### ANALYZING THE EFFECT OF VIRTUAL ATMOSPHERIC CUES, SALES PROMOTIONS, AND SITUATIONAL FACTORS ON ONLINE IMPULSE BUYING IN MANADO

# ANALISIS ATMOSFER TOKO *ONLINE*, PROMOSI PENJUALAN, DAN FAKTOR SITUASIONAL TERHADAP PEMBELIAN IMPULSIF *ONLINE* DI MANADO

by: Esther Yosilia Ernawati Longdong<sup>1</sup> Sifrid S. Pangemanan<sup>2</sup>

<sup>1,2</sup> Faculty of Economics and Business International Business Administration (IBA) Program University of Sam Ratulangi Manado

> email: <sup>1</sup><u>esther.longdong@yahoo.com</u> <sup>2</sup><u>sifridp\_s@unsrat.ac.id</u>

Abstract: The growth of e-commerce in Indonesia has increased significantly in recent years, while Indonesia's shoppers tend to be more impulsive, and it includes shoppers in Manado. There are many factors that could possibly affect online impulse buying. Some of them are virtual atmospheric cues, sales promotions, and situational factors. The aim of this study is to analyze the effect of virtual atmospheric cues, sales promotions, and situational factors on online impulse buying. This research collects primary data through questionnaires and uses Multiple Regression. Population observed is internet users in Manado who have ever bought products online with 60 respondents as the sample size. The result of this study shows that sales promotions and situational factors have significant positive effect on online impulse buying, while virtual atmospheric cues does not have that effect. To attract more consumers to buy impulsively, the recommendations for online shop owners are to keep offering sales promotions effectively, giving affordable price to increase purchasing power of consumer, and also maintaining the 24 hours services and easiness of accessing online shop to stimulate consumer to spend more time at the online shop.

Keywords: impulse buying, virtual atmospheric cues, sales promotions, situational factors

**Abstrak:** Pertumbuhan *e-commerce* di Indonesia meningkat secara signifikan dalam beberapa tahun terakhir. Terdapat kecenderungan pembeli di Indonesia menjadi lebih impulsif dalam berbelanja, tak terkecuali di Manado. Banyak faktor yang dapat mempengaruhi pembelian impulsif. Beberapa diantaranya adalah atmosfer toko, promosi penjualan, dan faktor situasional. Tujuan penelitian untuk menganalisa pengaruh atmosfer toko, promosi penjualan, dan faktor situasional terhadap pembelian impulsif secara *online*. Penelitian ini mengumpulkan data primer melalui kuesioner dan menggunakan Analisis Regresi Berganda. Populasi yang diteliti adalah pengguna internet Manado yang pernah berbelanja *online* dengan sampel sebanyak 60 responden. Hasil penelitian menunjukkan promosi penjualan dan faktor situasional memiliki pengaruh positif dan signifikan terhadap pembelanjaan impulsif *online* sementara atmosfer toko tidak berpengaruh. Untuk menarik konsumen berbelanja secara impulsif, rekomendasi bagi para pemilik toko *online* adalah dengan tetap memberikan promosi penjualan secara efektif, memberikan harga yang terjangkau untuk meningkatkan kekuatan pembelian, mempertahankan pelayanan 24 jam dan kemudahan dalam mengakses toko *online* untuk menstimulasi konsumen agar menghabiskan lebih banyak waktu di toko *online*.

Kata kunci: pembelian impulsif, atmosfer toko online, promosi penjualan, faktor situasional

#### INTRODUCTION

#### **Research Background**

In this era of technology, most people use internet daily and it allows them to perform various online activities. One of the activities performed is shopping online which far more convenient than brick-and-mortar. Mitra (2014) in *startupbisnis.com* stated that there are 7 percent of internet users in Indonesia that ever experience online shopping. It was also stated that many people live in small cities in Indonesia have also done shopping online and it includes shoppers in Manado. The growth of e-commerce in Indonesia has increased significantly in recent years. There is an increasing of total of e-commerce transaction in 2014 (USD 13 Billion) from previous year (USD 8 Billion) and it was predicted that it will keep increasing in 2015 up to USD 15 Billion. As the rapid growth of e-commerce market in Indonesia, there will be a tight competition among online shops. Therefore, to survive in this tight competition, a development of effective marketing strategy is very important.

