



THE EFFECT OF DISCOUNT AND POSITIVE AFFECT ON FINANCIAL PLANNING THROUGH IMPULSIVE BUYING

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Abstract

Financial planning arrangements, can be seen from financial preparedness for emergencies, the community must be able to survive and anticipate unexpected needs. The Harbolnas phenomenon with the existence of free shipping and cashback in the marketplace can increase impulsive buying behavior and can affect emergency fund preparedness. This study aims to determine the effect of discounts and positive affect on financial planning mediated by impulsive buying variables. Respondents in this study amounted to 100 respondents. The results of the research processed using SPSS contain the conclusion that the positive affect, which means that the hypothesis is accepted.

Keywords: discount; positive affect; financial planing; impulsive buying

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INTRODUCTION

The cycle of human life continues to grow. From infancy to old age. Every stage of life from birth to death requires money, both just to maintain life and to continue to grow. Needs are not getting cheaper over time but increasingly diverse and expensive.

The speed of technology further complicates the different definitions of needs with wants, wants become a need that is formed from culture, environment and experience. The easier information is obtained, the more desires, and these desires are unlimited. so that planning plays an important role to provide limits to desires.

The development of the digital era is followed by changes in the pattern of people's lives, one of the digital products that have changed people's behavior is e-commerce, the following in graph 1 is presented data on e-commerce users from 2017-2020.

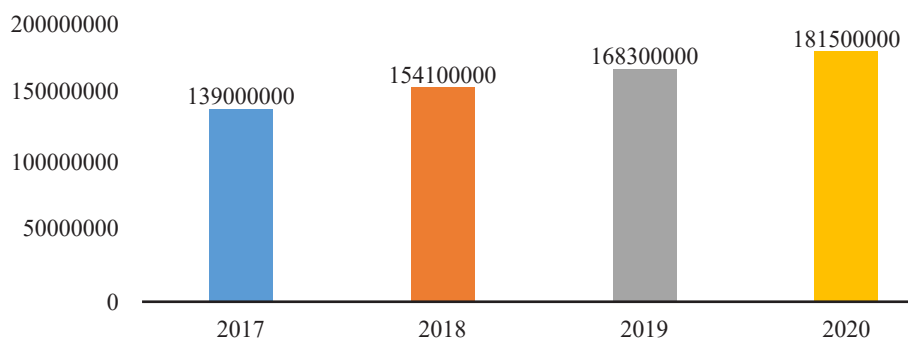


Figure 1. E-Commerce Users from 2017-2020

Sources: data process 2020

Based on Figure 1, we can see that the trend of people's enthusiasm for e-commerce is increasing every year. Other supporting data on the use of e-commerce can be seen in Figure 2.

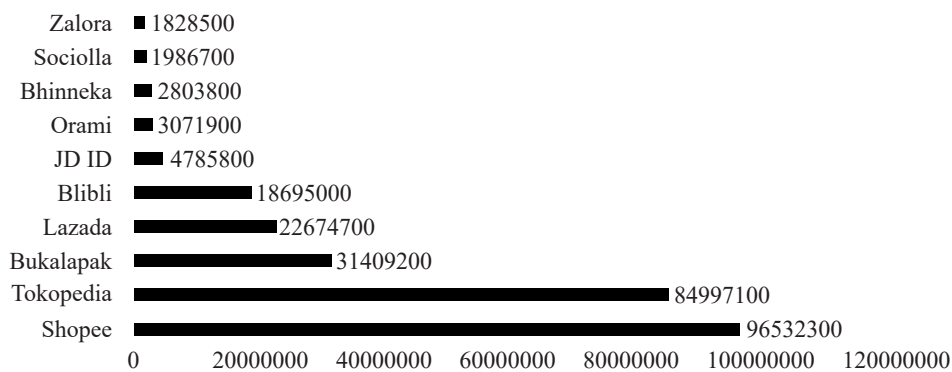


Figure 2. 2020 E-Commerce Users

Sources: data process 2020

We can see in Figure 2, 10 (ten) e-commerce choices of Indonesian consumers, according to the community in research conducted by KIC, the main attraction of e-commerce lies in price, because many MSMEs from various types of businesses offer their products on e-commerce. so that consumers are easy to compare prices with the quality they want. In addition, the shopping party which is often referred to as *harbolnas* (national shopping day) with other attractive offers makes consumers tempted to take advantage of the promo. so that it is not uncommon for people to buy without paying attention to the urgency of product ownership.

