

CHAPTER I

INTRODUCTION

1.1 Background

The rapid development of technology makes life more modern and practical. Advances in technology have affected many aspects of life. Now, many things can be done with only a smartphone in hand. One of the positive impacts of the rapid advancement of technology is trade. Buying and selling transactions are now easier by utilizing existing technological developments.

One of the uses of today's technology in the trading system is the emergence of e-commerce. The internet offers opportunities to sell products of daily living needs directly to customers who are in the consumer market or consumers in the industrial market (business-to-business market). Direct selling via the internet is called e-commerce.

Consumers who previously had to buy products had to come to the store directly, with e-commerce now consumers only need to see pictures or photos presented by sellers through online applications. In addition, through the internet network a market place company can present information about their products online.

Currently, online shopping applications have become an alternative choice for people to get or buy the products they want. According to the Indonesia e-commerce map data for the 3rd quarter of 2019 based on Iprice, the Shopee online application is the first mobile market place application with the Consumer to Consumer (C2C) concept that is safe, easy and practical to use for consumers.

Currently not all consumers go through the stages of buying decisions as mentioned above. This is what will lead to an impulsive buying decision, where an impulsive buying is a buying that immediately and suddenly without any intention before shopping, to buy a specific product category and to meet certain or unplanned needs. Impulsive buying it self occurs when consumers see a product with a certain brand that consumers are interested in getting, this usually happens because of an interesting influence from the store. In fact, the product is

sometimes not thought of first in the minds of consumers. Impulsive buying often occurs in consumers who make online transactions with an excessive desire for an online buying.

Impulsive buying through online shopping applications is a new phenomenon in today's teenagers, especially students in Bengkalis who are the object of this research. With the development of rapid and sophisticated technology, most students will be easily influenced by the progress of the times, where at this phase students will tend to follow the existing fashion trends. Therefore, students are considered to have a high level of consumptiveness in meeting their needs.

In this case, when a student opens a Shopee application, a sudden urge arises to make a buying at that time to meet the needs and even desires of a previously desired product, because the product is in the Shopee application.

Students in Bengkalis are considered to have more interest in fashion products, make up, etc. So that students who have this interest will continue to follow fashion trends when there are new products and also make buying when there are offers on the Shopee application. In addition, in the Shopee application, students can also meet their needs during college, such as course books and other stationery at prices below the prices of other stores. Therefore, students are considered very potential to do shopping with an impulsive buying system on the Shoppe application.

There are several factors that encourage consumers to make impulsive buying, such as the existence of an attractive sales promotion offered by sellers. Where promotion is one of the activities carried out to give an influence to consumers so that consumers make a buying. Promotion is also one of the important factors that will determine the success or failure of a company's marketing program. Promotion will provide information about the product to consumers about the advantages and disadvantages of a product so that consumers feel interested in buying the product.

In the Shoppe application, the promotions offered every month are quite attractive to consumers and always follow the existing trends. For example, the

tagline "Shopee Free Shipping" which is the mainstay of the Shoppe application, making Shopee the largest marketplace in Indonesia. With this tagline, people who will become consumers feel that they are familiar and easy to relate to the promotions presented by the Shoppe application, in the Shopee application the ease of access is also one of the reasons for consumers to make impulsive buying of a product through online buying. Convenience is defined as the extent to which a person believes that using a technology will be free of effort.

There are several convenience facilities in the Shopee application that are obtained by consumers, such as ordering can be done anytime and anywhere only through a smartphone. Payments can be made through merchants such as Alfamart and Indomaret by paying with cash without using an ATM card (electronic payment cards are used to withdraw cash or transfer money at ATM machines). You can also make payments via Credit Card, Bank Transfer, ShoopePay, SpayLater, Oneklik, Credit Card Installment and COD (the payment method is done directly on the spot after the order from the courier is received by the buyer.). As well as, product delivery that goes directly to the consumer's address.

Through the Shopee application, consumers can see the various products offered on the application only through images or photos. There is no need to meet directly between the two parties, allowing sellers to have the opportunity to get consumers widely without limits and vice versa. In addition, consumers can freely find the products they want, for example products from abroad.

