Think Again Before You Buy: The relationship between self-regulation and impulsive buying behaviors among Jakarta young adults

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Abstract

Impulsive buying behavior is a phenomenon that usually occurs among groups of individuals who have just started to earn income in metropolitan cities such as Jakarta. Young adults are on a stage in their lives where they experience a transition from being financially dependent to fully financially independent individuals. This stage is also marked by the establishment of certain goals that are usually related to monetary issues. Thus, self-regulation is needed to control urges for impulsive buying of unnecessary goods. The result of the study indicates that a negative correlation exists between self-regulation and impulsive buying behavior ($r = -.267$, $p<0.01$).

Keywords: Self-regulation; impulsive buying behavior; young adults; monetary issues

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1. Introduction

Impulsive buying behavior is one of the trending topics amongst consumer researchers that they are currently striving to answer, starting with the causes, driving forces and the triggers of impulsive buying behavior. Such need is being reinforced with the era that we are living now. In the 21st century, shopping has been identified as a form of leisure activity among urban populations, with the same attitude existing in Jakarta as well. This phenomenon can be seen in the daily lives of young adults as young adults living in metropolitan cities have a constant need of reaching some level of social standards as a mean of fulfilling social needs, with popular acts such as chilling at a café and spending time at the mall with their peers (Enrico, Aron & Oktavia, 2014). Such behaviours are also encouraged due to the advantageous locations of shopping centres around Jakarta with locations of various universities in Jakarta that allow easy access to shopping malls such as Central Park, Mall of Taman Anggrek, Citra Land, Gandaria City and Grand Indonesia. At this point, young adults become the main focus as they are at the stage of their lives where they have earned or are starting to earn disposable income. Allowing them the freedom of purchasing as their hearts desire. However, their newfound freedom could be problematic as young adults have been identified as the demographic that are more prone to exhibit impulsive buying behavior in a retail environment (Virvilaitė & Saladiene, 2012).

Upon looking at theories of Developmental Psychology, young adults are at the stage of their lives that marked the attainment of independence that individuals usually get by holding a more or less permanent full-time job which occurs after an individual has finished school, college, graduate or professional schools (Santrock, 2011). During this period of development, individuals experience a transition from being financially dependent on their parents to be fully financially independent, giving them full control of their income. Young adulthood is also marked by the establishment of certain life goals and achievements with controls over oneself becoming a necessity in order to attain these goals and achievements. According to Erikson, early adults are at a stage of undergoing an ego crisis known as intimacy vs. isolation, which is the stage during which individuals search for their significant others and start to think about future plans of forming a family. In Indonesian societies, it is common for young adults to have establish goals that are relating to wedding, accommodations, children’s education, and many others pointing at the direction of building a secure family life.

With the plans and goals that are established, these young adults would need to possess control over themselves and be able to self-regulate themselves in accord with their financial needs. However, there will always be a conflict between “necessities in the present” and “necessities in the future” that hinders an individual’s ability to save up. Individuals are always driven by the urge to purchase goods that they have seen while window shopping or through a friend’s recommendations and suggestions. The conflict between these two urges requires an individual to engage in self-regulation (Vohs & Baumeister, 2011).

1.1. Variables

There are 4 different components that has been identified by Baumstein et al (2007) which make up self-regulation: (1) Standards of desirable behavior, (2) Motivation to meet standards, (3) Monitoring of situations and thoughts that precede breaking standards, (4) Willpower or internal strength to control urges. Each of these components serve as a factor that influence the progression of self-regulation indicating that the absence of one of these components can lead to an increase of impulsive and thoughtless behaviors. However, this study seek to establish a relationship between self-regulation and impulsive buying rather than find out whether the components of self-regulation serve as a factor to increases impulsive behaviors.

1.2. Research objective

As mentioned above, self-regulation becomes an issue in young adults who have started earning money or maintaining stable jobs. Without proper self-regulation, young adults can spend a load amount of money on unnecessary items. However, literature on impulsive buying in Indonesia, especially in Jakarta, have not been widely covered. This study aims to give a demographic description of impulsive buying in young adults that are domiciled in Jakarta.
2. Literature review

2.1. Self-regulation

Self-regulation refers to our ability as human beings to be able to control our thoughts, emotions and behavior towards higher aim (Ceresnik, 2013) upon presented by an appetitive stimulus. This ability relates to how well we are able to function in society with research suggesting that individuals possessing low self-regulation often would face troubles in their everyday lives as well as experience more pressure from the people in their surrounding environment (Nováková & Vávrová, 2015). According to Zimmerman (2000) in Shirkhani and Ghaemi (2011), self-regulation can be defined as systematic efforts by which an individual strenuously controls behavior in order to reach important objectives. It is also a process that keeps control of cognition and emotions experienced by an individual which are considered as factors influencing the attainment of goals (Tavakolizadeh, Yadollahi & Poorshafeic, 2012).