Consumers tend to buy things without planning or do impulse buying. As an increasing of consumers who did impulse purchase from 10% (2002) to 39% (2010), Nielsen cited by Decilya (2011) indicates that Indonesian shoppers are growing to be more impulsive every year and not to be excluded is Manado. By considering the increasing number of city's shopping centers in every year, Manadonese can be categorized as consumptive people who tend to perform impulse buying. Rook and Fisher (1995) in Chen (2008) stated that impulse buying would be higher online compared to store shopping. It means that Manadonese have the possibility to do a lot of impulse buying when conducting online shopping.

Encouraging impulse buying of consumer can be an alternative way to increase sales. Bellinger et al. (1978) in Dawson & Kim (2010) found that more than one third of all department store purchases were bought on impulse which makes impulse purchases very important to a retailer's profits. In order to encourage more impulse buying, online shop owners need to understand the factors that affect impulse buying. There are many factors that could possibly affect online impulse buying. Dawson & Kim (2010) stated that creating an enticing website ever important in drawing shopper's buying attention. Sales Promotion programs often being used by marketer around the world to attract more consumers in making purchasing, not to be excluded the online shopping sellers. For a consumer to decide whether to buy or not depends on the availability of money they have. While time availability, Jeffrey and Hodge (2007) in Muruganantham & Bhakat (2013) stated that the more the time spent in the store prior to seeing an impulse item, the more is the chance to buy impulsively. Therefore, researcher wants to analyze the effect of virtual atmospheric cues, sales promotion, and situational factors on online impulse buying in Manado.

#### **Research Objectives**

The aims of this research are to know:

- 1. the effect of virtual atmospheric cues, sales promotions, and situational factors on online impulse buying simultaneously.
- 2. the effect of virtual atmospheric cues on online impulse buying partially.
- 3. the effect of sales promotions on online impulse buying partially.
- 4. the effect of situational factors on online impulse buying partially.

#### THEORITICAL FRAMEWORK

#### **Consumer Behavior**

Kotler & Amstrong (2012:157) stated that consumer buyer behavior refers to the buying behavior of final consumers-individuals and households that buy goods and services for personal consumption. Bonne & Kurtz (2011:374) defines consumer behavior as actions of ultimate consumers directly involved in obtaining, consuming, and disposing of products and the decision processed that precedes and follows these actions. Buyer decision process consists of five stages: need recognition, information search, evaluation of alternatives,

purchase decision, and post-purchase behavior (Kotler & Amstrong, 2012:176). It can be concluded that learning consumer buyer behavior is important to allure them into actual purchasing.

#### **Impulse Buying**

Impulse buying occurs when the person experiences a sudden urge that he or she cannot resist (Solomon et al., 2006:324). Rook (1987:191) in Dawson & Kim (2010) described impulse buying as a sudden, often powerful and persistent urge to buy something immediately. As cited in Muruganantham & Bhakat (2013), it stated that Han et al. (1991) modified the Stern (1962) classification of impulse mix in context of fashion products and developed as four types of impulse buying: (1) Planned impulse buying: is partially planned but specific product or categories are not decided by the shopper.(2) Reminded impulse buying: occurs when the buyer is reminded of the need of the product noticing it in the shop.(3) Suggestion or fashion-oriented impulse buying : a type of suggestion impulse where the purchase is motivated by self-suggestion to buy the new fashion product. (4) Pure impulse buying: is a novelty or escape purchase which a shopper breaks the trend of usual shopping. It can be concluded that impulse buying is an unplanned buying that made by the buyer without a prior plan and decided on site.

#### **E-Commerce**

E-Commerce refers to the use of the Internet and the Web to transact business. More formally, e-commerce is about digitally enabled commercial transactions between and among organizations and individuals (Laudon & Laudon, 2012: 399). Online retailing is a type of shopping available to consumers with access to the internet (McDaniel, Lamb & Hair 2011:497). It can be concluded that e-commerce is the activity of selling goods and services on the Internet.

