THE IMPACT OF HEDONIC MOTIVATION, PAYLATER FEATURES, SALES PROMOTION, AND WEB QUALITY TO ONLINE IMPULSIVE BUYING BEHAVIOUR OF GENERATION Z CONSUMERS IN INDONESIA



BY: NADILA HINGIS MARYADI 3303019027

INTERNATIONAL BUSINESS MANAGEMENT FACULTY OF BUSINESS WIDYA MANDALA SURABAYA CATHOLIC UNIVERSITY 2023

THE IMPACT OF HEDONIC MOTIVATION, PAYLATER FEATURES, SALES PROMOTION, AND WEB QUALITY TO ONLINE IMPULSIVE BUYING BEHAVIOUR OF GENERATION Z CONSUMERS IN INDONESIA

UNDER GRADUATE THESIS Addressed to FACULTY OF BUSINESS WIDYA MANDALA SURABAYA CATHOLIC UNIVERSITY To Fulfil The Requirement of Management Bachelor Degree

International Business Management Program

By: NADILA HINGIS MARYADI 3303019027

INTERNATIONAL BUSINESS MANAGEMENT
FACULTY OF BUSINESS
WIDYA MANDALA SURABAYA CATHOLIC UNIVERSITY
2023

APPROVAL PAGE

UNDERGRADUATE THESIS

THE IMPACT OF HEDONIC MOTIVATION, PAYLATER FEATURES, SALES PROMOTION, AND WEB QUALITY TO ONLINE IMPULSIVE BUYING BEHAVIOUR OF GENERATION Z CONSUMERS IN INDONESIA

BY:

NADILA HINGIS MARYADI 3303019027

Has been approved and accepted to be submitted to the examiner team

Advisor 1,

Dr. Wahyudi Wibowo, ST., MM

NIDN. 0715047402

Date: 7 06 . 13

Advisor 2,

Gesti Memarista SE., M.SM.

NIDN. 0715128704 Date: 07 June 2023

VALIDATION PAGE

Thesis written by Nadila Hingis Maryadi

Dr. Hentra Wijaya, S.Akt.,M.M,CPMA. NIDN. 0718108506

NRP 3303019027

Has been examined and declared passed on $19^{th}\,\mathrm{June}~2023$

Head of Examiners

(Wahyudi Wibowo, S.T., MM.)

NIDN. 0715047402

Confirmed by:

Head of Department,

Yulika Rosita Agrippina, S.M., MIB NIDN 0/010/79410

AUTHENCITY STATEMENT OF SIENTIFIC PAPER AND PUBLICATION APPROVAL OF SCIENTIFIC PAPER

Per the sake of knowledge dpevelopment, I as the student of Widya Mandala Surabava Catholic University.

The Undersigned bellow:

Name

: Nadila Hingis Maryadi

NRP

: 3303019027

Thesis Title

: The Impact of Hedonic Motivation, Paylater Features, Sales

Promotion, and Web Quality to Online Impulsive Buying Behaviour of Generation Z

Consumers in Indonesia

Acknowledged that this thesis is my authentically written by myself. If this work is proven constitutes plagiarism, I am willing to accept the sanction which is given by Faculty of Business, Widya Mandala Surabaya Catholic University. I also agree that this paper is published on the internet or other media (Widya Mandala's Digital Library) for academic purposes in accordance with copyright law.

Thereby the statement of authenticity and publication approval for this scientific paper which I made is sincere

> Surabaya, 09 June 2023 Stated by.

Nadila Hingis Maryadi

FOREWORD

Alhamdulillah, All Praise be to Allah, Lord of the Worlds. Peace and blessings of Allah be upon our Prophet Muhammad, and on his family and companions, which enabled the researcher to finish this final project named "The Impact of Hedonic Motivation, Paylater Feature, Sales Promotion, and Web Quality to Online Impulsive Buying Behaviour of Generation Z Consumers in Indonesia." This final work is one of the prerequisites for obtaining the title of Bachelor of Management from Widya Mandala Catholic University Surabaya's Faculty of Business. Throughout the composition of the final assignment, the researcher values all the assistance, support, direction, advice, and criticism received from diverse sources.

On this special occasion, the researcher would like to express gratitude to all parties who have already guided and encouraged the researcher during the process of writing thesis, especially to the followings:

- 1. Beloved parents who always provide continuous support through prayers and moral support. So that the researcher can successfully complete the thesis and capable of finishing the thesis.
- 2. Dr. Hendra Wijaya, S.Akt, M.M., CPMA as the Dean of Faculty of Business, Widya Mandala Surabaya Catholic University
- Yulika Rosita Agripina, S.M., MIB. As the head of Management Program
 (S1) Widya Mandala Surabaya Catholic University
- 4. Dr. Wahyudi Wibowo, ST., MM. as the head of International Business Management department and as the Advisor I, who always guided and spent time giving guidance and constructive criticism during the thesis writing process.
- 5. Gesti Memarista, S.E., M.SM., CSA as the Advisor 2, who always guide and spent her time to give me insights and constructive critiCS also suggestions during this final assignment writing process.
- 6. The whole administrative staff of Faculty of Business assists the researcher in charge of administrative requirements that must be fulfilled for the thesis' final examination.