This concept has been characterized by three components (1) goal establishment (2) productive behavior that leads to the attainment of goals and (3) monitoring actions to reach goals (Vohs & Baumeister, 2011; Ceresnik, 2013). Thus, self-regulation allows an individual to have control over their personal psychological and physiological state (Berdibayeva, Nurdaulet, Sholpan, Gulmira, Agaisha & Sharban, 2015). In that manner, the main cause of the troubles would be the fact that individuals with low self-regulating abilities are more prone to act on immediate desires, a behavior that could prove troubling depending on the kind of desires being acted upon.

Baumstein et al (2007) has identified four different components that make up self-regulation: (1) Standards of desirable behavior, (2) Motivation to meet standards, (3) Monitoring of situations and thoughts that precede breaking standards, (4) Willpower or internal strength to control urges. When an individual lacks in one or more of these components, self-regulation fails to progress and the result could lead to an increase in impulsive or thoughtless behavior. This brought to a conclusion that self-regulation is impulse control in the face of short-term desires as our ability to self-regulate has been linked to a higher psychological well-being (Parto & Besharat, 2011) due to the fact that when we are able to regulate ourselves, we are able regulate our emotions as well as possessing the motivation and the willpower to maintain the regulation that we have imposed upon ourselves.

2.2. Impulsive buying

Impulsive buying could be defined as the “spontaneous and unreflective desires to buy, without thoughtful consideration of why and for what reason a person should have the product” (Vohs & Faber, 2007). In their book Handbook of Self-Regulation, Vohs and Baumeister (2011) have identified three characteristics of impulsive buying: (1) rapid decision to buy, (2) diminished concern for the consequences, (3) the decision to buy emerges between a conflict between affect (desire) and cognition (control). Most of the time, before impulsive purchases are made, there would be a sense of doubt in whether a purchase should be made or not. However, due to the spontaneity of impulsive buying, that doubt becomes a mere fleeting thought that is not paid attention to.

Based on researches carried out on the phenomenon of impulsive buying behavior, there are several existing definitions of this behavior. According to Stern (1962) in Piron (1991) who improved the understanding of impulsive buying behavior, there are four different distinctions to the impulsive buying behavior such as planned, pure, reminder and suggestion impulsive buying. Pure impulsive buying behavior takes place when consumers purchase goods truly due to the novelty of the product that attracts the consumers such that the reason behind the purchase is simply “just to have that item”. When consumers purchase goods upon seeing the product accompanied by the sudden realization that they need the product, this type of buying behavior is distinguished as reminder impulsive buying. Suggestion impulsive buying is quite similar to the reminder in which consumers purchase goods when they encounter the product. However, the difference between the two behaviors is that suggestion buying occurs when consumers have no prior knowledge of the product and unexpectedly visualize a need for it when seeing the product. Stern’s view on impulsive buying behavior is similar to that of Nesbitt’s view (in Piron, 1991) in which planned impulsive buying behavior can be termed as intelligent shopping where consumers do not plan to purchase a certain product but rather purchase the item due to certain advantages such as promotion or sales.
In his Psychology Today article, Ian Zimmerman (2012) attributed some of the causes of impulsive buying into the personality and traits owned by the buyers themselves. He identified four behavioral processes that make impulsive buyers impulsive: (1) social and status concerned, (2) anxiety and difficulty in regulating emotions, (3) lower levels of happiness and buys in order to improve mood, (4) less likely to consider the consequences. Impulse buying does have a mood alleviating effect on impulsive buyers. A study conducted by Meryl Gardner (1988) showed that 75% of individuals who engaged in impulsive buying experienced better mood than before they made any impulsive buying. These results showed the causal addictive effect of impulsive buying which leads to the constant repetitive impulse buying behavior that could be seen amongst those individuals. However, in 2012 Zimmerman stated that impulsive buying behavior is related to anxiety and unhappiness as consumers are purchasing goods without further monetary reasoning and controlling this behavior could improve an individual’s psychological well-being. The consequences of these behaviors cause sufferings for individuals as they purchase goods without further reasoning and beyond their needs or financial limits (Eren, Eroglu & Hacioglu, 2012).

