

THE EFFECT OF PRICE DISCOUNT, BONUS PACK, AND IN-STORE DISPLAY ON IMPULSE BUYING DECISIONS

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ABSTRACT

Marketing activities are able to provide organizational growth. The purpose of this study was to determine the effect of discounts, bonus packages, and in-store signals on emergency pricing decisions. Residents of this study are customers of the Hypermart Mega Mall Batam, which employs 3000 people. The sample had 97 respondents, who were randomly sampled. Data analysis using multiple dosage tests and concepts using SPSS version 23. The results of this study concluded that the discounted discount, bonus package, and in-app display was timely. and a major impact on emergency purchases.

Keywords : price discount, bonus pack, in-store display, impulse buying

Introduction

The word retail comes from the French, *retailer* which means to cut or break something. Retailing can be understood as all activities involved in the sale of goods or services directly to the end consumer for personal use rather than business use. Often people assume that retail only sells products in stores. But *retail* (retail) also involves delivery services to homes. Not all retail is done in stores.

Hypermart located in batam center area is able to show the level of response to the phenomenon well. Hypermart was founded by PT. Hero Supermarket Tbk, Hypermart is one type of retail that sells a variety of consumer needs ranging from food, household food, to electronics at affordable prices. The convenience of shopping is also shown by Hypermart to consumers, namely by arranging very neat goods and grouped according to the types and benefits of goods that make it easier for consumers to choose the necessary goods, the level of cleanliness, to the polite service provided by Hypermart Mega Mall employees.

A purchase decision is influenced by several factors, one of the influences of consumer purchasing decisions is the

arrangement of products contained in store outlets. In some cases, consumer shopping activities are carried out in a planned manner, but in reality there are also consumers who make purchases unplanned (*impulse buying*).

A survey conducted by AC Nielsen in Marketing magazine (2017) at Hypermart stated that 85% of Indonesian retail shoppers who come to retail stores, sometimes or always buy unplanned goods. Impulse *buying* can be influenced by *the display product*, namely by structuring a more innovative and neat product. This is so that consumers feel comfortable, so that they can attract consumers to make purchases. Seeing the rapid development of the market makes many stores that lead to *self service* (self-serving) then the *display product* is usually carried out with *an open display* system (open arrangement). This system aims to make the products offered easy to see, reach and choose from consumers.

The rapid retail business in Hypermart Mega Mall Batam is demonstrated by the emergence of minimarket, supermarket, department store to national hypermarket classes (such as Matahari, Perindo, Pamella, Ramayana,

Indomart, Alfamart and others) and international scales (such as Giant and Carrefour). But now the function of modern retail is one of the supermarkets, not only as a place to shop, but also as a place of recreation for families. Of course, this situation makes it easier for manufacturers to market their products and for their own retailers will always race to do more creative things in an effort to attract consumers who are considered potential.

The more the increasing number of retail in Indonesia, will further increase competition in the retail industry. With so many retail options as a place to shop, consumers now have higher bargaining power. Consumers can easily choose retail that is considered to provide more offers and benefits, not just a place to shop. In order to get a unique position in the eyes of its consumers, retailers must think of strategies that are different from their competitors.

Marketing activities can not be separated from the behavior of consumers who are the target market of a company. Certain moments are used in such a way as to attract consumers and purchases made by consumers as much as possible. One way that retailers can maintain competitive advantage and maintain *gross profit* is by promotion. Promotions can be done through various types of media both outside the store and inside the store. Promotions conducted outside the store aim to attract consumers to visit the store. Promotions that are done in-store aim to remind consumers of a particular product and can stimulate consumer purchase decisions formed in the store.

Price Discount, Bonus Pack and In-Store display Against Impulse Buying Decision At Hypermart Mega Mall Batam must be integrated and comprehensive so that a message can be conveyed thoroughly and consistently on its target. If you use the right promotional mix, then the goal will be achieved. The number of media that can be used will further increase competition, which in the end marketing communication

will be more emphasized on in-store sales promotion activities, which can further stimulate consumers to make purchases, especially for *low involvement* products.

In-store sales promotion makes retail a place to sell and build a brand and can also create a more vibrant atmosphere and enrich the shopping experience for its consumers. In-store sales promotion will make *impulse buying* behavior from consumers easier to form. Impulse *buying* is common in low involvement products that do not require complex consideration to buy it. This is because *low involvement* products are usually purchased regularly with minimal thought and effort, because it is not a vital thing and also does not have a big influence on the lifestyle of consumers.

In-store sales promotion activities are not only carried out by Hypermart Mega Mall as retail, but also by *suppliers* who leave their products in Hypermart Mega Mall Batam for sale. As one of the modern retailers that implement *open displays* here is Hypermart with a *self-service* system where consumers can choose and take their own desired goods in the store, so that with a good and neatly arranged display product resulting in the tendency of consumers to impulse *buying*. This is because consumers not only see the goods they are looking for but can see the entirety of the goods in Hypermart.