- 7. The whole laboratory staff, who aided through the sharing of knowledge which is needed to examine, analyze, and process the collected data for the purpose of composing thesis.
- 8. Professor Javier Herrera, who helped the researcher with finding sources for the thesis.
- 9. Friends: Severin Remi Mochtar, Mutiara Adiguna, Gera Genardya, Hizkia Wijaya, Lifia Ma'rifatus, Eleonora Stephanie Tjandra, Novena Qiranti, Maria Isabel Clarisa, Nathanael Hadijaya, Jordy Kusuma, Florens Delin, Rizky Tri Paramanandana, Aurella Irvanti, Dhivena Leanti, Scholastica Evangelia, Ardyana Rachmayanti, Sina Yoo, Eunju Seo, Nurlaila Nadhifa, Aura Kayana, Gabriella Lisbeth Avriel Purwanto, Florentina Putri, and Della Alvita for being kind and supportive during the process of making the thesis
- 10. Mental supporters: Namjoon Kim, Seokjin Kim, Yoongi Min, Hoseok Jung, Jimin Park, Taehyung Kim, Jungkook Jeon, Seungcheol Choi, Jeonghan Yoon, Joshua Hong, Junhui Moon, Soonyoung Kwon, Wonwoo Jeon, Jihoon Lee, Myungho Seo, Mingyu Kim, Seokmin Lee, Seungkwan Boo, Vernon Chwe, Chan Lee, Hongjoong Kim, Seonghwa Park, Yunho Jung, Yeosang Kang, San Choi, Mingi Song, Wooyoung Jung, Jongho Choi, and Moon Bin (R.I.P).
- 11. Shivana Dzul'fi, who helped the researcher mentally and morally for the thesis.
- 12. All extended family and relatives who always gave encouragement and help to the author during this thesis period.
- 13. All parties who are involved directly and indirectly in aiding, guidance, and encouragement during the process cannot be mentioned one by one. So that the researcher can complete the thesis successfully.
- 14. Last but not least, I wanna thank me, I wanna thank me for believing in me, I wanna thank me for doing all this hard work, I wanna thank me for having no days off, and I wanna thank me for never quitting. Because my work makes me breathe, so I want it more.

The researcher is completely aware that, now that it has been completed, this final assignment is imperfect. As a result, constructive feedback and suggestions are encouraged. Finally, the researcher expects that this thesis will be beneficial to everyone who require it, both academically and practically

Surabaya, 26th June 2023

Researcher Nadila Hingis Maryadi

TABLE OF CONTENTS

FOREWORD	. iv
TABLE OF CONTENTS	viii
LIST OF TABLES	X
LIST OF FIGURES	. xi
LIST OF APENDICES	xii
ABSTRACT	xiii
ABSTRAK	xiv
CHAPTER I INTRODUCTION	1
1.1 Research Background	1
1.2 Problem Formulation	7
1.3 Research Objectives	7
1.4 Benefits of Research	8
1.5 Writing Systematic	8
CHAPTER II LITTERATURE REVIEW	. 10
2.1 Theoretical Basis	. 10
2.2 Previous Research	. 18
2.3 Hypothesis Development	. 19
2.4 Research Framework	21
CHAPTER III RESEARCH METHODOLOGY	. 22
3.1 Research Design	. 22
3.2 Variable Identification	. 22
3.3 Variable Operational Definition	23
3.3.2 Paylater Feature	. 24
3.3.3 Sales Promotion	. 25
3.4 Measurement of Variables	. 28
3.5 Data Types and Sources	. 28
3.6 Method of Collecting Data	. 29
3.7 Population, Sample, and Sampling Technique	30
3.8 Analysis Techniques	30

CHAPTER IV ANALYSIS AND DISCUSSION	34
4.1 Overview of Research Objectives	34
4.2 Data Description	35
4.3 Data Analysis Result	42
4.4 Discussion	49
CHAPTER V CONCLUSION, LIMITATION, AND SUGGESTION	52
5.1 Conclusion	52
5.2 Limitation	53
5.3 Suggestion	53
REFERENCES	
APENDICES	

LIST OF TABLES

Table 2. 1 Previous Researches	18
Table 3. 1 Rule of Thumb in Outer Model Measurement	32
Table 4. 1 Characteristic of The Respondents	34
Table 4. 2 Prescription of Respondents' Agreeableness	36
Table 4.3 Descriptive Statistics of Hedonic Motivation	38
Table 4.4 Descriptive Statistics of Paylater Features	39
Table 4.5 Descriptive Statistics of Sales Promotion	40
Table 4.6 Descriptive Statistics of Web Quality	41
Table 4. 7 Descriptive Statistics of Online Impulsive Buying Behaviour	42
Table 4.8 Convergent Validity Test	43
Table 4.9 AVE (Average Variance)	44
Table 4.10 Discriminant Validity Test – Cross Loading	44
Table 4.11 Composite Reliability	45
Table 4.12 R2 Value	46
Table 4.13 Prediction Relevance	47
Table 4.14 Hypothesis Test	48

