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# The Influence of Lifestyles and Consumers Attitudes on Product Purchasing Decision via Online Shopping in Indonesia

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#### Abstract

This study aims to analyze how far the lifestyles and attitudes of consumers on product purchasing decisions via online shopping in Indonesia. The method that was used is quantitative with Structural Equation Modeling (SEM) analysis. The population in this study is the Indonesian people who have been doing online shopping. The number of samples in this study were 400 respondents using convenience sampling technique. The results of the study showed that both lifestyles and attitudes of consumers have influence on purchasing decisions by 20.7% and the balance of 79.3% is influenced by other variables that was not examined in this study. **Keywords:** lifestyles, purchasing decisions, consumers attitudes, online shopping

#### 1. Introduction

Modern human activities make them only have a little time to do the shopping. With the use of internet technology, then appears a new phenomenon which is the online shopping channel. Many people use available online shopping sites to buy things they need. Through online shopping channel, it is believed that the buyer can make savings of time, expense, and effort. To market their products, online businesses should pay attention to lifestyles and attitudes of consumers in making purchasing decisions. This meant that every businessman can determine strategies that can be done to improve consumers and increase their income. In a consumers point of view, if they feel the needs and desires has fulfilled, it is not likely to make repeat purchases.

The development of online business affect lifestyles and attitudes of consumers in making purchasing decisions. Public perception in terms of shopping in modern market was changed from purchasing products offline to online shopping. Practical, easy and efficient is a unity that is needed by consumers when they do online shopping. Different lifestyles from each individual cause different perspective. According to Plummer (Setiadi, 2008: 148) lifestyles is widely identified as a way of life that is identified by how people spend their time (activity), what they consider important in their environment (interest) and what they think about themselves and also the surrounding world (opinion). Consumer attitudes by Schiffman & Kanuk (2007: 222) is a tendency to learn to behave in a manner that is consistent or not of an object. This means that consumers who love or have positive attitudes toward a product will always have a strong desire to purchase the product and vice versa. Dimensions of attitude that needs to be considered is in the terms of the trust (cognitive), emotional (affective), and the desire to behave (conative).

When lifestyless and attitudes of consumers are used carefully by marketers, it will be able to help to understand the consumers' values that are constantly changing and how these values will influence consumers purchasing decisions. Decision-making which is taken by consumers may be cited as a problem solver. According to Setiadi (2008: 405) the decision phase involves activities that produce a choice between adopt or reject the innovation. In the decision making process, consumers determine what behavior they will do to get something they want. Purchase decision variables were adapted by Kotler and Keller (2009: 188) are product choice, brand choice, distributor choice, purchase amount, timing, and method of payment. According to Sumarwan (2004: 289), as extensive as any existing competition in the market, consumers remain as a determinant in making purchasing decisions. Because any strategy that has been adopted by marketers and any products they sell but in the end, the consumers also have the right to freely possess what and how the products that will be consumed.

# 2. Literature Review

# 2.1 Consumers

Consumers are every user of goods and / services available in the community, whether it be for themselves, family, others, as well as other living beings and not for sale. Consumers can be grouped as between consumers and end consumers. Between consumers are distributors, agents and retailers. They buy goods not to be used, but

to be traded. While the user of the goods is end consumers, this is mean that end consumers acquire goods or services not for resale, but rather for use, whether for the benefit of themselves, their family, other people, and other living things (Suryani, 2008: 24).

#### 2.2 Lifestyles Concept

According to Setiadi (2008: 148) lifestyles is widely identified as a way of life that identified by how people spend their time (activity), what they consider important in their environment (interest), and what they think about themselves and the world surroundings (opinion).

# 2.3 Consumers Attitudes

According to Schiffman & Kanuk (2007: 222) attitude is a tendency to learn to behave in a way that is consistent or not, with respect to a particular object. Attitude is studying the tendency to respond to an object, either liked or disliked, consistently (Setiadi, 2008: 2014). Another definition of the attitude conveyed by Krech et al (Severin & Tankard, 2009: 179), is a positive or negative evaluation system that is durable, emotional feelings, and tendency of pros or cons action of a social object.

