

THE INFLUENCE OF SERVICE QUALITY, PRICE AND PROMOTION ON IMPULSE BUYING OF UNIQLO FASHION PRODUCTS

Mutia Arda^{1*}, Dewi Andriany²

^{1,2}Universitas Muhammadiyah Sumatera Utara

Jl. Kapten Mukhtar Basri No. 3 Medan

*Email: mutiaarda@umsu.ac.id

ABSTRACT

The Uniqlo fashion brand sells women's and men's clothing for all age levels with high quality collections with simple but classy designs and affordable prices. The aim of this research was to analyze the influence of service quality, price and promotion on impulse buying among Uniqlo consumers in Medan City. The sampling technique used was the Slovin formula, so the sample size for this study was 100 people. The technique for collecting data in this research was carried out by distributing questionnaires. The data analysis technique uses statistical analysis, namely partial least squares – structural equation model (PLS-SEM). From this research, it was found that the influence of service quality on impulse buying is positive and significant. From this research it was found that the influence of price on impulse buying is positive and significant. From this research, it was found that the effect of promotion on impulse buying is positive and significant.

Keyword: Service Quality, Price and Promotion on Impulse Buying

INTRODUCTION

Fashion products account for 62% of all impulse purchases made by consumers. Consumers are tempted to buy something new in the store and the latest collections and 50% discounts are like red flags for customers and make these purchases even more attractive. Impulse buying is an unplanned purchase made by consumers to buy a product that is not actually needed. Before the consumer enters the shop, the consumer has not thought about buying an item, but after entering the shop and being influenced by something that could influence him, the consumer decides to purchase an item that was not previously included in the list of goods or products to be purchased in the shop (Daulay et al., 2021). Impulse buying will occur at unplanned times and places, the trigger is due to influences from outside a person, such as special offers from sellers to consumers. Interaction between sellers and consumers will encourage impulse purchases (Surveyandi, 2021). So in fact, the impulse buying decision will however be determined by the consumer himself, how to respond to various attractive offers becomes the desire to buy (Surveyandini, 2021). Quality of service

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in product sales includes honesty, speed in responding to consumer questions, providing guarantees, neat packaging and other services that support gaining consumer trust. Service quality can be defined as focusing on meeting needs and requirements, as well as on timeliness to meet customer expectations. Service applies to all types of services provided by the company while the client is at the company (Arianto, 2018). Different consumers have different service preferences when shopping at a store. Some people may be more comfortable choosing the item they are looking for without having to be followed by a salesperson. On the other hand, buyers prefer to be accompanied by shop assistants when looking for clothes to save time and energy (Arda & Andriany, 2019). For consumers who don't like being followed by sales assistants, it is very suitable to shop at Uniqlo. The salesperson at Uniqlo is very friendly, likes to greet and is enthusiastic. However, their service standard is not the type that continues to follow consumers until they find the right clothes. The salesperson will let consumers wander around the outlet for privacy reasons and will only lend a hand when asked.