#### Virtual Atmospheric Cues

Marketing research has revealed that store characteristics act as an important trigger for impulse purchases (Stilley et al. 2010a, 2010b in Floh & Madleberger, 2013). Atmospheric Cues is the main element of a store's presentation which is the overall impression conveyed by a store's physical layout, décor, and surroundings. (McDaniel, Lamb & Hair 2011:507). There are three types of virtual atmospheric cues, (Floh & Madleberger, 2013) namely, e-store content (all of the communicated material that is available on a website), e-store navigation (the organization and hierarchical layout of the content and pages in a Web store) and e-store design (the degree to which a person believes that the e-store is aesthetically pleasing to the customer). As this study relates to impulse buying in an online environment, virtual atmospheric cue is defined as the main element of a store's virtual presentation.

#### **Sales Promotions**

As one element of promotional mix McDaniel, Lamb & Hair (2011:593) defines Sales Promotion as marketing communication activities, other than advertising, personal selling, and public relations, in which a short-term incentive motivates consumers or members of the distribution channel to purchase a good or services immediately, either by lowering the price or by adding value. Since the goal of sales promotion is immediate purchase, regardless of the form it takes (McDaniel, Lamb & Hair, 2011:593), it seems to make more sense when planning a sales promotion campaign to target customers according to their general behavior. A research by Nagadeepa, Selvi & Pushpa (2015) reveals that sales promotion activities play an important role in the process of framing the marketing strategies by retailers. Popular tools for a consumer sales promotion are coupons and rebates, premiums, loyalty marketing programs, contests and sweepstakes, sampling, and point-of-purchase promotion (McDaniel, Lamb & Hair, 2011:595). It can be concluded that sales promotion helps managers to get immediate purchase from consumers and therefore increase the revenue.

#### **Situational Factors**

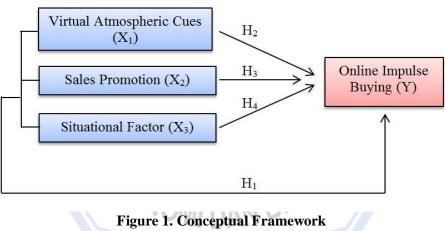
Situational factors influencing impulse buying may include actual or perceived time available and spending power (Beatty and Ferrell, 1998 cited by Muruganantham & Bhakat, 2013. Availability of time refers to the amount of perceived time available in making consideration for purchasing decisions and has a positive relationship with searching products in store by consumers (Beatty and Smith, 1987 in Pattipeilohy, Rofiaty & Idrus, 2013). Furthermore, it is the amount of time that buyers feel available at the time and may affect the time

spent by consumers to look for products in the store that can influence and encourage impulse buying (Beatty and Ferrel, 1998, Virvilaite et al, 2009 in Pattipeilohy, Rofiaty & Idrus, 2013). In the impulse buying process, availability of money has important role, for example it can be a facilitator role (Beatty and Elizabeth Ferrell, 1998, cited by Foroughi, Buang & Sadeghi, 2012), since it increase the buying power of the people. Individuals who have the availability of money will affect or enhance their positive emotions and impulse buying behavior (Foroughi, Buang & Sadeghi 2012). It can be concluded that the when buyers feel available in time to shop and have or feel like having enough budgets to shop, it is likely encouraging them to buy impulsively.

#### **Previous Research**

Floh & Madlberger (2013) applied stimulus-organism-response (S-O-R) model to the online impulse buying context in order to analyze the role atmospheric cues play in online impulse purchase. The result of this study is that two of three dimensions of virtual atmospheric cues affect online impulse buying behavior which are the design and navigation of e-store. Nagadeepa, Selvi & Pushpa (2015) conducted a research with title impact of sales promotion techniques on consumers' impulse buying behaviour towards apprels at Bagalore. As the result of their research, Nagadeepa, Selvi & Pushpa (2015) found that rebates and discount offer and the loyalty programs of the retailers are more effective on impulse buying behavior of customers on apparels. Foroughi, Buang & Sadeghi (2012) investigates the effect of situational factors (money availability and time availability) on impulse buying among different ethnic in Malaysia. The results revealed that the situational variables (money available and time available) were influence to the felt urge to buy impulsively and impulse buying. Beside that positive effect has mediating role between situation variables and impulse buying. Therefore, virtual atmospheric cues, sales promotion, and situational factor have the possibility to influence online impulse buying in Manado.