When looking at some of the causes of impulse buying, we should not focus solely on the personal disposition of impulsive buyers, rather on some environmental cues that may also play a part in driving such impulsive urges. Culture has been known to play some role in impulsive buying. The difference between a collectivist and an individualistic culture is shown to affect impulsive buying behaviors and the feeling of satiation that comes afterward (Lee & Kacen, 2008). Individuals from a collectivist culture are more influenced by an identification process in which their behavior largely consist of self-defining value. In that regard, individuals from collectivist culture are more likely to engage in impulse buying in order to identify with their social groups; as Indonesia makes up one of the biggest collectivist culture, it served to explain the consumer behavior pattern amongst Indonesians.

Other than personality and cultural factors, demographic data of impulsive buyers could provide some explanation of the behavior itself. Young adults and adolescent make up the majority of impulsive buyers as they are more prone to engage in it. According to Jeffrey Arnett (2007) in Santrock (2011), early adulthood becomes an age of possibilities as individuals now have the ability and complete autonomy of their lives and the means to transform or mold it in any way they want. The feeling of autonomy comes from the fact that early adulthood is the stage of life where individuals are beginning to explore and start working. The feeling of earning their own income and being independent boost the very feeling of autonomy.

However, the feeling of autonomy is not without its drawbacks when combined with the lack self-regulation. The spending incurred by individuals who are restricted monetarily and those who are not will surely differ. A study conducted by Villella et al (2011) shows a higher number of impulsive purchases made by adolescents. However, the financial dependency that adolescence have towards their parents help them in restricting their purchases. The same situation could not be said for individuals in their early adulthood as it is the age of financial independence. The concern then arises when, given the financial independence and the lack of restriction, individuals with low self-regulation would face difficulty in controlling their impulsive buying behavior which would lead to future financial issues. Referring back to cultural factors, individuals engaged in impulsive buying would face difficulty in fulfilling their normative age-graded events in which events which are expected of people with similar age. Looking at the life stage of young adults, it is the age where finance becomes an issue as the expectation from society and families are starting to sink in.

Young adults are expected by society to have achieved certain things that would increase their status in that very society, in countries where parental or peer influence are strong, impulsive buying would tend to pose a problem as financial issue would rise up in the face of limited financial resources. In that regard, adolescence and young adults, then, represent a profitable consumer market due to the frequency of impulsivity in their purchases (Eren, Eroglu, Hacioglu, 2012). Therefore, through self-regulation, individuals are able to control their impulsive buying behaviors to reach certain goals that have been established and diminish anxiety and unhappiness and promote psychological well-being, hence helping individuals to create strategies that can help them solve their life problems (Zebardast, Besharat, Hghighatgoo, 2011).

Lack of self-regulation, then, would lead to the increase of impulsive behaviors, in which urges become uncontrollable. However, impulsive behavior is not as simplistic to be narrowed down to the physiological satiation of our wants caused by appetitive stimulus as the kind of satiation achieved could be internal or even intangible for mere observers or, in other words, the satiation achieved is psychological. In their article Giving in to feel good: the place of emotion regulation in the context of general self-control, Tice and Bratslavsky (2000) emphasize emotional
satisfaction and the reduction of anxiety as the leading factor in impulsive behavior. The emotional satisfaction and anxiety reduction then serves as a kind of reinforcement for those individuals engaged in impulsive behavior to repeat the behavior.

3. Hypotheses

Based on the literature review explanations, authors formed two hypotheses for this study, that is:

H1: There is a relationship between self-regulation and impulsive buying behaviors

The first hypothesis indicates that self-regulation predicts the tendency of impulsive buying behavior. In other words, we can assume a person’s tendency to buy things impulsively by evaluating their self-regulation score.

H2: The relationship between self-regulation and impulsive buying behaviors would be a negative correlation

The second hypothesis indicates that the higher the person’s self-regulation score is, the lower the person’s tendency to buy things impulsively, and vice versa.

4. Method

4.1. Instruments

4.1.1. Demographic scale

The demographic scale was used in this study to collect demographical data such as age, gender, domicile, employment status, job and educational experience all in Indonesian.