The prices offered from the Uniqlo online shopping site or offline stores at Sun Plaza or Delipark Mall Medan at relatively cheap prices compared to competitors such as Zara and H&M will be the main consideration for consumers when making purchasing decisions (Nasution, et.al, 2019). Uniqlo Price is the main factor considered by consumers when making a purchase, usually consumers are attracted to competitive and relatively cheap prices which are in line with the quality of the desired product (Nasution, et.al, 2019). Uniqlo applies a psychological pricing strategy in offering products. Generally, the price tag placed has a large number such as 199 thousand. This pricing strategy is ancient, but it is still relevant today. Normally, people will think that the price of 199 thousand is still within the price range of one hundred thousand because of the tendency of Indonesian people to read from left to right. Before making a purchase, consumers usually make comparisons in terms of promotions and prices on the seller's website or compare door to door. Promotion is an activity that communicates the advantages of a product and persuades target customers to buy it. Promotion is an important source in disseminating information for the products offered and one of the marketing media that has great opportunities is through advertising media. Consumers who have a lot of knowledge and experience regarding products may not be motivated to seek information, because consumers already feel they have enough knowledge to make decisions. Consumers who have the personality of someone who likes looking for information will spend time looking for more information (Nasution et al., 2019). The aim of promotions is to have a direct effect on consumer purchasing behavior. Sales promotions intend to stimulate consumer needs and urge customers to buy products immediately from certain brands (Peranginangin, 2023). The promotion carried out by Uniqlo for consumers who make a purchase for the first time by providing a welcome coupon that consumers can use immediately during payment transactions. Uniqlo also often holds certain events such as the ARIGATO INDONESIA promotional festival. Uniqlo customers can enjoy special offers and special deals on certain dates. Not only are UNIQLO Indonesia providing special price offers, there are also exclusive prizes that are a shame to miss, such as the Exclusive Thermal Tumbler which can be obtained with a minimum purchase. The existence of sales promotions and good service quality will influence impulse buying. A shopping activity that is supported by the convenience and comfort obtained can foster

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impulsive behavior in a person, namely purchases that are made without planning in advance or are done suddenly (buying because you see the goods/products). The encouragement for impulse buying to occur in society can be caused by transactions that can be carried out anywhere and at any time just by searching on online shopping websites which provide all needs and requests with various models and price specifications (Choirunnisa, 2021). Based on the background of the problem above, the author conducted research "The Influence of Service Quality, Price and Promotion on Impulse Buying Uniqlo Fashion Products".

METHOD

This research uses an explanatory research approach, which aims to explain the causal relationship between research variables and testing hypotheses (Nasution et al., 2020). The service quality indicators in this research are tangible, empathy, reliability, responsiveness and assurance, (Tjiptono & Chandra., 2016). The price indicators in this research are prices in accordance with benefits, affordable prices for goods, price competition, price suitability for quality. Promotion indicators in this research are promotional messages, media, promotion time, promotion frequency, (Kotler & Keller, 2016). Indicators of impulse buying in this research are spontaneous purchases, purchases without thinking about the consequences, purchases influenced by emotional states, purchases influenced by attractive offers. The sampling technique used was the Slovin formula, so the sample size for this study was 100 people. The technique for collecting data in this research was carried out by distributing questionnaires. The data analysis technique uses statistical analysis, namely partial least squares – structural equation model (PLS-SEM).

RESULTS

The majority of respondents to this study were female with a percentage of 75%. The age with the largest majority is the 20-25 year age range with a percentage of 49%. This is very reasonable considering that this age range is the age where someone usually wants to shop more for fashion products that can be used to meet with friends and can also be used or community to increase insight and relationships in making friends. Internal consistency testing is in the form of reliability used to assess the consistency of results across items on the same test. This will determine whether the items measure a similar construct in their scores (i.e., if the correlation between the items is large). This test uses the Composite Reliability value, a construct variable is said to be reliable if the composite reliability value is > 0.60 (Graa & Elkebir, 2016). From table 1 below, it can be seen that the composite reliability of all variables is > 0.6 so that all variables are reliable for testing.

Table 1. Cronbach's Alpha, Composite Reliability dan AVE

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Price	0.740	0.889	0.792	0.740
Impulse Buying	0.701	0.784	0.791	0.729
Service Quality	0.880	0.914	0.897	0.770
Promotion	0.940	0.949	0.951	0.708

Source: Data processed by researchers using PLS, 2024

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Convergent validity is the degree to which a measurement correlates positively with alternative measures of the same construct. To assess whether an indicator of a construct variable is valid or not is seen from the outer loading value. If the outer loading value is greater than 0.7 then an indicator is declared valid (Hair, Hult, Ringle, & Sarstedt, 2016). The outer loading value for all statements in this study is greater than 0.7, so an indicator is declared valid. To assess whether an indicator of a construct/latent variable has good discriminant validity or not is seen from the Heterotrait Monotrait Ratio of Correlation (HTMT) criteria. In this criterion, if the HTMT value is <0.9 then the variable has good discriminant validity (valid). From table 2 it is known that the HTMT value is <0.90 . However, the indicators from this research are valid (accurate).

