Abstract: The purpose of this research is to find out the consumer’s price perception by considering two factors, namely coupon proneness and sale proneness in order to know its influences on impulse buying of the consumer from one of the biggest department store retail company in Surabaya. Then, the researcher needs to take 385 respondents, which are taken from the infinite population of the department store’s consumer by utilizing questionnaire as a research instrument. The research is quantitative with the data analysis applies multiple regressions by using SPSS program. By the research, the researcher applies independent and dependent variables. The independent variable consists of coupon proneness and sale proneness. The dependent variable consists of impulse buying. The result of the research shows that there is a simultaneous effect of coupon proneness and sale proneness towards impulse buying, however, there is no significant partially effect of sale proneness towards impulse buying. There are also many factors besides coupon proneness and sale proneness which also influence consumer impulse buying.

Keywords: Price Perception, Coupon Proneness, Sale Proneness, Impulse Buying

Along with the economic growth in the era of globalization, there are more and more retail businesses popping up in the department store. With the support of technological development that is growing rapidly, the competition among retail businesses is getting tighter; therefore, it will be difficult to get loyal customers. The threat of competition also comes from retail businesses that increase the number of outlets in several places or department store. The issuance of Presidential Decree Number 118/2000 which has eliminated retail business from the negative list in foreign investment (PMA), gives an opportunity for foreign retailers to enter the Indonesian market. The entry of foreign retailers to business in Indonesia indicates that this business is very profitable. However, foreign retailers that are expansively expanding their outlet network may pose a threat to local retailers. The great increase in the number of modern retail, of course, raises competition among modern retailers. In addition, the rise of modern retail makes it easier for consumers to choose the retail store they prefer as their desires. So that, consumers can easily change the modern retail they visit or stay loyal to the previous retail because it already feels right.

One of the ways to win the competition among retail business is to improve the quality of service by providing added value for consumers, including
special offers in terms of price. Price perception is closely related to how price information is fully understood and giving deep understanding to the consumers. Zeithaml in Kusdyah (2012) states that price perception is taken into consideration when consumers compare between the amount of the sacrifice to be made to what will be obtained from the products and services.

To attract consumers, there are many retail stores, especially those operating in a mall and using various promotional offers, including discount coupon and sale. Promotion with the sale is regarded as an interesting tool as proposed by Khare et al. (2014), “Sales promotion act as a versatile weapon for marketing products and services in retail stores in malls. Promotional offers act as attractive tools to encourage footfalls in malls”. Many studies reveal that consumers shop at the mall because of the variety of discount offerings and attractive display layout. In many observations, some malls offer more sale at a certain moment. Retail stores located in the mall also offer discounts, shopping gifts, as well as shopping coupons (Damle in Khare, 2014).

The large number of discount and shopping coupons offered as well as the shifting behavior of customers from shoppers in traditional markets to modern retailers, and the shift from planned shopping to unplanned shopping leads to many purchases; they are not only made due to wants and needs but also because of sudden emotional change as customers get interesting offers. This situation involves emotional factors in decision making. Emotion encourages customers to have unplanned purchases because of the appeal or interest of certain sentiments, which is called impulse buying.

In discussing competition among retail businesses, the department store is also included as one part of the retail business that faces tight business competition. Therefore, an attractive promotional strategy is needed to increase the buying interest of consumers. This leads a number of department stores to often offer an attractive price as possible to establish consumer’s price perception, either through sale or discount coupons, which is aimed at encouraging impulse buying and increasing the number of sales.

Perception, according to Munukka (2008), “is the process by which people select, organize, and interpret information to form a meaningful picture of the world”. Price is a representation of the economic value that must be paid by the buyer to the seller as part of the purchase agreement (Nagle and Holden, 2002). According to Lichtenstein et al., in Ferreira and Coelho (2015), “Price is an important market cue, being present in every market transaction, and constituting a key element of manufacturers‘ and retailers‘ marketing strategy, whose goal is to maximize profits through optimal pricing”. However, Munukka (2008) states that price perception is more leading to the perception of quality, value, and belief in other factors. Consistent with consumer purchase behavior, there is an important role of price perception that contributes to it.

Previous research on price perception, product involvement, and brand loyalty which was conducted by Ferreira and Coelho (2015) found that unlike sales proneness, coupon proneness affects brand loyalty positively. This indicates that high interest of consumers in certain promotional programs leads to increasingly reduced consumer loyalty to the brand. Consumers will be more interested in products with the cheaper price offered or products providing a discount. The level of consumer ‘scoupon proneness varies, depending on the product category and the type of coupon offered (Colombo et al., 2003).