#### **Conceptual Framework**



Source: Data Processed, 2015

#### **Research Hypothesis**

The hypotheses of this research are:

- H<sub>1</sub>: There is a significant effect of virtual atmospheric cues, sales promotions, and situational factors on online impulse buying simultaneously.
- H<sub>2</sub>: There is a significant effect of virtual atmospheric cues on online impulse buying partially.
- H<sub>3</sub>: There is a significant effect of sales promotions on online impulse buying partially.
- H<sub>4</sub>: There is a significant effect of situational factors on online impulse buying partially.

#### **RESEARCH METHOD**

#### **Type of Research**

This research is a causal type of research where it will investigate the effect of Virtual Atmospheric Cues, Sales Promotions, and Situational Factors on Online Impulse Buying. Hair, et al. (2007:160) stated that causal research tests whether or not one event causes another that means a change in one event brings about a corresponding change in another event.

#### Place and Time of Research

This study was conducted to online shoppers in Manado between April - June 2015.

#### **Population and Sample**

Population in this research is internet users in Manado who have experience in shopping online. The sample method used in this research is Convenience Sampling Method that is considered as the best way of getting some basic information quickly and efficient. Hill (1998) stated that in multivariate research (eg. multiple regression) sample size should be at least ten times larger than the number of variables being considered. As this research has four variables, than the sample size should be at least forty respondents of online shopper at Manado. This research was conducted with 60 respondents which proved that a more than sufficient sample size is achieved.

#### **Data Collection Method**

All the data gathered in this research are come from two sources which are primary data and secondary data to make an appropriate result. Sekaran & Bougie (2009:37) defines primary data as such data gathered for research from the actual site of occurrence of events. The primary data used for this research is the questionnaire. Sekaran & Bougie (2009:37) defines secondary data as data gathered through such existing sources which are books, journals, and relevant literatures from library and internet.

#### **Operational Definitions of Research Variables**

- 1. Online Impulse Buying (Y) defined as an unplanned, sudden, often powerful and persistent urge to buy something through online shop immediately.
- **2.** Virtual Atmospheric Cue  $(X_1)$  is online shop virtual presentation and surroundings.
- 3. Sales Promotion  $(X_2)$  is marketing communication activities of online shop, in which a short-term incentive motivates consumers or members of the distribution channel to purchase a good or services immediately, either by lowering the price or by adding value.
- 4. Situational factors  $(X_3)$  are time availability and spending power of online shopper in Manado.

#### **Measurement of Research Variables**

Likert scale is used to measure the variables of this research. Malhotra & Peterson (2006:264) define likert scale as a measurement scale with five response categories ranging from "strongly disagree" to "strongly agree," which requires the respondents to indicate a degree of agreement or disagreement with each of a series of statements related to the stimulus object.

#### **Data Analysis Method**

#### Validity and Realibility Testing

The validity of a scale may be defined as the extent to which differences in observed scale scores reflect true differences in what is being measured, rather than systematic or random (Malhotra & Peterson, 2006:274). In this research the test is performed by using value of MSA (Measures of Sampling Adequacy). If the value of MSA is above 0.5, the data is considered as valid so it can be used for further tests and analyses (Nasution and Usman, 2008, cited in The, 2011). Reliability refers to the extent to which a scale produces consistent results if repeated measurements are made (Malhotra & Peterson, 2006:273). Alpha Cronbach test is utilized as reliability

test in this research with following criteria. The minimum value of Alpha Cronbach must be 0.6 or it is better if the value is above 0.8 (close to 1). (Nasution and Usman, 2008, cited in The, 2011)