# **2.4 Attitudes Functions**

Kazt (Setiadi, 2008: 215) classify the function of attitudes, namely:

- a. Function of Utilitarian
- Is a function related to the basic principles of reward and punishment. In there, consumers develop certain attitudes towards the product on the basis of whether a product is to give satisfaction or disappointment.
- b. Function of Expression Values Developing consumer attitudes toward a brand product is not based on the benefits of the product, but rather is based on the ability of the product brands to express values in them.
- c. Function of Preserving the Ego Attitudes that was developed by consumers tend to protect it from external challenges and internal feelings, thus forming a function of preserving the ego
- d. Function of Knowledge

Attitudes help consumers to organize many information that were presented to them every day. Function of knowledge can help consumers to reduce the uncertainty and confusion in sorting out relevant and irrelevant information to their needs

# 2.5 Attitudes Model

Broadly speaking, Shiffman & Kanuk (2007: 225) reveals that there are several models of attitudes:

- 1. Model of Three Component Attitudes. Consumer attitudes toward a product made up of three components: trust (cognitive), emotional (affective), and the desire to behave (conative).
  - a. Cognitive component is the knowledge and perception obtained by a combination of direct experience with the object of attitude and related information from various sources.
  - b. Affective component is emotion or consumers feelings about a particular product or brand.
  - c. Conative component is the individual will perform a special act or behave in a certain manner to the object of a particular attitude.
- 2. Model of Multi Nature Attitudes. This model explains that consumers attitudes toward the evaluated attributes. The model is called multiatribut for consumers evaluation of the object based on the evaluation of the many attributes that was possessed by the object.
- 3. Model of Attitudes toward Object. This model is suitable for measuring attitudes towards a particular brand or product.
- 4. Model of Attitudes toward Behavior. Is the attitude of the individual to behave or act against a particular object, rather than attitudes toward the object itself.

# 2.6 Purchasing Decisions

Purchasing decisions according to Kotler and Keller (2009: 184) is the basic psychological processes that play an important role in understanding how consumers really make their purchasing decisions.

Meanwhile, according to Kotler and Armstrong (2008: 181) said that the consumers decision of purchase (purchase decision) is buying the most preferred brand, but two factors could be between purchase intentions and purchasing decisions. The first factor is the attitude of others and the second is the situational factors that are not expected.

# 2.7 Factors that Affect Purchasing Decisions

Purchasing decisions according to Kotler and Keller (2009: 188), in the evaluation phase, consumers make

preference among brands in the collection of choices, consumers may also form the intent of purchase, consumers may establish sub-decisions, i.e.:

a. Product Choices

Product is anything that can be offered by manufacturers to be noted, asked, sought, bought, used or consumed by the market as the fulfillment of a need or desire of the relevant market. Consumers can take the decision to buy a particular product. The decision regarding how the characteristics of the product. In this case, the company should conduct market research to determine consumer preferences about the product in question in order to maximize the appeal of the brand.

b. Brand Choices

Brand (brand) is intended to identify the goods or services of one seller or group of sellers and to differentiate from competitors (Kotler and Keller, 2009: 258). Consumers should take the decision about which brand to buy. Each brand has its own differences. In this case the company has to know how consumers choose a brand.

c. Distributor Choices

Distributor is someone who runs a business to distribute or market any particular goods (products) in a certain period. Consumers should take a decision in which the required product will be purchased. In this case, manufacturers and wholesalers have to know how consumers choose a particular distributor or seller.

d. Total Purchase

Total purchase is a number of products to be purchased by the consumer. Consumers can make a decision about how many product to be bought at one time. Purchasing that was made is possibly more than one unit. In this case the company must prepare a lot of products in accordance with different desires of the buyer.

e. Time of Purchase

Consumers can make decisions about when to make a purchase. This problem concerns the availability of money to buy. Therefore, companies need to know the factors that influence consumer decisions in the determination of the time of purchase. Thus, companies can set the time of production and marketing activities.

f. Payment Method

Consumers should take the decision about the method or manner of payment of purchased product, whether in cash or in installments. The decision will affect the decisions about the seller and the amount of the purchase. In this case the company must know the desires of the buyer against the method of payment

# 2.8 Online Trading

According to Kotler and Armstrong (2009: 470), defines "online marketing is an attempt for companies to market their products and services and build customer relationships over the internet."