Product category and type of coupon offered indicate the value of the coupon, related to the price of the product. The high value of the coupon indicates high price perception. Zeithaml in Kitchen et al. (2014) stated, “Most deal-prone consumers use coupons as an extrinsic signal of good deals and rely on them without further evaluation of price relative to other brands”. Some sources also argue that the reason behind consumers using the offered coupon is not solely due to economic benefits, but rather to emotional engagement and the sensation of purchasing something using coupons (Schindler, 1998; Garretson and Burton, 2003).

Previously, Lichtenstein et al. (1993) have identified seven factors that encourage the formation of price perceptions: value consciousness, coupon proneness, price consciousness, sales proneness,
price mavenism, price-quality schema, and prestige sensitivity. These seven factors can have a positive or negative impact on consumer purchase behavior. Furthermore, Lichtenstein et al. (1993) defined “sale proneness” as “an increased propensity to respond to a purchase offer because the sale form in which the price is presented positively affects purchase evaluation”. In other words, the presence of sale encourages purchases; consumers will buy the product because they are tempted to the sale offered.

It is also interesting to see the impact of the sale on the level of store visits. Nicholls et al. (2000) in Khare et al. (2014) found that sale held by retail stores had a positive impact on the level of the store visit. Promotion of prices that retailers offer positively influences on-store visits and increases the likelihood of purchasing products and encouraging consumers to spend more time in the store. When the price is presented in the form of sale, the sale prone of consumers tends to be affected by higher value offerings compared to the normal price, which affects consumer buying interest (Lichtenstein et al., 1993; Alford and Biswas, 2002).

If it is seen from the consumer segment related to price perception, Moore and Carpenter (2008) identified four consumer segments. The first segment includes the consumers that prefer quality rather than low price; this segment usually includes younger consumers with high-income levels. The second segment includes consumers who are not price-sensitive; this segment usually includes consumers at an older age and with middle to upper average income. The third segment includes consumers who have prestige sensitivity and sale prone. The last segment includes consumers with price sensitivity, value conscious and sales prone. This type of consumers set the high value for a discount.

Furthermore, regarding impulse buying, Cummins and Mullin (2004) in Arifianti (2016) state that promoting value by diverting the consumer’s attention from price is associated with the price war, such as price variation, price collector promotion; making indirect price comparison will create interest and lead to unplanned purchases. In this case, the unplanned purchase is also called impulsive buying. In other words, impulse buying is the tendency of consumers to buy something spontaneously, not reflectively, suddenly, and automatically (Rook and Fisher, 2007); it occurs when consumers see a particular product or brand, and then consumers become interested to get it, usually because of the interesting stimulus was given by the store (Utami, 2010). The explanation above is also reinforced by Mowen and Minor (2001) in Kosyu et al. (2014), stating that impulsive buying occurs when the consumer feels the experience, sometimes a strong desire, to buy things suddenly without any prior plans.

According to Schiffman and Kanuk (2007) in Kasimin et al. (2015), impulsive buying has several characteristics, namely spontaneity (impulsive buying occurs without prior plan), power, compulsion, and intensity (there is motivation to exclude other things and act as fast as possible), excitement and stimulation (desire to buy something suddenly, which is often followed by emotions such as exciting, thrilling, or wild) and disregard for consequences (the desire to buy something can be irresistible).

However, by looking at the number of department stores with various ways of promotion they have, have sale and coupon discounts been effective in encouraging consumer impulse buying? Based on this background, the purpose of this research is to know the influence of coupon proneness and sale proneness on consumer’s impulse buying from one of famous and largest department store in Indonesia, located in Surabaya.