#### **Multiple Regressions Analysis Method**

Multiple regression analysis is similar to the simple regression analysis but only in this case multiple regression use more than one independent variable to explain variance in the dependent variable. (Sekaran & Bougie 2009:350). The formula of multiple regression models in this research is shown as follows:

#### $\mathbf{Y} = \boldsymbol{\alpha} + \boldsymbol{\beta}_1 \mathbf{X}_1 + \boldsymbol{\beta}_2 \mathbf{X}_2 + \boldsymbol{\beta}_3 \mathbf{X}_3 + \mathbf{e}$

Description:

Y	= Online Impulse Buying
α	= Intercept
$\beta_1, \beta_2, \beta_3$	= The Regression Coefficient of Each Variable
$\mathbf{X}_1$	= Virtual Atmospheric Cues
$X_2$	= Sales Promotions
$X_3$	= Situational Factors
e	= Error Standard or Error Term

## **RESULT AND DISCUSSION**

#### Result

#### Validity and Reliability

The value of MSA of all indicators of all variables as many as 12 items used in this research are above 0.5. Therefore, the data is considered as valid. The value of Cronbach's Alpha of 12 items used in this research is 0.833. In this research it shows that the Alpha Cronbach of the entire variables is higher than 0.6, meaning the data is considered as reliable.

#### **Classical Test Assumption**

#### Multicollinearity

#### Table 1. Multicollinearity Test Result

	<b>Collinearity Statistics</b>		
Model	Tolerance	VIF	
1 (Constant)	10Noi		
Virtual Atmospheric Cues	0.542	1.845	
Sales Promotions	0.547	1.827	
Situational Factors	0.693	1.443	

Source: Data Processed (2015)

Table 1 shows that the tolerance value of virtual atmospheric cues is 0.542, sales promotions is 0.547 and situational factors is 0.693 meaning the tolerance value of each variable is more than 0.1. The VIF value of virtual atmospheric cues is 1.845, sales promotions is 1.827, and situational factors is 1.443 meaning the VIF value of each variable is less than 10. Since all the tolerance values are more than 0.1 and VIF value of each independent variable is less than 10, this research is free from multicollinearity.

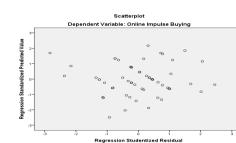


Figure 2. Heteroscedasticity Test Result Source: Data Processed, 2015

Figure 2 shows that the pattern of the dots is spreading and does not create a clear pattern. The dots are spreading above and below 0 (zero) in the Y axis. It proves that the model is free from heteroscedasticity.

#### Normality Test

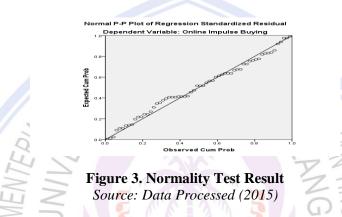


Figure 3 shows that the data spreads near the diagonal line and follow the direction of diagonal line. This proves that the model has passed the normality test.

#### Multiple Regression Analysis Table 2. Multiple Linear Regression Result

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Model	B	Std. Error	τ	Sig.	
1 (Constant)	1.8	1.556	1.157	0.252	
Virtual Atmospheric Cues	0.124	<b>DAN 9</b> 0.145	0.857	0.395	
Sales Promotions	0.33	0.131	2.521	0.015	
Situational Factors	0.361	0.14	2.575	0.013	

Source: Data Processed (2015)

The formula of multiple regression models in this research is shown as follows:

#### $Y = 1.800 + 0.124 X_1 + 0.330 X_2 + 0.361 X_3$

Multiple regressions analysis is used to determine the influence of the independent variables to dependent variable. From the multiple linear regression equation, it can inform the interpretation as follows:

- 1. Constant value of 1.800 means that in a condition of ceteris paribus, if all independent variables are constant (zero), online impulse buying (Y) as dependent variable will be 1.800.
- 2. X<sub>1</sub>'s coefficient value of 0.124 means that in condition of ceteris paribus, if virtual atmospheric cues increased by one scale or one unit, it will improve and increase online impulse buying (Y) by 0.124.
- 3. X<sub>2</sub>'s coefficient value of 0.330 means that in condition of ceteris paribus, if sales promotions increased by one scale or one unit, it will improve and increase online impulse buying (Y) by 0.330.