#### 2.9 Online Purchasing

According to Liang and Lai (Armayanti, 2012), the behavior of purchasing via the internet (online shopping) is the process of buying a product or service via the internet. The specificity of the buying process through the internet is when the potential customers use the internet and searching for information relating to the goods or services they need. In more detail, the behavior of buying through the internet is consumers' action from starting to visit or re-visit the virtual store, make an order for the purchase of products or services, as well as agreeing to the contract of accepting and using the services via the internet.





Based on the framework described above, the hypothesis in this study is as follows:

1. H<sub>0</sub>: There is no influence of lifestyles and consumers' attitudes on purchasing decisions.

H<sub>1</sub>: There is an influence of lifestyles and consumers' attitudes on purchasing decisions.

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- 2. H<sub>0</sub>: There is no influence of lifestyles on purchasing decisions.
  - $H_1$ : There is an influence of lifestyles on purchasing decisions.
- 3. H<sub>0</sub>: There is no influence of consumers' attitudes on purchasing decisions. H<sub>1</sub>: There is an influence of consumers' attitudes on purchasing decisions.

# 3. Research Methods

This research is using descriptive analysis method. According to Sugiyono (2012: 206), descriptive analysis is the analysis used to analyze the data by describing or depicting the data that has been collected as it was without intending to make conclusion which is intended generally or generalizations.

The independent variable in this study is the lifestyles and attitudes of consumers of online shopping and the dependent variable is the purchasing decisions of online shopping consumers in Indonesia.

The population in this study is the Indonesian people who have been doing online shopping using a 5% significance level. Due to the number of people who have been doing online shopping is not known for certain, the samples used in this study were 384, but rounded to 400 respondents.

In this study used an interval scale, which is the scale that the distance between one data with the other data have different values, such differences do not have a value of zero (0) absolute interval trying to show the difference between the value, status or grade clearly (Pasolong, 2012: 136).

The analysis technique used in this research is the analysis technique of Structural Equation Modeling (SEM). It is intended to investigate the influence of lifestyles and attitudes of consumers simultaneously and partially toward the purchasing decision.

# 4. Analysis And Discussion

# 4.1 Analysis of Respondents Characteristics

Based on the research data on the characteristics of the respondents that was obtained, it was known that many respondents in this study were women aged 18-25 years old. In that range of age, the respondents with the average of latest education in high school, have been doing online shopping 1-10 times within the last 6 months. The respondents who are mostly students, have an average income of Rp 2,000,000,- to Rp 4,000,000,- per month. So it can be concluded that the products that were sold in an online shopping site is a product that was associated with middle-income women, like fashion items, not luxury items such as property and others.











Characteristics of Respondents by Latest Education

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# 4.2 Descriptive Analysis

In this study has also been conducted a descriptive analysis of each variable to determine the position of each of the variables in the study. In the lifestyles variables show the result of descriptive analysis for 7.74 and still in good category. The sub-variables that have the lowest percentage is the opinion with the value of 7.589. Looking at the values that were obtained from these variables are still in good category, but it would be better if the online shopping evaluate it and make it as inputs for online shopping websites in order to become better. On consumers' attitudes variables, descriptive analysis showed a value of 7.82 and is included in good category. While there is the lowest value in the sub-variables of knowledge that is equal to 7.78. Judging from the value that were obtained, these variables are still in good category. In addition, in the purchasing decision variables, descriptive analysis showed a value of a category. The lowest score was in the sub-variable total purchase that is equal to 6.96. Judging from the value that was obtained, these variables are still in good category.

#### 4.4 Hypothesis Analysis

Hypothesis testing is done to examine the relationship between latent variables by looking at the value of t or c.r (Critical Ratio) which is on the table of the regression weight from the output result of AMOS. Here are the results of hypothesis testing that was generated simultaneously and partially:

1. Simultaneously Hypothesis Testing

 $H_0$ : Lifestyles and attitudes of consumers do not have an influence on purchasing decisions  $H_1$ : Lifestyles and attitudes of consumers have an influence on purchasing decisions The formula:

$$F = \frac{((n-k-1)(R^2)}{k(1-R^2)}$$

$$F = \frac{((400-2-1)(0,207)}{2(1-0,207)}$$

$$F = \frac{82,179}{1.586}$$

Fcalculate = 51,815

With  $\alpha = 5\%$  and df1 = k = 2, df2 = n-k-1 = 400-2-1 = 397, obtained the value of Ftable  $\pm$  3,018. Based on the following test criteria:

1. Accept H0 if Fcalculate < Ftable

2. Reject H0 if Fcalculate > Ftable

Based on the calculation above, it can be obtained that the value of Fcalculate is 51,815. Because the value of Fcalculate (51,815) > Ftable (3,018), then H<sub>0</sub> is rejected. It means that the lifestyles and attitudes are jointly influencing on purchasing decision.