Table 2. Discriminant Validity

	Price	Impulse Buying	Service Quality	Promotion
Price				
Impulse Buying	0.652			
Service Quality	0.611	0.608		
Promotion	0.897	0.652	0.825	

Source: Data processed by researchers using PLS, 2024

R-Square is a measure of the proportion of variation in the value of a variable that is influenced (endogenous) that can be explained by the variable that influences it (exogenous). This is useful for predicting whether the model is good/bad (Juliandi, 2018b). According to (Juliandi, 2018a) The criteria for assessing R-Square are: If the R-square value = 0.75 then the model is strong, If the R-Square value = 0.50 then the model is medium, If the R-Square value = 0, 25 then the model is weak (bad). The conclusion on the R-Square test is as follows: Adjusted R-Square = 0.743, meaning that the ability of variable

Table 3. R Square

	R Square	Adjusted R Square
Impulse Buying	0.766	0.743

Source: Data processed by researchers using PLS, 2024

The f-Square or f^2 effect size measurement is a measure used to assess the relative impact of an influencing (dependent) variable on the influenced (independent) variable. The f^2 (f-Square) measurement is also called the effect of changing R^2 . This means that changes in the R^2 value when certain dependent variables are removed from the model can be used to evaluate whether the omitted variables have a substantive impact on the independent variable construct (Juliandi, 2018).

Table 4. F Square

	Service Quality	Price	Promotion	Impulse Buying
Price				0.128
Impulse Buying				
Service Quality				0.233
Promotion				0.293

Source: Data processed by researchers using PLS, 2024

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Based on the F-Square table, the following is the conclusion of the F Square table value. The quality of service for Impulse Buying obtained an F-Square value of 0.233, thus producing a moderate influence. The price of Impulse Buying obtains an F-Square value of 0.128, so it produces a small effect. Promotion of Impulse Buying obtained an F-Square value of 0.293, thus producing a moderate influence.

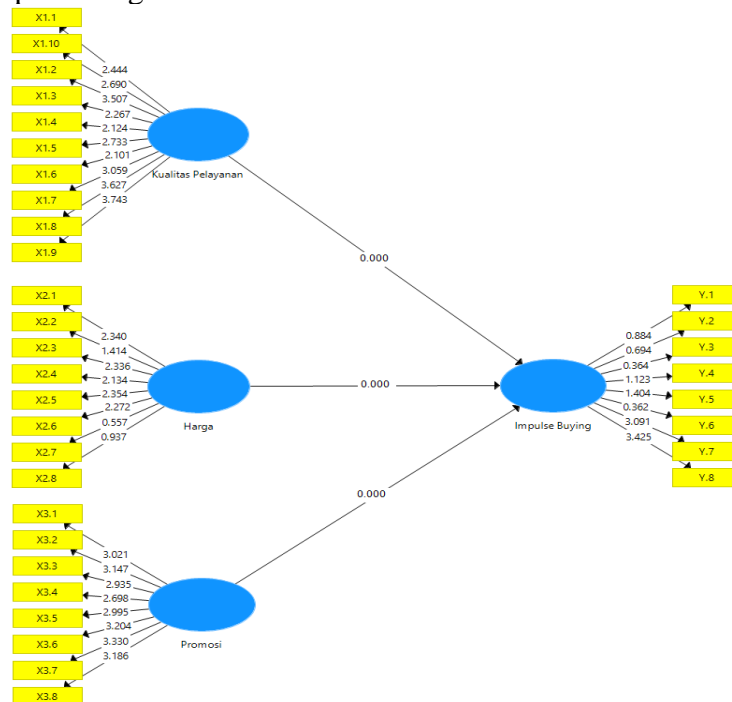


Figure 1. Model analysis

Table 5. Total Effect

	Original Sample (O)	P Values
Price -> Impulse Buying	0.384	0.003
Service Quality -> Impulse Buying	0.316	0.001
Promotion -> Impulse Buying	0.540	0.000