**METHOD**

The population used in this study is the consumers of one of largest and famous department store in Indonesia, specifically in Surabaya. The respondents of this research are subjects who were in the department store, who have ever got a discount coupon, or who knew information about the sale that is being held. The number of population in...
this study is infinite, which means that we cannot know the exact number of the individuals (Siregar, 2017); therefore, the sample size refers to Cosenza and Davis (1993), with the following formula:

$$n = \frac{z^2 pq}{B^2}$$

In which:

- **n** = Sample size
- **z** = *Z* score based on researcher’s desired level of confidence (95%)
- **P** = Population proportion (or estimate) (50%)
- **q** = 1 - **P** = Allowable error (precision) (5%)

Thus, from the formula above, the sample size obtained is as follows:

$$n = \frac{1.96^2 \times (0.5 \times 0.5)}{0.05^2}$$

$$n = 385$$

From the result of the formula, this research requires 385 respondents, and according to the condition, the sampling technique used was judgment sampling, a sampling technique in which the subjects are in the most favorable place or in the best position to provide the necessary information; subjects are selected based on their expertise in the problem being studied and cannot be generalized (Sekaran, 2011). Data collection methods used in this study were survey and questionnaire, where respondents give answers in the form of a Likert scale with five options, namely very disagree, disagree, quite agree, agree and strongly agree.

The indicator used to measure coupon proneness and sale proneness in this study refers to Lichtenstein’s previous research, et al., (1993), and to measure impulse buying the indicator used refers to the research which was conducted by Rook and Fisher (1995).

Data analysis in this study began with validity and reliability test. Priyatno (2014) states that validity test is data instrument test to find out how accurate an item is in measuring what it wants to measure. Validity test in this research used Pearson Correlation method by correlating score of the item with a total score; if the significance generated from each item is greater than 0.05, then the item is declared valid (Priyatno, 2014). Furthermore, according to Ghozali (2016), reliability is a tool to measure a questionnaire, which is an indicator of variable or construct, in which a questionnaire is declared reliable if the respondent’s answer to the statement is consistent or stable over time. In this research refers to Cronbach Alpha > 0.6 (Sekaran, 2011).

The next stage of data analysis was classical assumption test consisting of a normality test by looking at normal p-plot chart; if the data spread around the diagonal line and follows the direction of the diagonal line, then the regression model meets the assumption of normality. Heteroscedasticity test refers to the plot chart; if there is no clear pattern in the figure and the spots are spread, then it can be declared that there is no heteroscedasticity. In the test, if the value of VIF < 10 then there is no multicollinearity.

After having validity and reliability test, in classical assumption test, the data analysis was continued by using multiple linear regression analysis in order to know the result of the hypothesis test (F test and t-test), correlation coefficient (R) and determination (R²).

**RESULTS**

**Validity and Reliability Test**

The validity test in this research using Pearson Correlation method for five items of variable coupon proneness (X₁) shows that all items have significant validity test result, with a significance value of 0.000 < 0.05. The same is also generated by five items of variable sale proneness (X₂); all of them have significant validity test result, with a significance value of 0.000 < 0.05. As for the validity test on nine impulse buying (Y) variables, the results of all items other than Y₉ have significant validity test result, with a significance value of 0.000 < 0.05. Y₉ itself has a significance value of 0.37 > 0.05, so this item is declared invalid and must be discarded.
The next test is reliability test, which is required to know the consistency of the measuring instrument such as the questionnaire. If it is re-measured, the result of the measurement remains consistent. According to Sekaran (1992), if the value of Cronbach’s Alpha is less than 0.6, then the reliability is poor; if it is 0.7, the reliability is acceptable; and if it is above 0.8, the reliability is good. In this study, Cronbach Alpha is used to measure the reliability of questionnaire with Likert scale. The result of reliability analysis for coupon proneness (X_1) has Cronbach’s Alpha value of 0.768 > 0.6; the second variable, sale proneness (X_2), has Cronbach’s Alpha value of 0.777 > 0.6; and impulse buying has Cronbach’s Alpha value of (Y) 0.775 > 0.6. Therefore, from these results, it can be concluded that the questionnaire instrument of those three variables in this study is reliable.
Furthermore, in this study, *multicollinearity* test was conducted to know that in the regression model of this study, there is no perfect correlation among independent variables, which means that there is a perfect or almost perfect linear relationship among independent variables, with high correlation coefficient. In this study, *multicollinearity* test refers to the value of tolerance and inflation factor (VIF); if VIF value is less than 10 and tolerance value is more than 0.1, there is no multicollinearity. From the result of analysis which has been done, VIF value of 1.154 <10 and tolerance value of 0.857 > 0.1; therefore, it can be concluded that there is no *multicollinearity* among independent variables in this research.

In this study, there is no visible *heteroscedasticity* which can be seen in the scatterplot chart, in which the dots are spread above and below 0 on the Y-axis in accordance with the criteria specified.