The above phenomenon is something that definitely happens. The business world strives to continue to create awareness of products by offering various competitive advantages, so that consumers expect more from the advantages of these products, manufacturers continue to create offers and create needs based on fulfilling consumer desires (Miao et al., 2019). So that it is not uncommon for producers to create products by prioritizing a hedonic image that will make consumers have a strong and sudden urge to buy a product without any prior intention or plan, and consumers act on that impulse without carefully or thoroughly considering whether the purchase was made carried out for its own sake or not for the event is called impulsive buying (Manoj Thomas, Kalpesh Kaushik Desai, 2011).

There are many factors that influence the impulsive buying behavior of consumers, one of which is discounts. discount is one of the most frequently used strategies (Chen et al., 2012). In the context of online shopping, consumers prefer discount prices over bulk discounts (offline). Because discounts are easier to get when online. This is due to the fact that price discounts are easy to come by (Carlson, 2017). Discounts also unintentionally persuade consumers to behave impulsively (Dias et al., 2014). There are several advantages of discounts according to manufacturers, namely: buying in large quantities, winning the competition and increasing sales. (Amanda & Edwar, 2015) in his research concluded that there was a positive and significant influence between discounts and impulsive buying behavior.

Other factors besides discounts are positive affect, namely the feeling of joy, enthusiasm and the creation of a pleasant experience, positive affect can have a relaxing effect on someone. Positive affect reflects commitment and awareness of self-esteem (Kara & Gok, 2020) In this study, positive influence was defined as positive emotions such as excitement and pleasure when using e-commerce.

In e-commerce, consumers are faced with abundant online information, especially sharing information from other consumers, consumers can be easily aroused by external stimuli to have a positive influence on the product and the urge to buy. On the other hand, when individuals are faced with information shared by other consumers, they can compare themselves with others to evaluate their own decisions (Xu et al., 2020). in his research (Santini et al., 2019) concluded that the positive effect had a positive and significant effect on impulsive buying .

Impulsive buying is a good thing for producers, but remains a negative thing for consumers because to fulfill current desires without compromising the welfare of future lives requires careful financial planning. Whatever the current decision will affect financial well-being in the future.

A member of the Board of Commissioners for Consumer Education and Protection in his book entitled financial planning wrote that " The success of financial management is actually more determined by the success of managing spending, because our control power over spending is greater than our control power over our income.". Basically, financial well-being is not always related to high income, but is related to a certain set of financial conditions (O'Connor et al., 2019). CFPB (2015) argues that in order to achieve and maintain financial

well-being, individuals must be able to absorb financial shocks, control monthly needs and daily expenses to be able to meet financial goals and have financial freedom in making choices.

Proper financial planning can be seen from financial preparedness for emergencies, namely being in the category of being able to maintain the current desired standard of living, and can anticipate unexpected needs and have financial freedom (Brüggen et al., 2017). In his research (Saufi, 2018) concluded that impulsive buying behavior has a negative and significant influence on future financial planning.

Based on the description of the background above, this study intends to understand the financial preparedness of household consumers with impulsive buying behavior towards discounts and the positive influence of shopping on e-commerce with the title The Effect of Discount and Positive Affect on Financial Planning Through Impulsive Buying.

METHOD

In this study statistical calculations using the Regression Analysis Model with the following equation. With the following equation:

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_1 X_2 + e \dots\dots\dots(1)$$

- Y = Financial Planning
- X₁ = Positive affect
- X₂ = Discount
- X_M = Impulsive buying (Moderation)
- 1,2 = Coefficient
- a = Constant
- e = Confounding Variable

The population used in this study is people of productive age in Central Java who use e-commerce . The sample used was 100 respondents. Respondents are people who fall into the category of productive age (15-64 years) and use e-commerce. The operational definition can be seen in Table 1.

Table 1. Operational Definition

Variable	Operational Definition
Discount (X ₁)	Discounts mean that businesses offer goods or services at a value below their previous price. Indicator: (1) search for discount information (2) visit store sites (3) view discounted products (4) special day discounts (5) wait for discounts to buy (Çavuşoğlu et al., 2020)
Positive affect (X ₂)	Positive affect refers to a person's tendency to experience positive emotions, to do things with a sense of pleasure. make purchases enthusiastically for self-satisfaction. Indicators: (1) feeling excited (2) feeling enthusiastic (3) feeling inspired (4) feeling happy (Xu et al., 2020)
Impulsive buying (Y ₁)	The urge to buy something spontaneously without considering the consequences and other potential negatives (Bandyopadhyay, 2016). Indicators: (1) desire to buy/addiction (2) buying that is not a goal (3) buying that is not related to the goal (Xu et al., 2020)
Financial Planning (Y ₂)	Financial preparedness when unexoected events occur so as to create financial prosperity. indicator: (1) Having enough money if you stop working (2) sufficient monthly income (3) available emergency funds (4) subjectivity (5) dynamics (6) certain standard of living (7) financial freedom (Abrantes-Braga & Veludo-de-Oliveira, 2020)