2. Partially Hypothesis Testing

Hypothesis testing is done to examine the relationship between latent variables by looking at the value of t or c.r (Critical Ratio) which is on the table of the regression weight from the output result of AMOS. The following is table of regression weight results:

# Table 4.21Table of Regression Weight Results

Influence	t calculate	Sig	Description	Conclusion
X1> Y	7,631	0,000	H <sub>0</sub> rejected	Significant
X2> Y	1,912	0,056	H <sub>0</sub> accepted	Not Significant

In this study H<sub>1</sub> is received when  $t_{calculate}(c.r) \ge t_{table}$ , where the value of  $t_{table}$  is 1,96, so that  $c.r \ge 1,96$ . Based on the table above, it can be concluded as follows:

- 1. The value of  $t_{calculate} X_1$  towards Y is 7,631, which means greater than 1,96 (7,631 > 1,96). This indicates that there is a significant influence of Lifestyles on Purchasing Decisions, so that  $H_0$  is rejected.
- 2. The value of  $t_{calculate} X_2$  towards Y is 1,912 which is smaller than 1,96 (1,912 < 1,96). This indicates that there is no significant influence of Consumers Attitudes on Purchasing Decision, so that H<sub>0</sub> is accepted.

# 5. Conclusions

After the authors held a discussion on "The Influence of Lifestyles and Consumers Attitudes on Product Purchasing Decision via Online Shopping in Indonesia", then on this chapter, the authors draw a conclusion and give suggestions based on the essay that were explained in the previous chapter.

- 1. On the descriptive analysis of this study was produced an average value of 7.74 which indicates that the variable of lifestyles was included in good category. In the eyes of the respondents, lifestyles is a significant factor that was influencing the respondents in making purchasing decisions via online shopping.
- 2. On the descriptive analysis of this study was produced an average value of 7.82 which indicates that the variable of consumers attitudes was included in good category. Emotion was assessed by respondents as a part of consumers attitudes, and it was greatly influential in deciding to purchase a product via online shopping.
- 3. On the descriptive analysis of this study was produced an average value of 7.43 which indicates that the variable of purchasing was included in good category. This suggests that customers making purchasing decisions on online shopping sites with regard of lifestyle and consumers attitudes. Where lifestyles and consumers attitudes are important and considered in online shopping in Indonesia.
- 4. Based on SEM analysis on this study, it was produced that the variable of lifestyles provides significantly positive influence on purchasing decision, and the variable of consumers attitudes provides positive influence on purchasing decision but not significantly. While the variable of lifestyles and consumers attitudes provide positive influence but not significant on purchasing decision.

# Suggestions

Suggestions for the Companies

- 1. With the influence of lifestyles on purchasing decisions of 44.5% where the strongest influenced subvariables is interests and the weakest influenced sub-variables is activities, online shopping Company can take advantage of consumers lifestyles in a good way to increase sales. Online shopping can also pay more attention to the frequent activities of the consumers. How often does someone accesses the internet to shop, why should online shopping should give the best price regarding the consumer activity which usually like to compare prices. Online shopping Company also have to pay attention to consumer activity in giving suggestions, criticisms and complaints, so that customers can easily meet the needs and desires to make purchasing decisions on online shopping Company in Indonesia.
- 2. With the influence of consumers attitudes on purchasing decision of 9.3% where the strongest influenced sub-variables is emotions and the weakest influenced sub-variables is knowledge, it was expected that online shopping in Indonesia to further improve the knowledge of the customer, be it through promotion, transaction security, ease of access, and so on, so that customers can easily recognize and make purchasing decisions on online shopping in Indonesia.
- 3. For further study, may examine other factors in addition to lifestyles and consumers attitudes in doing research.
- 4. The future researchers can use the same topic but with different research methodologies in order to look the differences or similarities of the results of this study by the research conducted so as to increase knowledge for many people.

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