4.1.2. Self-regulation questionnaire

For this study, we used the 21-item Self-Regulation Questionnaire (Neal & Carey, 2005) to assess a generalized capacity to regulate behavior in order to achieve a desired future result. As reported in Creed, Fallon & Hood (2009), the internal reliability of the scale was .92 and the evidence for convergent and discriminant validity has been reported by Neal and Carey. The scale was adapted including translation and wording into Indonesian to match the context of the research in Jakarta. Sample items include statements such as “Saya sering kesulitan dalam menindaklanjuti hal-hal yang sudah saya putuskan” (“I often have trouble following through with things once I’ve made up my mind to do something”) and “Saya memiliki standar pribadi dan saya berusaha hidup sesuai dengan itu” (“I have personal standards and try to live up to them”). Responses were made on a Likert-type scale (1 = strongly disagree to 4 = strongly agree). Alpha in the current study was .818 with mean 60.27 (SD = 6.963).

4.1.3. Impulse buying tendency scale

The instrument used to measure impulsive buying behavior is the 20-item Impulse Buying Tendency Scale developed by Verplanken and Herabadi (2001). The instrument assessed two facets of impulsive buying tendencies, namely cognitive aspects and affective aspects. The internal reliability of the scale was .91 for the cognitive aspects and .83 for the affective aspects; the validity of the scale has been confirmed as reported in Bosnjak, Bandl & Bratko (2007). The scale was adapted including translation and wording into Indonesian to match the context of the research in Jakarta. After the pilot study, there were 2 items eliminated (1 cognitive aspects item and 1 affective aspects item) and resulting in eighteen final items to be used. A sample item for the cognitive aspects was, “Biasanya saya berpikir baik-baik sebelum membeli sesuatu” (“I usually think carefully before I buy something”) and a sample item for affective aspect says “Terkadang saya merasa bersalah setelah membeli sesuatu” (“I sometimes feel guilty after having bought something”). Responses are indicated on a Likert-type scale (1 = strongly disagree to 4 = strongly agree). Alpha in the present study was .842 with mean 39.94 (SD = 7.793).
4.2. Participants

In the current study, the sample consisted of 153 young adults aged 20 to 30 from the Special Capital Region of Jakarta. Of the sample group, 89 (58.17%) were female and 64 (41.83%) were male.

4.3. Sampling and procedure

This study used simple random sampling method to collect data. The instruments were compiled into one booklet with an informed consent and instruction to fill the questionnaire included, all in Indonesian. The instruments then administered to the participants by being informed beforehand about the aims of the research that the scales would be administered anonymously, the replies would remain confidential and only be used for research purposes.

4.4. Statistical analysis

The data collected from this study was processed using Pearson Product Correlation and IBM SPSS Statistics 22 program to compute the correlation score.

5. Results

5.1. Demographic results

The demographic data obtained from the study show that it is mostly comprised of young women as the dominant respondents (58.17%), with the dominant age demographic between 20 to 24 years (90.20%), domiciled in West Jakarta (54.90%) and has SMA/SMK (High school/Vocational school) as their latest educational background (69.93%).

Table 1. Respondent profile

<table>
<thead>
<tr>
<th>Demographical Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-24</td>
<td>138</td>
<td>90.20%</td>
</tr>
<tr>
<td>25-30</td>
<td>15</td>
<td>9.80%</td>
</tr>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>64</td>
<td>41.83%</td>
</tr>
<tr>
<td>Female</td>
<td>89</td>
<td>58.17%</td>
</tr>
<tr>
<td>Domicile</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Jakarta</td>
<td>9</td>
<td>5.88%</td>
</tr>
<tr>
<td>North Jakarta</td>
<td>7</td>
<td>4.58%</td>
</tr>
<tr>
<td>South Jakarta</td>
<td>28</td>
<td>18.30%</td>
</tr>
<tr>
<td>West Jakarta</td>
<td>84</td>
<td>54.90%</td>
</tr>
<tr>
<td>East Jakarta</td>
<td>18</td>
<td>11.76%</td>
</tr>
<tr>
<td>Unspecified</td>
<td>7</td>
<td>4.58%</td>
</tr>
<tr>
<td>Latest Educational</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SLTA</td>
<td>1</td>
<td>0.65%</td>
</tr>
<tr>
<td>SMA/SMK</td>
<td>107</td>
<td>69.93%</td>
</tr>
<tr>
<td>D3</td>
<td>4</td>
<td>2.61%</td>
</tr>
<tr>
<td>S1</td>
<td>34</td>
<td>22.22%</td>
</tr>
<tr>
<td>S2</td>
<td>5</td>
<td>3.27%</td>
</tr>
<tr>
<td>Unspecified</td>
<td>2</td>
<td>1.31%</td>
</tr>
</tbody>
</table>

5.2. Variables

Below are the Mean, Standard Deviation and Variance for each instrument of this study.
Table 2. Scale statistics of all variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean (M)</th>
<th>Std. Deviation (SD)</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Regulation</td>
<td>60.27</td>
<td>6.963</td>
<td>48.490</td>
</tr>
<tr>
<td>Impulsive Buying Behaviors</td>
<td>39.94</td>
<td>7.793</td>
<td>60.727</td>
</tr>
</tbody>
</table>

5.3. Self-regulations and impulsive buying behavior

The result of Pearson Correlation between self-regulations and impulsive buying behavior are presented in table below.