Sources : data process 2021

Impulsive buying is strongly influenced by price discounts (De Ridder et al., 2012). Discounts are the most frequently used strategy to stimulate the purchase of a product. Consumers will take advantage of special times to make purchases, especially if consumers are familiar with the product. The discounts given are not only discounted product prices but also discounts on shipping costs and even free shipping, so that consumers understand when to hold back to buy. After the special day arrives, consumers will take advantage of it by buying all the things they want instead of being needed. (Kusnawan et al., 2019) in his research concluded

that discounts have a positive effect on impulsive buying behavior, consumers will put products into their shopping carts because they can buy products at low prices and free shipping costs.

Positive affect refers to a psychological condition to adjust to pressure so that he can accept reality, shifting to happiness and well-being (Deng, et.al., 2021). Positive affect can increase impulsive buying, because someone will be happier when making a purchase to cover their sadness. In their research, Ayub & Zafar (2018) concluded that positive affect has a positive effect on impulsive buying.

Consumers think that with a discount, it means they can save on expenses so that they have the opportunity to buy other products they want. This can be done if only consumers have good financial planning so that consumers are in the assumption of financial freedom. (Chen et al., 2012).

Someone whose positive affect is dominant will tend to be successful in all things (Bernoste et al., 2019). Positive affect refers to a person's tendency to experience positive emotions, to do things with a sense of pleasure. make purchases with enthusiasm for self-satisfaction. positive affect is in a comfortable position to find information about a product to be purchased. positive affect is more present in conditions of financial freedom (Xu et al., 2020).

Impulsive buying is preceded by an urge to buy something spontaneously without considering the consequences and other potential negatives. If this behavior continues and does not think about financial planning, it will affect the financial position in the future. Consumers must be able to control themselves and take into account other unexpected needs (Bandyopadhyay, 2016). What's more, there are various approaches taken by the company such as the uniqueness of attractive packaging products and other promotional activities (Ayub & Zafar, 2018).

RESULTS

Respondents are Kendal people who use e-commerce in shopping for their needs. Respondents consist of 100 people. In table 1.3 below it can be seen that female respondents are 64% while male respondents are 36%, that there is a slight difference between female and male respondents, and are in the productive age between 20-30 years as much as 63%, this is shows that from the selected sample, the use of e-commerce in the productive age in Kendal is quite high.

The most e-commerce users are those who have jobs as private employees, which is 51% with a monthly income level of 1-2.5 million as the minimum wage applicable in Kendal. The frequency of shopping is 3-5 times at 59%, shopping is done once by buying various products that are already desired. The most visited marketplace is shopee as much as 88% with expenses of less than IDR 500,000 per month. Shopping on the market place is done because of competitive prices and the availability of free shipping in the midst of the busy Kendal community.

Table 2. Analysis Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.346	1.618		1.450	.151
	X ₁	.060	.080	.083	.759	.450
	X ₂	.352	.111	.349	3.174	.002

a. Dependent Variable: Y₁

Source: data processed, 2021

From the Table 2, it is known that the discount variable (X₁) has a Sig value. 0.450 > 0.05, which means that the discount has no effect on impulsive buying behavior, while positive affect (X₂) has a Sig.0.002 <0.05 which has a positive influence on impulsive buying behavior . As for the F hit value of 8.093 with a significance value of 0.001 <0.05, it can be concluded that the model is fit.

Table 3. Analysis Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.394 ^a	.155	.136	2.612

a. Predictors: (Constant), X₂, X₁

b. Dependent Variable: Y₁

Source: data processed, 2021

The coefficient of determination of 0.155 indicates that impulsive buying behavior can only be explained through the discount variable and positive affect of 15.5% while the rest is influenced by other variables.

Table 4. Analysis Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.060	1.065		2.874	.005		
	X ₁	.041	.052	.076	.796	.428	.788	1.269
	X ₂	.339	.076	.447	4.449	.000	.712	1.405
	Y ₁	.170	.069	.227	2.455	.016	.845	1.184

Source: data processed, 2021

From Table 4, it is known that the discount variable (X₁) has a Sig value. $0.428 > 0.05$ which means that the discount has no effect on financial planning, while positive affect (X₂) has a Sig. $0.000 < 0.05$ has a positive influence to financial planning.

Based on the results of the regression test as in 4.2 the results of the analysis, show that the discount has a Sig value of more than 0.05 ($0.450 > 0.05$), which means the hypothesis is rejected. Discounts have no effect on impulsive buying behavior, the more often and regularly the discount is given, the people tend to be able to suppress impulsive buying behavior.