**Multiple Linear Regression Method**

By examining the result of validity and reliability test and conducting classical assumption test, the data analysis in this research can be continued to multiple linear regression tests to find out the correlation coefficient (R), determination ($R^2$), t-test, and F test.

Multiple Correlation (R) is a correlation between two or more independent variables and the dependent variable (Priyatno, 2014). The criteria are if R-value is located between 0 and 1, or in other words, if it is close to 0, then the relationship is weaker, and vice versa; if it is close to 1, then the relationship is strong. In this study, R-value of 0.233 means that the correlation between variable coupon proneness and variable sale proneness to impulse buying has a weak relationship. This is because the discount coupons and the sale is not a major consideration of consumers in shopping. This means that there are many other factors that contribute to encouraging impulse buying.

In essence, the coefficient of determination (adjusted R square) explains how far the ability of the model in explaining the variance of the dependent variable, in which the coefficient of determination ranges from zero to one. The small adjusted R square value means that the ability of the independent variables to explain the variation of the dependent variable is very limited. Ghozali (2016) explains that in general the coefficient of determination for cross-data (cross-section) is relatively low because of the large variation in each observation. The value of adjusted R Square in this study is 0.050, which means that 5% variation of impulse buying can be explained by the variation of two independent variables, namely coupon proneness and sale proneness. This shows that in addition to coupons and sale, there are still many other factors that encourage impulse buying to consumers; this is where there is a large variance in each observation.

**Table 3 Multicollinearity Test Results**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coupon Proneness</td>
<td>.867</td>
<td>1.154</td>
</tr>
<tr>
<td>Sale Proneness</td>
<td>.867</td>
<td>1.154</td>
</tr>
</tbody>
</table>

**Figure 2 Heteroscedasticity Test Result**

*Source: Primary data processed, 2017*
Price Perception: Effect of Coupon Proneness and Sale Proneness on Consumer Impulse Buying

Table 4  Multiple Correlation Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R SquareAdjusted</th>
<th>R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.234*</td>
<td>.055</td>
<td>.050</td>
<td>.54830</td>
<td>1.982</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2017

T-Test and F Test

Partially, t-test result of coupon proneness shows that the value of t count 3.293 > t table of 1.98, with a significance of 0.01 < 0.05; therefore, it can be said that coupon proneness partially influences impulse buying. The opposite is shown by sale proneness, where the value of t count of 1.914 < t table of 1.98, with a significance of 0.056 > 0.05; it indicates that partially sale proneness has no effect on impulse buying.

Table 5  T-Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>13.397</td>
<td>.000</td>
</tr>
<tr>
<td>X1</td>
<td>3.293</td>
<td>.001</td>
</tr>
<tr>
<td>X2</td>
<td>1.914</td>
<td>.056</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2017

ANOVA statistical test or F test shows F countvalue of 11.022, with a probability of 0.000 < 0.05; thus the regression model can be used to predict impulse buying; it also can be said that coupon proneness and proneness sale influence impulse buying altogether.

Table 6  F Test Results

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>6.627</td>
<td>2</td>
<td>3.314</td>
<td>11.022</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>114.844</td>
<td>382</td>
<td>.301</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>121.471</td>
<td>384</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2017

DISCUSSION

The result of the statistical test in this research indicates that variable coupon proneness influences consumer impulse buying; therefore, it can be said that discount coupon can encourage impulse buying. T-test used to see the effect of coupon proneness on impulse buying shows that t count of 3.293 > t table of 1.98, with a significance of 0.01 < 0.05. Although the coefficient of determination is very small, there is still a significant influence of coupon proneness on impulse buying. In this study, the influence of coupon proneness on impulse buying is in line with the previous research about price perception which was conducted by Ferreira and Coelho (2015), finding that consumers would be more interested in products with cheaper price or products offering discounts. Furthermore, a study about consumer behavior conducted by Peter and Olson (2014) found that according to consumers, the coupon is the most effective promotional tool to change consumer behavior in purchasing products that are not very necessary, purchasing products that have not been used before, changing from one brand to another. The finding is in line with the results of this study, finding that giving discount coupon may affect consumer impulse buying; however,
in addition to discount coupon, there are also many factors that influence consumer impulse buying as shown by the results of multiple correlations (R) and the coefficient of determination (adjusted R square); whose values are 0.233 and 0.05 consecutively. Therefore, it can be said that impulse buying consumer is also influenced by many factors other than coupon proneness and sale proneness itself. The department store that is the subject of this study enforces certain conditions so that consumers can use discount coupons. Consumers can get a discount coupon if they have made a purchase in advance in accordance with the determined nominal. Similarly, when the consumers use the discount coupon, there are terms and conditions imposed by the department store: discount coupon only can be used for a purchase with a certain nominal. This is taken into consideration by consumers to use the discount coupon they get; it is revealed that there is not enough time for consumers personally to go shopping again and finding products in accordance with the determined nominal so that the coupon can be used. The condition that consumers must have made previous purchases becomes the consideration for consumers to make a purchase again; considering financial factor. Therefore, even if discount coupon encourages impulse buying, it is likely that the coupon will be better if the department store can consider technical matters regarding terms and conditions of coupon usage.