In the face of intense competition between modern markets lately, make several efforts to increase sales and at the same time maintain the advantages of hypermart, one of which is by structuring products or attractive *product displays*, because it will be able to improve the appearance of products that aim to better attract consumer attention to products sold in the retail store. So that an attractive *display product* will make consumers make purchases at that time without being planned in advance.

Literatur Review

Price Discount

In marketing, *Price Discount* (Discount) is a promotional tool that can attract the attention of consumers to encourage the desire of prospective consumers to buy the products offered. According to Sutisna (2015: 302) Discount is a reduction in the price of the product from the normal price in a certain period.

Peter and Olson (2014:256) Rebates are pricing strategies that involve a long-term plan to systematically lower prices after introducing high-priced products.

According to Tjiptono (2018:166) Discounts are discounts given by sellers to buyers in appreciation of certain activities of buyers that are fun for sellers.

Bonus Pack

According to Belch and Belch in Amanda (2014:65) the bonus pack offers consumers an extra load of a product at a normal price. Clow and Baack in Waani (2015:422), states that when an additional amount is placed in a special product package, it is a bonus package. Gardener and Trivedi (2013: 142), states that bonus packages offered by manufacturers add value to the product by offering additional quantities of products or units at ordinary prices.

In-Store Display

Store supply is the arrangement of the store in exhibiting products accompanied by information relevant to the product. According to Yusriyanti (2017: 44), the interior of the store is the result of the overall supply design that the retailer uses to sell its products.

According to Almar (2018: 72), *display* is an effort to encourage consumer attention and interest in stores or goods and encourage the desire to buy through the appeal of *direct visual appeal*.

Displaying goods in stores and in storefronts has a major influence on sales, and if the material is integrated, it can be seen and felt as a product advertisement and can strengthen the brand's positioning.

Usually we see one way to sell goods is to let prospective buyers see, feel, taste the ride, and so on (Foster, 2018: 72). From the stimuli given from the *display*, it will create interest from the person to buy.

Impulse Buying

Purchasing is a function of intention, environmental influence and individual differences. Generally purchases are planned completely in the sense that there is an intention to buy a particular product or brand. But in reality consumers often don't use their rational minds in determining which items are really needed so that purchases happen without being specifically planned. This purchase is known as *impulse buying* (Wathani, 2015: 57). Samuel (2016:105) defines an *unplanned buying* is an act of purchase made without prior planning or a purchase decision made while in-store. In general, consumers have planned what to buy.

According to Utami (2014:67), impulse purchases occur when consumers suddenly experience a strong and strong desire to buy as soon as possible. There are several reasons consumers buy a product outside the plan (*impulse buying*). First, because the consumer is affected by the ads he or she watched earlier. Second, the desire to dabble in a new product. Third, attractive and *attractive packaging*. Fourth, the cheap price or *inducement of sales promotion girl*.

Impulse buying is a buying process that occurs when a person sees an item and suddenly wants to buy the item, and then decides to make a purchase at a moment's notice. *Impulse buying* behavior that is done continuously causes people to behave compulsively. Compulsive purchase is the process of repeating purchases that are often excessive in shopping due to boredom, depression, tension, or anxiety (Utami, 2014: 53). Compulsive purchases or persistent purchases are chronic, recurring purchases that are the primary response to negative events or feelings.

According to Rook (2014) *impulse buying* is a purchase that occurs when

consumers experience a sudden urge, which is usually very strong and settles to buy something immediately. Impulse buying is a spree and can stimulate emotional conflict, so *impulse buying* is easy because of the changing consumer desires.

Methodology

This study uses survey methods. According to Sugiyono (2014: 11) survey research is a study conducted on large and small populations but the data studied is data from samples taken from that population, so that relative events, distribution and relationships between sociological and psychological variables are found. The unit of analysis in this study is the consumer Hypermart Mega Mall.

The population of this study is a consumer of Hypermart Mega Mall Batam with a research population of 3000 people and a sample of 97 people. The sampling technique used in this study is *accidental sampling*, which is a technique where people encountered are in Hypermart and aged 17 years are considered to be respondents.

Research Results

Based on the data tabulated and then processed with statistical test tools, the results can be known in the next explanation. From the results of processed data for the validity test of each variable obtained the result of the value of r -calculated $>$ r -table 0.200 so that it is declared valid. On the rehabilitability test each variable has a *Cronbach Alpha* value $>$ 0.60 so that it is declared *realibel*.

