SCAN - Budiman MIICEMA 2nd Paper V1

by Arief Budiman

THE EFFECTS OF SHOPPING LIFESTYLE, FASHION INVOLVEMENT, AND SELF CONFIDENCE ON IMPULSE BUYING BEHAVIOR ON THE GENERATION Y BANJARMASIN

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Abstract

This study aims to analyse and investigate the influence of shopping lifestyle, fashion involvement, and self confidence towards impulse buying behavior on the Generation Y. Using online questionnaires the data were collected. The number of respondents who identified as samples in this study was a hundred fashion product consumers that categorized as Generation Y. The SmartPLS was employed to test the hypotheses.

The results show that shopping lifestyle and self confidence significantly and positively related to fashion involvement. Furthermore, shopping lifestyle significantly and positively related to impulse buying behavior. While fashion involvement and self confidence had no significant affect to impulse buying behavior on the Generation Y.

Keywords: Shopping Lifestyle, Fashion Involvement, Self Confidence, Impulse Buying Behavior, Generation Y

Introduction

In the marketing literature it is well known that there is an existence of Generation (cohort) which is play an important role in marketing science because a generation describes a group of individuals that born in a particular year group (Gilboa, Fabio, Marinacci, & Schmeidler, 2010). Experience in different generation, affect them to think and act, and lead to different attitudes from each group generation (Strauss & Howe, 1991).

Marteney (2010) suggests that human generation is divided into six categories. The first generation is the Greatest Generation those who were born in1901 to 1924 *(world war II)*. The second generation is the Silent Generation those who were born in 1925 to 1942. The third generation is the Baby Boomers those who were born in 1943 to 1960. The fourth generation is Generation X those who were born in 1961 to 1981. The fifth generation is Generation Y those who were born in 1982 to 1994, and the sixth generation is Generation Z those born in 1995to 2010 (Merdina, 2012). Consumer of Generation Y represents a significant percentage of population and recognized as an important market segment and shows the difference with previous generations in shopping lifestyle (Bakwell& Mitchel, 2003).

The objective of this study is to analyse and investigate the influence of shopping lifestyle, fashion involvement, and self confidence towards impulse buying behavior on the Generation Y. Empirical research on this domain has to-date largely focused on western consumers and little evidence is available from Asian countries, particulalrly Indonesia. This study contributes to the consumer behaviour area by examining the relationship of those variables to Generation Y in Indonesia.

LITERATURE REVIEW

Generation Y

Generation Y are people who were born from 1982 to 1994 (Merdina, 2012). Consumer of Generation Y represents a significant percentage of population and recognized as an important market segment and shows the difference with previous generations in shopping lifestyle (Bakwell & Mitchel, 2003).

Don Tapscott, Grown Up Digital author (2009), mentions that Generation Y or millennial are net generation who have characteristics as follows: loved freedom, customization, scrutiny, integrity, loved collaboration, loved entertainment, fast, and loved innovation. More over, Generation Y prefers to choose a product that is known through the information they got from television or internet, and then they will decided to buy the product or not.

Shopping Lifestyle

Shopping lifestyle is defined as behaviors exhibited by the buyer which associated with a responses and personal opinion about purchasing a product (Cobb & Hoyer, 1986). Shopping lifestyle is a shopper style that occurs specifically gave a pressure on shopping lifestyle which includes shopping activities, interests and opinions, and reflection as a complex social activity, recreation, and economic phenomena. Basically shopping lifestyle understood as a social phenomenon that is done by consumers as a form of recreation and economic activity (Visser & Preez, 2001).

Fashion Involvement

Fashion involvement is a behavior refers to the interest of attention with category of fashion products (such as clothes). Fashion involvement used primarily to predict the variables of behavior which is related to products such as clothes, purchasing behavior and consumer characteristics (Browne & Kaldenberg, 1997). O'Cass (2004) found that fashion involvement on clothes are closely related to personal characteristics (women and young people), and knowledge of fashion which is turn affect consumer confidence in making purchasing decisions.

Self Confidence

Self confidence defined as a feeling of containing the power, the ability and skills to perform something which is based on the confidence to succeed (Bandura, 1977). Self confidence begins from own self determination, to do everything we want and need in life. Self confidence starts from faith in self, so that we are able to face the challenges of life and to do something about it (Angelis, 2003:10).

Impulse Buying Behavior

Impulse buying behavior defined as a different purchasing behavior with purchase plan before going to the store (Dell, Roger, & Coney, 2001). Impulse buying behavior is a tendency of consumers to make spontaneous purchases, not reflected, in a rush, and encouraged by motional psychological aspects of a product and tempted by the persuasion of marketers (Stern, 1962).