4. X<sub>3</sub>'s coefficient value of 0.361 means that in condition of ceteris paribus, if situational factors increased by one scale or one unit, it will improve and increase online impulse buying (Y) by 0.361.

The multiple linear regression result shows that virtual atmospheric cues, sales promotions, and situational factors have relationship with online impulse buying, where situational factors has the closest relationship followed by sales promotions and virtual atmospheric cues.

Table 3. Table of R and R Square				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.654 <sup>a</sup>	0.427	0.397	1.18365
Source	Data Pr	ocessed (20	)15)	

Source: Data Processed (2015)

The coefficient of correlation (R) measures if there is significant relationship between the three independent variables with dependent variable. The value of R is 0.654 proves that the relationship among independents and dependent variable is substantial positive association. The coefficient of determination (R2) measures how far the ability of a model in explaining variation of dependent variable. The value of R2 is 0.427 shows the linear relationship in this model is able to explain the online impulse buying (Y) for 42.7% while the rest 57.3% is explained by the factors outside the model.

#### **Hypothesis Testing**

#### Table 4. F-Test Result

Model	Sum of Df Squares	Mean Square	F	Sig.
1 Regression	58.543 3	19.514	13.929	$.000^{b}$
Residual	78.457 56	<b>-</b> 1.401		1
Total	137 59			1 3

Source: Data Processed (2015)

Table 4 shows that F-count is 13.929 with level of significance 0.000. Since the value of F-count > F-table (13.929 > 2.77) and the level of significance is lower than 0.05 meaning that H<sub>0</sub> is rejected and H<sub>a</sub> is accepted. The result of this test can be used to declare that there is a significant effect of virtual atmospheric cues  $(X_1)$ , sales promotions  $(X_2)$ , and situational factors  $(X_3)$  on online impulse buying (Y) simultaneously.

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#### Table 5. T-Test

Model	T Sig.	
1 (Constant)	1.157 0.252 DANE	
Virtual Atmospheric Cues	0.857 0.395	
Sales Promotions	2.521 0.015	
Situational Factors	2.575 0.013	
Sources Data Duccosad (2015)		

Source: Data Processed (2015)

- 1. Table 5 shows that t-count for  $X_1$  is 0.857 with the level of significance 0.395. Since the value of t-count < ttable (0.857 < 1.6) and the level of significance is more than 0.05 meaning that  $H_0$  is accepted and  $H_a$  is rejected. The result of this test can be used to declare that there is no significant effect of virtual atmospheric cues  $(X_1)$  on online impulse buying (Y) partially.
- 2. Table 5 shows that t-count for  $X_2$  is 2.521 with the level of significance 0.015. Since the value of t-count > ttable (2.521 > 1.6) and the level of significance is lower than 0.05 meaning that H<sub>0</sub> is rejected and H<sub>a</sub> is accepted.. The result of this test can be used to declare that there is a significant effect of sales promotions  $(X_2)$  on online impulse buying (Y) partially.

3. Table 5 shows that t-count for  $X_2$  is 2.575 with the level of significance 0.013. Since the value of t-count > t-table (2.575 > 1.6) and the level of significance is lower than 0.05 meaning that  $H_0$  is rejected and  $H_1$  is accepted. The result of this test can be used to declare that there is a significant effect of situational factors (X<sub>3</sub>) on online impulse buying (Y) partially.

#### Discussion

Conducting a research on impulse buying is highly attractive among the researcher. By studying impulse buying and its causal factors, it is expected that marketers can develop an effective marketing strategy which in particularly can increase sales of the store, in this case the online store that has sustainable growth every year. The result of the multiple regression analysis shows that virtual atmospheric does not influence online impulse buying significantly. In this case, it is represented by e-store design, e-store navigation, and e-store content. This finding has a different result with Floh & Madlberger (2013) which found that virtual atmospheric cues affect online impulse buying but has similar result with Cho, Gregory & Thai-Ha (2014) that there is no significant influence of shopping atmosphere on consumer's impulse buying behavior. One possible reason for this result is that virtual atmospheric cues just attract consumer to see the website and have buying intention as Dawson & Kim (2010) stated that creating an enticing website ever important in drawing shopper's buying attention, but it does not affect consumer enough to buy impulsively. Consumers are not affected by the design of website or how easy to navigate in a website to do an impulse purchase.