Conversely, variable sale proneness shows t-test result in which t count of 1.914 < t table of 1.98, with a significance of 0.056 > 0.05; therefore, it can be stated that variable sale proneness has no significant effect on impulse buying. Lichtenstein et al. (1993) defined sale proneness as, “an increased propensity to respond to a purchase offer because the sale form in which the price is presented positively affects purchase evaluation”. In other words, Lichtenstein found that sale encourages purchase; consumers will buy the product because they are tempted to the sale offered. However, this is not in line with the findings in this study that sale proneness has no effect on impulse buying. This can happen because of lack of time when the sale is held. What is meant by the time there is a certain moment that coincides with the holy days, which certainly encourages the increase in purchasing power and otherwise, if the sale is held after holy days, the consumers will not purchase. Consumers who work as employees also stated that if the sale is held after they get their salary, they will be encouraged to make purchases compared to the sale held at the end of the month. In addition, consumer’s assumption that the products included in the sale tend to be a product with a poor quality is also a consideration of consumers to buy, so it can be said that the quality of the product is also a determinant for consumers in buying a sale product. Furthermore, other factors that cause sale does not affect impulse buying also may be due to the type of sale offered by department stores, such as “buy two get one free”, sale with direct discount, or discount that applies to second purchase, and so on. Sale with direct discount tends to be preferred by consumers; therefore, it can encourage impulse buying compared to other types of sales. “Buy two get one free” will attract consumers if there is a bigger need for the product, but if consumers only need one product then this type of sale becomes unattractive.

The consumer’s preference for a particular brand or brand favoritism is also another factor that encourages impulse buying in terms of coupon proneness and sale proneness. The use of price discount coupons that encourage impulse buying can be further increased if it involves a brand that is consumer’s favorite. Similarly, consumer revealed that the ongoing sale does not necessarily lead to purchase unless the product being offered with discount is customer’s product favorite brand. There are many other factors other than discount coupon and sale that also influence consumer behavior in making purchases; it is also in line with Peter and Olson (2014) who concluded that the various promotions made can affect consumer behavior even though its effectiveness is fickle due to many factors. However, when the price is presented in the form of discount in the form of coupon or sale, consumers are likely to be affected by value offered which is higher compared to the normal price, which affects consumer buying interest (Lichtenstein et al., 1993; Alford and Biswas, 2002).
CONCLUSIONS AND SUGGESTION

Conclusion

This research shows that partial coupon proneness has a significant effect on impulse buying, but it is different with proneness sale, which has no effect on impulse buying. There are also many other factors that contribute to encouraging impulse buying as expressed by consumers in the field. Technical terms related to terms and conditions of coupon use can also contribute to encouraging consumer impulse buying more. In addition, this study found that in addition to coupon proneness and sale proneness, there are many other factors that influence consumer impulse buying, namely price, product quality, favoritism of certain brands, the availability of time in shopping, and financial condition.

Suggestion

This research is expected to be used as a reference for further research related to consumer behavior and appropriate promotion strategy for retail business in the future, especially regarding price perception concept with seven factors that encourage price perception: value consciousness, coupon proneness, price consciousness, sales proneness, price mavenism, price-quality schema, and prestige sensitivity. This research used two factors, namely coupon proneness, and sale proneness as well as its effect on impulse buying; therefore, in the future, there are other factors of price perception which can be investigated further. For the department store, the finding and input in this study are expected to be used as a reference to determine or improve the promotional strategies which can attract consumer buying interest and encourage impulse buying so as to increase department store’s sales.

REFERENCES