Conceptual Framework

In an attempt to describe the relationship between the variables in this study, can be explained through the frame work scheme as follows:
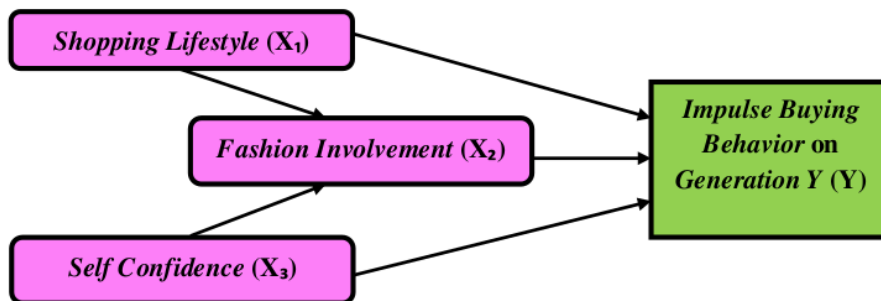
FIGURE1. Conceptual Framework
Source: Developed for research by the authors

Hypotheses

Shopping lifestyle become one of the most favorable lifestyle, to full this lifestyle people are willing to sacrifice something to achieve it and it is mostly occurs on fashion oriented-products. Frings (2007) found that the consumer motif to buy fashion product are various. Like based on to look like fashionable, attractive, to impress others, be acceptable by friends, peer group, or colleagues, or to full psychological the needs. Thus,

H1: shopping lifestyle will have a significant positive effect on fashion involvement on the Generation Y in Banjarmasin

Most people think shopping as fun social activities, so shopping lifestyle is chosen as a popular way to spend their leisure time. People love to look for new and interested thing that is offered in the market, shopping just for fun, people have a desire to innovative products, and the benefits that provided by those products then people tend to do impulse buying behavior. Impulse buying behavior usually occurs when consumers feel a strong motivation then turned into a desire to purchase goods or services. Cobb & Hoyer (1986) found that shopping lifestyle maybe related to impulse buying behavior. Thus,

H2: Shopping lifestyle will have a significant positive effect on impulse buying behavior on the Generation Y in Banjarmasin

Fashion involvement refers to a person's style of the way they dressed by an interest in one's appearance. The awareness of fashion identified as an important dimension from someone lifestyle that influence buying behavior and consumer behavior. Fairhurst & Gentry (1984) found that there is a positive relationship between fashion involvement and impulse buying behavior. Thus,

H3: Fashion involvement will have a significant effect on impulse buying behavior on the Generation Y in Banjarmasin

Self confidence has an important means of recognition of their existence in social life and community. Swastha & Handoko (1987) found that everyone has a personality and one of them is self confidence, and it is effect a different thought about some product. It occurs on the way to chose product, the color of clothes, and motif on clothes. Thus,

H4: Self confidence will have a significant effect on fashion involvement on the Generation Y in Banjarmasin

Impulse buying behavior often occurs on certain products that quite attractive to consumers. Like fashion product or clothes, because clothes is not just serve as body protector but clothes can also be used as a means of increasing self confidence, prestige and a person's mood. Rook & Fisher (1995) found that impulse buying behavior usually occurs when consumer feels strong motivation in confidence that come to be a desire to buy the product. Furthermore, they found that someone's good mood is more conducive to do impulse buying. Thus,

H5: Self confidence will have a significant effect on impulse buying behavior on the Generation Y in Banjarmasin.

METHODOLOGY

In this study, the explanatory method used to test the influence of shopping lifestyle, fashion involvement, and self confidence towards impulse buying behavior on Generation Y. The samping method that used in this study was convenience sampling procedure with 100 respondents that filled up the questionnaire on line. The invitation to particiapte on this study was sent through email, twitter, and other social media. All measures employed on this study were adapted from previous research that was similar on this study.

Data Analysis Techniques

Structural Equation Model (SEM) with SMART PLS was used to test the hyphoteses. PLS is a powerful method of analysis (Wold, 1985 in Ghozali, 2008) because it is not based on many assumptions. For example, the data must be normally distributed, samples should not be large. It can be used to confirm the theory, PLS also can be used to explain the relationship between latent variables. PLS can as well as analyzing constructs formed with reflective and formative indicators. It cannot be done by SEM based covariance because it will be an unidentified model.

EMPIRICAL RESULTS

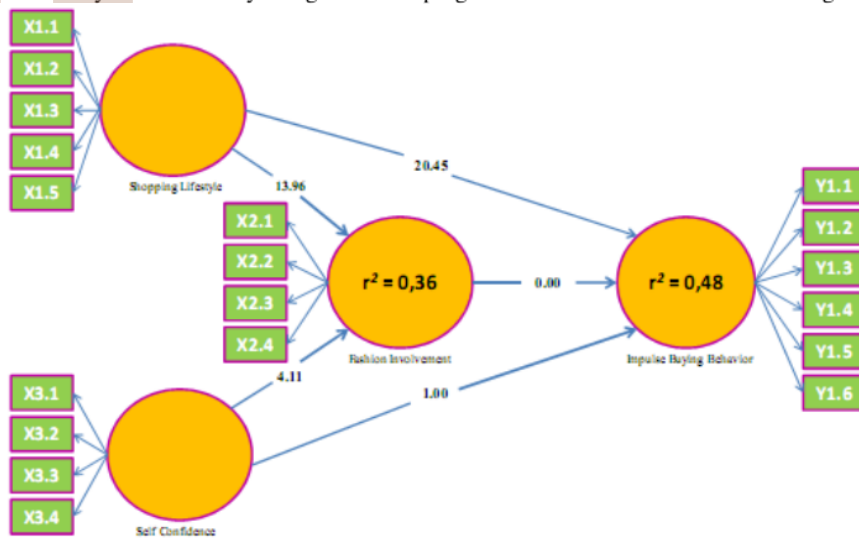The data analysis in this study using PLS with program Smart PLS 2.0 and the following results:

FIGURE 2. Structural Model

TABLE 2. Partial Least Square results

Predicted Variable	Predictor Variable	Hyp	Path Weight	Variance due to path	R^2	Critical Ratio
Fashion Involvement		H1	0.51	0.29	0.36	13.96[+]
Impulse Buying Behavior	Shopping Lifestyle	H2	0.70	0.48		21.81[+]
Impulse Buying Behavior	Fashion Involvement	H3	-0.00	0		0.00[+]
Fashion Involvement		H4	0.21	0.07		4.11[+]
Impulse Buying Behavior	Self Confidence	H5	-0.05	0.007	0.48	1.03[+]

**exceeds minimum acceptable level 0.015
**exceeds minimum acceptable level 1.96

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All the constructs in this study have average variance explained (AVE) exceeded 0.50. Thus, the measures exhibited satisfactory convergent validity. More over, the *composite reliability* of the constructs were between 0.82 – 0.90. Hypotheses were tested using PLS based on the value of R^2, average variance extracted (AVE), regression weights and bootstrap critical ratios (t-values) and path variance. Table 2 shows that the cut-off point for the path coefficient is 0.015 (15%) of the variance and the bootstrap critical ratios for the path estimates should be greater than 1.96 as recommended by Ghozali (2008). Based on these results, the hypotheses 1, 2, and 4 were accepted and the hypotheses 3 and 5 were rejected.

CONCLUSIONS

Implications shopping lifestyle to fashion involvement

Based on the results of statistical calculations, it can be concluded that the construct shopping lifestyle significantly effected on the construct of fashion involvement. It can be seen from the value of T-statistic greater than1.96, which is equal to 13,96. Thus, **hypothesis one (H1) in this study were accepted**. This suggests that a person who has a high shopping lifestyle tend to have a high fashion anyway. This phenomenon can occur because the suspected respondent (in this case Generation Y) tend liked to shop and spend their money to make purchases on fashion-oriented goods.

To stimulate consumer's shopping lifestyle on fashion product, the marketer can present products with the latest fashion products. Marketers can make a team to look for new ideas in create a trend, connections are connected and integrated with suppliers to share information on the products that will be sold as a fashion trend with good quality, and etc.

Implications lifestyle shopping on impulse buying behavior

Based on the results of statistical calculations, it can be concluded that the construct shopping lifestyle significantly effect on construct impulse buying behavior. It can be seen from the value of T-statistic greater than1.96, which is equal to 21,81. Thus, **hypothesis two (H2) in this study were accepted.** This suggests that a person who has a shopping lifestyle relatively high tend to spend more time in shopping centers and willing to make unplanned purchases than those who are not fond of shopping. This phenomenon can occur because the alleged activities of shopping for Generation Y, is no longer about fashion products to meet the needs, but

rather to satisfy the pleasure and as a symbol of a particular image. The desire to shop is often encouraged them to buy goods that really are not needed and only based on interest in those goods through patterns and motif.

To stimulate consumer's shopping lifestyle in unplanned purchases on fashion products, the marketer can do it by modify the display at their store. Display is one form of business marketers to create a stimulus for shopping. The purpose of the display is to highlight the fashion trend or demonstrate how products should be used. The way to do that is to introduce color trends of the season by combine the products with a specific theme, put a writing special price or special offer in the store, and decorate the store which made it more interesting and dramatic as possible in order to represent the image of store and stuff in it.

Implications of self confidence to fashion involvement

Based on the results of statistical analysis, it can be concluded that the self confidence significantly effect on fashion involvement construct. It can be seen from the value of T-statistic greater than1.96, which is equal to 4,11. Thus, **hypothesis four (H4) in this study were accepted.** It shows that the higher a person's self confidence, the higher involvement of knowledge about fashion and fashion it self. This phenomenon can occur because the alleged involvement of the media (television, internet, magazines, aand others) which affects the way they dressed and a tendency to find out things in trend. Thus, in choosing fashion products, they tend to be influenced by self-esteem and subjective knowledge on products of fashion which they got from the media around them.

To stimulate consumer's self confidence in product fashion, the marketers can do this by providing comprehensive information and details about the latest fashion products. The way to do that is doing intensive sales promotion through advertising and publishing product catalogs to increase awareness of fashion products, especially on a product that in trend. With the promotion is expected to make consumers become more aware of the importance of fashion and more confident in their clothes.

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