Source: Data processed by researchers using PLS, 2024

Based on the total effect table, the following conclusions can be drawn, including: The total effect of service quality on impulse buying is 0.003, the total effect of price on impulse buying is 0.001, the total effect of promotions on impulse buying is 0.000.

DISCUSSION

The Influence of Service Quality on Impulse Buying

From this research it was found that the influence of service quality on impulse buying is positive and not significant. With P-Values $0.003 < 0.05$. These findings mean that as service quality increases, impulse buying will also increase. A significant value indicates that service quality influences impulse buying. Based on the description of respondents' answers regarding service quality variables, it shows that tangible indicators are the highest

indicators. According to (Tjiptono, 2014) service quality is a measure of how well the level of service provided meets customer expectations. Service quality is centered on fulfilling needs and desires and the accuracy of service delivery to match customer expectations. Service here is all kinds of services provided by retail outlet owners to consumers to help and provide information about the products being sold and influence consumers to make purchases by providing friendly and pleasant service. Research results (Septila & Aprilia, 2017) show that service quality has an influence on impulse buying among students in Banda Aceh. Likewise, research (Chusniasari & Prijati, 2015) states that service quality has an influence on impulse buying.

The Effect of Price on Impulse Buying

From this research it was found that the influence of price on impulse buying is positive and significant. With a path coefficient value of $0.001 < 0.05$. So the influence of price on impulse buying is unidirectional, if the price value increases then impulse buying increases. According to (Rusmini, 2013) if a company can apply prices that are appropriate to the product and the benefits felt by consumers, it can increase impulse buying and attract consumers to buy again at the company. Based on descriptive answers from respondents, it was found that the indicator with the greatest influence on impulse buying was price according to benefits. This shows that Uniqlo has provided prices in accordance with the benefits felt by consumers so that consumers feel they will not be disappointed in buying products at prices commensurate with their benefits. Based on previous research conducted by (Kususmasasti et al., 2017) it is stated that price influences impulse buying among Coffee Shop customers.

The Effect of Promotion on Impulse Buying

From this research, it was found that the effect of promotion on impulse buying is positive and significant. With a path coefficient value of $0.000 < 0.05$. In this way, these findings mean that the higher the level of promotion, the higher the level of impulse buying. According to (Satria & Trinanda, 2019) also said that the promotional strategy aims to offer incentives to buy, where the implementation of the promotion itself is expected to increase sales by creating interesting activities to trigger impulse buying. Based on the descriptive answers of respondents, it shows that media indicators from the promotion variable have the greatest influence on buying impulses. This shows that Uniqlo always uses social media to carry out promotions, while the social media used to carry out promotions by Uniqlo are Instagram and Website. This research is in line with research conducted by (Nurhidayati & Yuliantari, 2018) which said there was a significant influence between promotions on impulse buying and other research also said there was a significant influence between promotions on impulse buying carried out by (Harumi, 2016).

CONCLUSION

From this research it was found that the influence of service quality on impulse buying is positive and significant. The influence of price on impulse buying also has a positive and significant effect. Furthermore, the influence of promotion on impulse buying is positive and significant. Uniqlo launched the Uniqlo App for its customers, this application

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provides several benefits such as being able to shop from all Uniqlo stores without additional costs, scanning barcodes to see availability, seeing product reviews from other customers, getting styling ideas while shopping, live streaming, more updates on goods new, ordering and sending gifts is easier. However, Uniqlo must be able to provide other attractive offers to increase impulse buying by providing special discounts for Uniqlo App members or collecting points for its customers.

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