The result of the multiple regression analysis shows that there is a significant effect of sales promotion on online impulse buying. This result supports previous research conducted by Nagadeepa, Selvi & Pushpa (2015) which revealed that sales promotion has significant effect on consumer impulse buying. Overcoming the urge for impulsive shopping is difficult when consumers see a massive discount given online store. Sales promotion is very important to be done by the online shops in order to attract potential buyers to make impulsive purchases. By offering sales promotions, consumers will think that they can take advantage of these special offers for shopping, and it can encourage them to end up buying more products which are not on their shopping list. The result of the questionnaire shows that most of respondents tend to buy online product impulsively because attracted to sales promotion offer. It means that sales promotion is a program that is necessary in order to attract consumers to buy impulsively. Retailers have to provide effective sales promotion activities to encourage larger impulse purchase, thus boosting the sale volume and profits.

The result shows that situational factors have significant effect on online impulse buying. In this case the situational factors are represented by time availability and money availability. This result support the previous research conducted by Foroughi, Buang & Sadeghi (2012) which revealed that the situational variables (money available and time available) were influence to the felt urge to buy impulsively and impulse buying. The presence of e-commerce sites make shopping easier with unlimited locations and times. Consumers can buy anywhere during their daily activity, at the office or campus or even when they just wake up at home. Consumers can shop anytime anywhere as long as they have available internet connection to access the online stores.

The more the time spent in the store prior to seeing an impulse item, the more is the chance to buy impulsively (Jeffrey & Hodge, 2007 in Muruganantham & Bhakat, 2013). With the wide availability of time for consumers to shop wherever and whenever it encourages them to buy impulsively. With the wide availability of money consumer have or feel, it can encourage them to buy impulsively. In context of online shop, consumer feel they have enough budgets to buy basically because of the more affordable price of products offered by online shop compared with offline shop which increase their buying power. When individuals have the availability of money, it will affect or enhance their positive emotions and impulse buying behavior (Foroughi, Buang & Sadeghi 2012). Therefore online shop owners should pay more attention to the situational factors variable which are the money availability and time availability through affordable pricing, discount, which expected to increase purchasing power of consumer and 24 hours services, and easiness of accessing online shop (e.g can be accessed through mobile phone or tab) which expected to stimulate consumers to spend more time at the store, monitoring the availability of products. This is expected to increase purchasing power and a long time consumer spending which will encourage people to buy impulsively.

#### CONCLUSION AND RECOMMENDATION

#### Conclusion

The conclusions drawn from this research are as follows:

- 1. Result shows that virtual atmospheric cues, sales promotions and situational factors have a significant effect on online impulse buying simultaneously. The increasing of these three variables simultaneously will increase the online impulse buying.
- 2. Result shows that virtual atmospheric cue does not have significant effect on online impulse buying. Consumers are not affected by the design of website or how easy to navigate in a website to do an impulse purchase.
- 3. Result shows that sales promotions have a significant effect on online impulse buying. The more the online shop offering various sales promotion, the more is the tendency of consumers to buy online impulsively.
- 4. Result shows that situational factors have a significant effect on online impulse buying. With the wide availability of time for consumers to shop wherever and whenever and wide availability of money consumer have or feel it encourages them to buy impulsively

#### Recommendation

It is important to keep continue doing sales promotion programs effectively to increase the online impulse purchase. Sales promotions programs such as discount, voucher, and free fare cost allure more consumers into unplanned purchase. Also, paying more attention to situational factors is necessary by giving affordable pricing to increase purchasing power of consumer, and also 24 hours services and easiness of accessing online shop to stimulate consumer to spend more time at the shop is important. It can bring positive and significant effect of situational factors on online impulse buying.

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