Table 3. Correlation results between self-regulation and impulsive buying

<table>
<thead>
<tr>
<th>Pearson Correlation</th>
<th>-0.267**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig (2 tailed)</td>
<td>.001</td>
</tr>
<tr>
<td>N</td>
<td>153</td>
</tr>
</tbody>
</table>

As shown, there is a significant relationship between self-regulation and impulsive buying behaviors (p<0.01) which proved that the first hypothesis of this study is indeed correct and is accepted with a 99% confidence. In this table, we can also see the negative sign next to the correlation result of this study with Pearson Correlation coefficients of (r = -0.267, P<0.01). This implies that self-regulation and impulsive buying behavior is negatively correlated, proving that the second hypothesis is also correct and accepted. Results of this study are consistent and supported by the previous literature review which states the difficulty of controlling impulsive buying behavior when those very individuals possess a lack of self-regulation within themselves.

6. Discussions

In the current study, the results show that self-regulation and impulsive buying were correlated with one another with a statistically significant results (r = -0.267, p < 0.01). From the result, we can conclude two things. First, the result shows that if there are any changes occurred in self-regulation, then most likely the changes will also occur in impulsive buying behavior. Second, the correlation between the two variables are a negative correlation which mean that when an individual has a high level in one variable, then that individual will have a low level in the other variable. This empirical study shows that the higher the person’s level of self-regulation, the lower the impulsive buying behavior tendency. Therefore, this study also suggests that if young adults want to diminish their impulsive buying behavior, they should have a high level of self-regulation.

At their age of financial independence, they also have many things that they have planned for their future, such as wedding planning, accommodation as well as other issues involving autonomy and finance. In order to fulfill those goals, they have to start saving money early while regulating and controlling their buying behaviors. An individual might be cognitively talented, however, a failure in regulating their behavior, in any sort of situation could diminish their cognitive effect. To regulate their impulsive buying behavior, they should have a self-regulation because no matter how cognitively talented an individual is, their activities, including buying activity, have to be guided by the mature and complete system of self-regulation so they can achieve their goals (Morosanova, 2013). Meaning, if they can regulate themselves, then they can diminish their impulsive buying behavior and start saving up their money so they would not have to deal with future monetary issues.

Not only diminishing impulsive buying behavior, having self-regulation would also diminish anxiety and unhappiness, which in turn increases psychological well-being. Impulsive buying behavior usually implies the presence of some of the most negative thoughts, such as making ineffective purchases, spending money excessively, bearing uncertainty and even harboring a sense of guilt (Liang, 2012). By repetitively doing impulsive buying behavior, people won’t be happy because usually such actions will be regretted, which in turn disrupts their
psychological well-being. To avoid that situation, young adults have to regulate themselves so they would not make impractical purchases that they will regret.

For young adults to regulate themselves from purchasing goods in this metropolitan city of Jakarta, that has an abundance of shopping malls to begin with, would be difficult because there are so many enticing and innovative products to purchase added with the existence of numerous places where they can spend their money on. But in order to avoid a future with many difficulties, they have to regulate themselves and try to make priorities for important necessities so that they would not suffer the horrible consequences of financial problems.

The results could also be explained by looking at the cultural factors in Indonesia. Indonesia’s existence as a collectivist culture also becomes a determining factor in the significance of the result obtained by this study. As mentioned above, a collectivist culture is more prone to engage in impulsive buying due to the group identification value that those individuals would put upon purchases (Lee & Kacen, 2008; Tavakoli & Tavakoli, 2010).

This study was limited to ensure whether impulsive buying behavior and self-regulation were correlated with one another and also to identify the pattern of relationship between the variables. For further studies, we heavily encourage other scholars to conduct similar research based on gender differences and cultural diversity as they are factors that influence an individual’s behavior. Researchers who would expand from this research should also make a comparison between individuals who have independently earned their income and those who are still dependently relying on their family for finance. Furthermore, other scholars should attempt to get more participants from all area of Jakarta for the study to gain a result that would represent the majority of the population.

References