LIST OF FIGURES

Figure 1.1 Leading countries based on retail e-commerce sales growth in 2022	22
Figure 1.2 Most widely used Paylater feature in Indonesia in 2021	4
Figure 2.1 Research Framework	21
Figure 4.1 Outer Path Modelling of The Research	36
Figure 4.2 Research Model after The Invalid Indicators Removed	37

LIST OF APENDICES

Appendix 1: Questionnaire

Appendix 2: Primary Data

Appendix 3: Respondents' CharacteristiCS

Appendix 4: Descriptive Statistics

Appendix 5: Outer Path Modelling

Appendix 6: Inner Path Modelling

Appendix 7: Convergent Validity Test - Outer Loading

Appendix 8: Average Variance Extracted (AVE)

Appendix 9: Discriminant Validity Test – Cross Loading

Appendix 10: Construct Reliability and Validity

Appendix 11: R^2 Value

Appendix 12: Prediction Relevance (Q^2 Predict)

Appendix 13: Hypothesis Test

ABSTRACT

During this era, there have been remarkable advancements in technology, which have brought about disruptive developments. This trend is evident in Indonesia, where people are enthusiastic about innovating in the realm of online shopping. They are not only focused on enhancing online shopping platforms but also on expanding the range of payment options available. Over time, individuals in Indonesia have gained more choices, such as the introduction of the paylater feature. Consequently, there has been an increase in impulsive buying among many Indonesians.

The purpose of this study is to examine the impact of hedonic motivation, the paylater feature, sales promotion, and web quality on the online impulsive buying behavior of Generation Z consumers in Indonesia. Generation Z, characterized by their adeptness with technology and strong digital connectivity, has emerged as a significant consumer group in the e-commerce industry.

The data for this study was collected through a Google Form survey. The researcher gathered responses from 246 individuals residing in Indonesia, aged between 11 and 26 years old, who had used the paylater feature as a payment option three past months. The collected data was then processed using Smart PLS 4.0 and analyzed through the Structural Equation Model (SEM) method.

The findings of the study indicate that hedonic motivation has a significant influence on online impulsive buying behavior. Additionally, the presence of the paylater feature, sales promotion efforts, and web quality also exert a significant influence on online impulsive buying behavior.

Keywords: Hedonic motivation, paylater feature, sales promotion, web quality, online impulsive buying behavaiour.

ABSTRAK

Pada era ini, teknologi mengalami perkembangan signifikan. Perkembangan tersebut terjadi secara disruptif. Secara konkret, fenomena ini juga dapat diamati di Indonesia. Masyarakat Indonesia gemar melakukan inovasi dalam hal belanja online. Mereka tidak hanya fokus pada pengembangan platform online untuk berbelanja, tetapi juga pada pengembangan opsi pembayaran. Seiring berjalannya waktu, mereka mulai memiliki lebih banyak pilihan pembayaran seperti fitur paylater. Akibatnya, banyak orang di Indonesia mulai berbelanja secara impulsif.

Penelitian ini bertujuan untuk menyelidiki pengaruh motivasi hedonis, fitur paylater, promosi penjualan, dan kualitas situs web terhadap perilaku pembelian impulsif secara online pada konsumen Generasi Z di Indonesia. Generasi Z, yang ditandai sebagai individu yang mahir dalam teknologi dan terhubung secara digital, telah menjadi segmen konsumen yang signifikan dalam industri e-commerce.

Data yang digunakan dikumpulkan melalui formulir Google. Peneliti mengumpulkan 24 responden yang berdomisili di Indonesia, berusia 11-26 tahun, dan memiliki pengalaman menggunakan fitur paylater sebagai opsi pembayaran setidaknya sekali sebulan. Data kemudian akan diproses menggunakan Smart PLS 4.0 dengan metode SEM (Structural Equation Model).

Peneliti menemukan bahwa motivasi hedonis memiliki pengaruh signifikan terhadap perilaku pembelian impulsif secara online. Fitur paylater memiliki pengaruh signifikan terhadap perilaku pembelian impulsif secara online. Promosi penjualan memiliki pengaruh signifikan terhadap perilaku pembelian impulsif secara online. Dan yang terakhir, kualitas situs web memiliki pengaruh signifikan terhadap perilaku pembelian impulsif secara online.

Kata kunci: Motivasi Hedonis, Fitur *paylater*, Promosi penjualan, Kualitas web, perilaku pembelian impulsive secara online