

CHAPTER I

INTRODUCTION

1.1 Background

There have been many changes in various fields of life as a result of the advent of the information technology era. These changes result in various opportunities and difficulties to compete in everyday life. Micro and macro economic business competition that seemed increasingly tight and complicated ensued. This must also be supported by the willingness of business people to continue to develop their business despite changes in the information technology era. This also encourages business actors to continue to innovate and continue to increase the creativity of their activities so that the products they sell are still in demand and can continue to be sustainable from time to time by consumers. Business actors must anticipate all changes and styles of needs for consumer demands that are increasingly varied and diverse due to developments in the business world and an increasingly competitive market.

One of the things that attracts attention from the times and technology is the occurrence of impulse purchases. Research by Sahetapy et al., (2020) Impulse buying can be interpreted as an act of buying it previously not consciously recognized as a result of preconceived considerations or purchase intentions enter the shop. In an effort to increase impulse buying, companies often rely on two main factors, namely promotions and store atmosphere. If these two factors are implemented, it will have a positive impact on a business and will increase consumer interest and desire to make impulse buying.

Meanwhile Efrianto (2016) in the journal Kristanto and Wahyuni (2020) says promotion is a program that is conceptualized to communicate with potential buyers who will influence the decision purchase. In other words, promotion is a company effort to increase consumer awareness and interest in products or services through various marketing techniques such as discounts, free gifts, special offers and other sales campaigns. Effective promotions can affect consumers' emotions and encourage them to make impulse purchases.

On the other hand, Kotler in Sitompul's research (2017) explains the store atmosphere is a planned atmosphere that is appropriate with its target market and who can attract consumers to buy. Store atmosphere also plays an important role in influencing impulse buying. Store ambiance involves elements such as spatial arrangement, lighting, background music, aromas, and other factors that create a pleasurable or emotional shopping experience for consumers. An attractive store atmosphere can evoke positive emotions and influence impulse buying decisions.

Although promotion and store atmosphere have been recognized as factors that have the potential to influence impulse buying, not many studies have comprehensively investigated the mechanisms underlying the relationship between these variables. One possible mechanism is through the emotion of shopping. Shopping emotions can be used as influencing factors and interventions for impulse buying to occur.

Shopping emotion are emotions or feelings that cannot be controlled but have a major influence on purchases by Rahmana and Kurniawan (2021). Then shopping emotion can be interpreted as a consumer's emotional response to the store environment, including the influence of promotions and store atmosphere. Shopping emotions can be feelings of pleasure, involvement, satisfaction, or other emotional impulses that arise during the shopping process. Shopping emotion is believed to act as an intervening variable that mediates the relationship between promotions, store atmosphere, and impulse purchases. So shopping emotions also play an important role in the decision to make impulse buying.

One possible place for impulse buying to occur is the mall. In a mall, of course, it has its own way of promotion and the atmosphere of the shop is different from one mall to another. One of the malls that implement promotions in operations with a store atmosphere that can attract interest in buying a product is Mall SKA Pekanbaru.

Mall SKA Pekanbaru provides various promotional offers to mall visitors. The promotional offers presented are equipped with interior display equipment that is appropriate to the promotion being offered. This is especially done when commemorating or welcoming major holidays which will experience

an increase in visitors. This is in line with the increase in visitors to the Mall SKA Pekanbaru from sources obtained from *TribunPekanbarutravel.com* quoted from Agus Salim (2023). The number of visitors to the Mall SKA Pekanbaru is increasing. In one day visits to Mall SKA reach 30,000 people per day and will continue to increase until H-1 of Eid al-Fitri.

The products sold by Mall SKA Pekanbaru are usually goods that follow the laws of nature, and are also encouraged by shops and other business places. SKA Pekanbaru Mall offers and promotes attractive programs for its visitors, including discounts, special prices and other offers. This is the single most effective way to increase visitors' confidence in their ability to transact business with a friendly shop owner.

The various promotions and offers presented by Mall SKA Pekanbaru as well as the store atmosphere displayed will certainly attract the interest of visitors to Mall SKA Pekanbaru. This is driven by the need for the product, so the possibility of impulse buying is likely to occur. With varied offers accompanied by good shopping emotions, it will certainly provide encouragement to buy the product.