In addition to promotions and ease of access, the existence of sales discounts in an online shopping application is very influential for consumers in every impulsive buying decision of a product. Where a discount is a reduction or discount from the price of a product on the list given by the seller to the buyer. Discounts are more often used by companies to attract consumers because they attract consumers more quickly and effectively. With the discount offer will provide an advantage for consumers, especially students because they can get the desired product below the normal price. Thus, consumers who initially do not

want to buy a product or do not plan to buy a product, by seeing a discount will have a desire to buy it without any prior planning.

Moreover, the Shopee online shopping application provides special offers such as free shipping for a minimum purchase of Rp. 0, free Xtra shipping, vouchers and cashback, 12.12 birthday sale discount up to 80%, brand promo, flash sale, super brand day and big sale on certain days, for example on beautiful dates or national holidays. The discount is expected to influence consumers to buy a product immediately, because not all discounts will be given for a long period of time. This will then trigger consumers because consumers feel when they will get a product at a price below the normal price.

Based on the background described above, I hereby as a writer take the initiative to conduct a research entitled "**The Effect of Promotion, Ease of Access, and Discounts on Impulsive Buying Decisions of Shopee Shopping Application Users in College Student Bengkalis City**".

1.2 Formulation of the Problem

Based on the background description above, the formulation of the problem in this study are: How do promotions, ease of access and discounts affect impulsive buying decisions for students in Bengkalis, Shopee application users?

1.3 Purpose of the Study

Based on the formulation of the problem, the objectives of this research are:

1. To find out what the effect of promotion on impulsive buying decisions for students in Bengkalis partially.
2. To find out what the effect of ease of access on students impulsive buying decisions in Bengkalis partially.
3. To find out what the effect of discounts on impulsive buying decisions on students in Bengkalis partially.
4. To find out the effect promotions, ease of access, and discounts have an effect on impulsive buying decisions for students in Bengkalis partially.

1.4 Significance of the Study

Theoretical Benefits

The researcher hopes that the results of this study can provide insight into impulsive buying decisions that may be related to promotions, ease of access and discounts on impulsive buying decisions. In addition, it can also be used as the development of knowledge in the field of marketing management.

Practical Benefits

1. For academics

The researcher hopes that the results of this study can provide useful knowledge for readers about impulsive buying decisions in online shopping applications and the impact obtained from an impulsive buying decision.

2. For companies

Researchers hope that the results of this study will be used as an evaluation material for Shopee companies and as a means to expand knowledge and better understand the effect of promotions, ease of access, and discounts on impulsive buying so that companies can implement effective, efficient and targeted strategies for the future to increase volume sales.

1.5 Scope and Limitation of Problem

1. There are many factors that can influence an impulsive buying decision, but in this study only three independent variables were taken to see the effect on the dependent sixteen variable, namely impulsive buying decisions made by students in Bengkalis using the Shopee application.
2. This study took respondents only from students in Bengkalis, even though the Shopee application users were very broad in scope.

1.6 Writing System

The writing of these results can be described in each chapter, namely as follows:

CHAPTER 1 :INTRODUCTION

In this chapter 1 explains the background of the problem, problem formulation, research objectives and the systematic writing of a study in the final research report.

CHAPTER 2 : LITERATURE REVIEW

In this chapter 2 explains about previous research and theoretical basis in this final research contains the theory that underlies the research that comes from books literature published nationally or internationally for at least the last 3 years.

CHAPTER 3 : METHODS AND ACCOMPLISHMENT PROCESS

In this Chapter 3 explains the identification of the location, time and object of research, types and sources of data, population and samples, sample collection techniques, data collection techniques, data processing techniques, scale measurement, data analysis methods, types of research, concept definitions and operational variables.

CHAPTER 4 : RESULTS AND DISCUSSION

In chapter 4 explaining the results of testing, discussion and limitations of research results, discussion of the results obtained is made in the form of theoretical explanations, either qualitatively, quantitatively or statistically.

CHAPTER 5 : CONCLUSION

In this chapter 5 explains the conclusions and suggestions from the research that has been carried out.

REFERENCES

WRITER BIOGRAPHY