value of AVE and root of AVE and its comparison which value is higher when compared with the correlation coefficient between variables shown in table below:

Table 7. Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)
Discount	0.556

Bonus Pack	0.575
Hedonic Shopping Motivation	0.590
Impulse Buying	0.753

Source : Primary data processed, 2019

Based on table 7, the value of AVE for each latent variable has a value> 0.5 This indicates that the validity of discriminant is sufficient.

Reliability Test

Reliability tests are needed to measure the stability and consistency of an instrument in measuring a concept or variable. In this study, reliability can be measured by looking at the value of composite reliability. Salisbury et al in Jogiyanto (2011) states that composite reliability measures the true value of a construct's reliability. It also said that to be able to say a reliable construct, the rule of thumb that applies is the value of composite reliability must be> 0.7. The results for the reliability test of this study can be seen as follows.

Table 8. Reliability Test

Variable	Reliability
Discount	0.786
Bonus Pack	0.800
Hedonic Shopping Motivation	0.812
Impulse Buying	0.859

Source : Primary data processed, 2019

In table, it can be seen that the reliability test results on each latent variable meet the rule of thumb value > 0.7. This indicates that all variables are reliable and can be used in research.

Structural Model Testing (Inner Model)

The structural model needs to be evaluated using R-square for the dependent variable and its significance value is based on the t-values for each path. After the estimated model meets the outer model criteria, the inner model testing is then performed. Assessing the inner model is tantamount to looking at the relationship between latent variables by looking at the estimated results of the path coefficient and its level of significance. Table 9 shows the R-square values for each endogenous variable. According to Ghozali (2011), the R-square value between 0.67 - 1 indicates that the model is good, while the R-Square range between 0.34 - 0.66 indicates a moderate structural model, and if the R-Square is between 0.33 to below the model is relatively weak.

Table 9. R-square

Variable	R square
Discount (X1)	

Bonus Pack (X2)	
Hedonic Shopping Motivation (Y1)	0.355
Impulse Buying (Y2)	0.670

Source : Primary data processed, 2019

Table 9 shows the R-square value of 0.670 for the impulse buying. This means that the variability of impulse buying constructs can be explained by the constructs of discount and bonus pack by 67 percent. The remaining 33 percent is explained by other factors besides impulse buying. Then, the construct of hedonic shopping motivation is explained by the construct of discount and bonus pack of 0.355. This means that can be explained by the construct discount and bonus pack is 35.5 percent. The remaining 65.5 percent is explained by other factors besides Organizational innovation. Based on R- square no 1 and R-square no 2 in table it can be calculated Q2 or Stone Geiser Q-Square test, namely:

$Q = 1 - \{(1 - 0.355)\ (1 – 0.670)\}$

$= 1 - \{(0.645)\ (0.330)\}$

$= 0.975 = 0.97$

Q2 calculation results of 0.97 so that it can be said to have a high predictive prevalence, the resulting model is feasible to use to predict. Figures of 0.97 can be interpreted that the Impulse Buying variable of 97 percent can be explained by the variables of Discount, bonus pack, and hedonic shopping motivation while the remaining 3 percent is explained by other variables out of the model.

Hypothesis Test

Table 10. Path coefficient

Variable	**Original Sample (O)**	**Sample Mean (M)**	**Standard Deviation (STDEV)**	**T Statistics**	**P Value**
X1 -> Y1	0.300	0.301	0.141	2.131	0.034
X1-> Y2	0.142	0.143	0.123	1.154	0.249
X2 -> Y1	0.044	0.065	0.141	0.313	0.754
X2-> Y2	0.238	0.257	0.109	2.184	0.029
Y1->Y2	0.263	0.271	0.101	2.609	0.009

Expl. *) Non Significant (>0,05) Source: Primary data processed, 2019

Hypothesis testing is done by looking at the value of t-statistics. Hypotheses are accepted if the t-statistic value of the proposed hypothesis has a value of more than 1.96 for significance of 5 percent and more than 1.64 for significance of 10 percent. But if it does not meet these requirements, it can be said that the existing hypothesis is rejected. The t-statistic value can be chosen in the path coefficient (T-statistic) table in the previous table.

1. Hypothesis 1 states that the discount has a significant positive effect on hedonic shopping motivation. The results of calculations using SmartPLS 3.0 software show that the variable path discount to hedonic shoping motivation has a positive effect with a coefficient of 0.300 and T-statistics of 2.131, this means that hypothesis 1 is supported.
2. Hypothesis 2 states that the discount has no significant effect on impulse buying. The calculation result using SmartPLS 3.0 software shows that the variable path discount with impulse buying has a negative effect with a coefficient value of 0.142 and T-statistics of 1.154, this means that hypothesis 2 is not supported.
3. Hypothesis 3 states that the bonus pack has no significant effect on hedonic shopping motivation. The calculation result using SmartPLS 3.0 software shows the path of the variable bonus pack with hedonic shopping motivation has a negative effect with a coefficient value of 0.044 and T-statistics of 0.313, this means that hypothesis 3 is not supported.
4. Hypothesis 4 which states the bonus pack has a significant positive effect on impulse buying. The results of calculations using SmartPLS 3.0 software show the path of the variable bonus pack to impulse buying has a positive effect with a beta coefficient value of 0.238 and T-statistics of 2.184, this means hypothesis 4 is supported.
5. Hypothesis 5 states hedonic shopping motivation has a significant positive effect on impulse buying. The results of calculations using SmartPLS 3.0 software show that the path of the subjective hedonic shopping motivation variable to impulse buying has a positive effect with a coefficient value of 0.263 and a T-statistic value of 2,609, this means that hypothesis 5 is supported.

CONCLUSIONS

The research location was conducted in Denpasar by using Indomaret consumer as the research object. Data analysis used in this study is partial least square. The test results show that the discount has a significant positive effect on hedonic shopping motivation, the discount has no significant effect on impulse buying, bonus pack has no significant effect on hedonic shopping motivation, onus pack has a significant positive effect on impulse buying, and hedonic shopping motivation has a significant positive effect on impulse buying.

Suggestions

1. Company

1) Consumers who tend to often buy additional products without preplanned and the influence of sales promotions on impulse buying on customers can be used as opportunities and used by Indomaret minimarket to carry out promotional activities. However, because the discount has no effect so hopefully there is no need for a discount

2) The form of sales promotion bonus packs can affect consumers in making impulsive purchases. In this regard, the Indomaret minimarket must continue to focus and maintain sales promotions in increase sales promotions in the form of bonus packs. As well as other factors that will influence hedonists to shop for bonus pack

2. For Researcher

Future studies can improve the limitations in this study and increase the number of samples and ways of taking data to get comprehensive results.

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