Figure 1.1 Picture Mall SKA Pekanbaru
Source: Salsawisata.com 2022

The existence of impulse buying has a positive impact on Mall SKA Pekanbaru. The positive impact given is that you will get high profits from impulse buying. Therefore it is important for Mall SKA Pekanbaru to continue to obtain more up-to-date information in determining competitive strategies that

must be carried out against impulse buying behavior. Based on this background, the researcher intends to conduct research entitled: **“The Effect of Promotion and Store Atmosphere on Impulse Buying with Shopping Emotion as an Intervening Variable (Empirical Study of Mall SKA Pekanbaru Visitors)”**.

1.2 Formulation of the Problem

Based on the background that the author has stated above, the author will formulate the problem in this research, namely:

1. Does promotion have an effect on shopping emotion?
2. Does store atmosphere have an effect on shopping emotion?
3. Does promotion have an effect on impulse buying?
4. Does store atmosphere have an effect on impulse buying?
5. Does shopping emotion have an effect on impulse buying?
6. Does promotion have an effect on impulse buying through shopping emotion as an intervening variable?
7. Does store atmosphere have an effect on impulse buying through shopping emotion as an intervening variable?

1.3 Purpose of the Study

In accordance with the above problems, then the research objectives in this proposal are:

1. Examine and to analyze the effect of promotion on shopping emotion.
2. Examine and to analyze the effect of store atmosphere on shopping emotion
3. Examine and to analyze the effect of promotion on impulse buying.
4. Examine and to analyze the effect of store atmosphere on impulse buying.
5. Examine and to analyze the effect of shopping emotion on impulse buying.
6. Examine and analyze the effect of promotion on impulse buying through shopping emotions as an intervening variable.

7. Examine and to analyze the effect of store atmosphere on impulse buying through shopping emotion as an intervening variable

1.4 Significance of the Study

Based on the formulation of the problem and research objectives that have been described above, the researcher hopes that this research will be useful for all parties. The benefits that can be drawn from this research are as follows:

1. For Readers

This research can add knowledge and insight regarding promotion and store atmosphere against impulse buying through shopping emotions.

2. For Researchers

Can provide insight and knowledge to researchers regarding the effect of promotions and store atmosphere on impulse buying through shopping emotion.

3. For Companies

The results of this study can provide information and can be material for consideration in determining policy and knowing which factors dominant influence on consumer impulse buying behavior as well in carrying out marketing strategies.

4. For Consumers

The results of this study can be used as information for consumers while shopping at Mall SKA Pekanbaru.

1.5 Scope and Limitation of The Problem

Based on the above background, that the problems related to the topic of research are very broad, therefore, the author needs to create limitations on the problem. This research only focuses on the Effect of Promotion and Store Atmosphere on Impulse Buying with Shopping Emotions as Intervening Variables (Empirical Study of Mall SKA Pekanbaru Visitors).

1.6 Writing System

Systematics of writing this Report is compiled 5 chapters, where each chapter will be subdivided into sub-chapters that will be discussed in detail. Here is the Systematics of each chapter and its brief description:

CHAPTER I : INTRODUCTION

In CHAPTER 1 it explains the background that became the reason the author chose the topic, problem formulation, research objectives, research benefits, research scope and limitations of the problem and systematic report writing.

CHAPTER 2 : LITERATURE REVIEW

In CHAPTER 2 it explains the selected theories that generate ideas and underlie the topic of the chosen thesis title. Where the literature review contains previous research, theoretical basis and framework.

CHAPTER 3 : METHODS AND ACCOMPLISHMENT PROCES

In CHAPTER 3, it describes the types of research, research subjects and research objects, location and object of research, types and sources, population and samples, sampling technique, data collection technique, data processing technique, measurement scale, data analysis method, types of research, concept definition and operational variable, schedule and budget of the study.

CHAPTER 4: RESULTS AND DISCUSSION

In CHAPTER 4, it explains the results of the research, discusses the research results obtained and the limitations of the research.

CHAPTER 5: CONCLUSION

In CHAPTER 5, it explains the conclusions and suggestions from the research that has been done.

REFEERENCE

APPENDICES

WRITER BIOGRAPHY