Table 1 Test Result T

Coefficients ^a						
Model		Unstandardized Coefficients	Standardized Coefficients	t	Itself.	
		B	Std. Error	Beta		
1	(Constant)	13.204	5.120		2.579	.015
	<i>Price</i>					
	<i>Discount</i>	.806	.122	.558	6.590	.000
	<i>Bonus Pack</i>	.371	.109	.333	3.409	.002
	<i>In-Store Display</i>	.263	.089	.259	2.940	.006

a. Dependent Variable: *Impulse Buying*

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Source: Primary data processed

Based on the results of the t test in table 1 above, the regression equation is carried out as follows:

$$Y = 13.204 + 0.806X_1 + 0.371X_2 + 0.263X_3 + e$$

- The calculated t value for the *Price Discount* variable is $6,590 > 1,661$ t table and sig value $0.000 < 0.05$. Based on the results obtained, H_0 is rejected and H_1 is accepted for the *Price Discount* variable, thus partially the *Price Discount* variable has a significant effect on *Impulse Buying*.
- The calculated t value for the *Bonus Pack* variable is $3,409 > 1,661$ t table and sig value of $0.002 < 0.05$. Based on the results obtained, H_0 is rejected and H_2 is accepted for the *Bonus Pack*, thus partially the *Bonus Pack* has a significant effect on *Impulse Buying*.
- The calculated t value for the *In-Store Display* variable is $2,940 > 1,661$ t table and sig value $0.006 < 0.05$. Based on the results obtained, H_0 was rejected and H_3 was accepted for the *In-Store Display* variable, thus partially the *In-Store Display* variable had a significant effect on *Impulse Buying*.

Table 2 Test Results F

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Itself.
1	Regression	711.204	3	237.068	51.230	.000 ^b
	Residual	138.825	93	4.628		
	Total	850.029	96			

a. Dependent Variable: *Impulse Buying*

b. Predictors: (Constant), *Price Discount*, *Bonus Pack*, dan *In-Store Display*

Source: Primary data processed

The data processing results in table 2 show the value F calculates $51,230 > 2.70$ F table and sign $0,000 < 0.05$, then the decision taken is H_0 rejected and H_4 accepted. The conclusion is that simultaneously *price discount* variables (X_1), *bonus pack* variables (X_2) and *in-store display* variables (X_3) have a significant effect on *Impulse Buying* (Y) variables, meaning *price discount*, *bonus pack* and *in-store display*. *Impulse Buying*

can explain at Hypermart Mega Mall Batam.

Conclusion

Based on the results and discussions described above, it can be concluded as follows:

1. *Price discount* has a positive and significant effect on *Impulse Buying* Hypermart Mega Mall Batam, where the number *t* calculated for *Price Discount* $6,590 > 1,661$ *t* table and significance of $0.000 < 0.05$, thus the first problem formulation and hypothesis for *Price Discount* can be received with a calculated result greater than *t* table and significance smaller than 0.05.
2. *Bonus Pack* has a positive and significant effect on *Impulse Buying* Hypermart Mega Mall Batam, where the number *t* calculated for *Bonus Pack* $3,409 > 1,661$ *t* table and significance of $0.002 < 0.05$, thus the second problem formulation and hypothesis for *bonus pack* can be received with a result calculate greater than *t* table and significance smaller than 0.05.
3. *In-Store Display* has a positive and significant effect on *Impulse Buying* Hypermart Mega Mall Batam, where the number *t* counted for *In-Store Display* $2,940 > 1,661$ *t* table and significance of $0.006 < 0.05$, thus the third problem formulation and hypothesis for *In-Store Display* can be received with a *t* count result greater than *t* table and significance smaller than 0.05.
4. *Price Discount*, *Bonus Pack*, and *In-Store Display* simultaneously positively and significantly affect *Impulse Buying* Hypermart Mega Mall Batam with *F* count of $51,230 > 2.70$ *F* calculated with a significant level of 0,000. because the probability (0.000) is smaller than 0.05, thus the formulation of the problem and the fourth hypothesis can be accepted, then simultaneously affect *Impulse Buying*.

Suggestion

Based on the results of this study, the author provides the following suggestions:

1. Practical advice is based on the results of research and discussion it is known that the value of the *price discount* regression coefficient is highest in *influencing impulse buying* so that it is expected that Hypermart Mega Mall Batam can maintain the characteristics of sales promotion, especially in-store sales promotions that can ultimately create *impulse buying* in consumers. In addition, the results of research and discussion showed that the lowest *in-store display* regression coefficient value in influencing *impulse buying* so that it is expected that Hypermart Mega Mall Batam can make various efforts, so that the in-store promotion strategy is more attractive and varied so that consumers can be interested and try the product.
2. From the results of this study shows that *price discounts*, *bonus packs* and *in-store displays* have a positive and significant effect on *impulse buying* in consumers. This research can provide input or consideration for retailers, especially where this research is, in implementing in-store promotion strategies to face increasingly fierce competition, in addition to motivating retailers to be better at attracting consumers. Therefore, the results of this research are expected to be used as reference material for similar research while enriching science, especially in the field of marketing management.

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