The positive affect variable has a Sig value of less than 0.05 ($0.002 < 0.05$), which means that the hypothesis is accepted. Positive affect has a positive influence on impulsive buying behavior, the higher the degree of financial freedom of the community, the higher the impulsive buying behavior.

The discount variable has a value of Sig. More than 0.05 ($0.428 > 0.05$) indicates that the hypothesis is rejected. Discounts have no effect on financial planning. The more frequent and regular the discounting, the higher the community's financial planning preparation.

The positive affect variable has a Sig value of less than 0.05 ($0.000 < 0.05$), which means that the hypothesis is accepted. Positive affect has a positive influence on financial planning, the higher the positive affect, the better the financial planning you have.

The Impulsive buying variable has a Sig value of less than 0.005 ($0.016 < 0.05$), which means that the impulsive buying variable has a positive and significant influence on financial planning. However, the hypothesis was rejected. The higher the impulsive behavior, the better the financial planning, due to good self-control in the impulsive attitude, the better planning.

Table 5. Sobel Test

Variable Relationship	t value
D → IB → PK	0.75094488
PA → IB → PK	2.15664996

Source: data processed, 2021

In the Table 5, it is calculated that the discount variable $t \text{ count} < t \text{ table}$ ($0.75094488 < 1.96$) it can be concluded that there is no mediating effect between the discount variable on the impulsive buying variable on the financial planning variable. In the Positive Affect variable, it is known that the $t \text{ count}$ is greater than $t \text{ table}$ ($2.15664996 > 1.96$) so it can be concluded that there is a mediating effect of the positive affect variable on the impulsive buying variable on the financial planning variable.

DISCUSSION

Emergency financial preparedness can only be met if a person is able to control his daily and monthly expenses. With emergency financial preparedness, one can withstand economic shocks, especially one can feel financial well-being.

In this study, the discount variable had no effect on impulsive buying behavior, the discount had no effect on financial planning, and discounts mediated using the impulsive buying variable were also not proven to have a mediating effect on the financial planning variable. This happens because people can predict when the discount will be issued by the marketplace, so people tend to take advantage of discounts only to buy products which are their main goal. People are able to control themselves in taking advantage of discounts issued by shops on the marketplace.

Positive affect has a Sig value of less than 0.05 ($0.002 < 0.05$) on impulsive buying behavior. Due to the feeling of being enthusiastic and happy to do shopping on the marketplace and feeling satisfied when shopping at the marketplace, the higher the positive affect will result in higher impulsive buying behavior, because people will buy products that they find satisfying. In addition to buying the product that was the initial goal, people will tend to buy other products outside the original purpose of purchase and it is very different from the initial purpose of purchase, because the orientation is on self-pleasure. Although a person has a positive affect and tends to lead to good things, and if this is done excessively, it will be detrimental (Baron et al., 2012).

Even though this is the case, the community can still control themselves and prepare for emergency fund preparedness, as seen from the sig variable positive affect on financial planning, which is less than 0.05 ($0.000 < 0.05$), where positive affect has a positive and significant influence on financial planning. The happier the community is, the better the financial planning is done because even though they behave to satisfy themselves, the community is still realistic and able to consider the extent of their ability to fulfill their wishes. People still pay attention to the extent to which their financial adequacy is to meet their standard of living and achieve financial freedom. The positive relationship between affect and financial planning will be stronger if people have impulsive behavior that is still at a reasonable level. The positive emotions that people have, lead to the purchase of products that can be satisfying and happy, make them enthusiastic and can still think that people will still be able to live their lives for the next 3 months, with the availability of emergency reserve funds and sufficient income if they continue to make purchases regularly. repeat purchases or purchases made outside the original destination. With these positive emotions, people realize that impulsive behavior will not interfere with their financial freedom only if people do good financial planning.

CONCLUSIONS

Based on the analysis that has been done is that the discount variable does not have a good influence on the impulsive buying behavior variable or on the financial planning variable. The positive affect variable has a positive influence on impulsive buying behavior, because when people have feelings of pleasure and enthusiasm they will make purchases repeatedly and beyond the initial purpose of buying because it has a self-satisfying goal. And the positive affect variable has a positive influence on financial planning, because the positive emotions that people have make people aware that to satisfy themselves in the future it is necessary to have good financial planning. In this study, the hypothesis was established that impulsive behavior has a negative effect on financial planning, but this hypothesis is rejected. The results of the analysis that have been carried out state that impulsive buying behavior has a positive influence on financial planning with a Sig value of less than 0.005 ($0.016 < 0.05$). This can happen because people are able to control themselves in shopping, because people tend to be able to read the circumstances when the community must carry out transactions and adjust to the limits of the financial capabilities that the community has. The weakness of this study lies in the selection of samples whose impulsive buying attitude is still under control.

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