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UNDERSTANDING THE ROLE OF FOMO (FEAR OF MISSING OUT) IN IMPULSE PURCHASE FOR SMES

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ABSTRACT

This study examines the influence of price discounts on impulse buying through live streaming among e-commerce users in Indonesia. The research adopts a quantitative approach, utilizing a survey methodology with questionnaires distributed to a purposive sample of 152 consumers from the Dolee Branded Store. Data were analyzed using SmartPLS 4.0 software, employing the PLS-SEM analysis method. The findings reveal that price discounts significantly directly impact impulse buying behavior. Furthermore, price discounts also significantly affect live streaming, which, in turn, substantially influences impulse buying. The results indicate that live streaming acts as a mediating variable, enhancing the effect of price discounts on impulse purchases. This study underscores the importance of integrating price discount strategies with live streaming to drive impulse buying behavior in the e-commerce sector effectively. By leveraging live streaming as a promotional tool, businesses can maximize the impact of their discount offers, leading to increased consumer engagement and sales. These insights provide valuable implications for marketers and e-commerce platforms aiming to enhance their promotional effectiveness and customer acquisition strategies.

Keywords: E-commerce, Fear of Missing Out, Impulse Buying, Live Streaming, Price Discounts, SMEs

INTRODUCTION

In the current era of digital globalization, commerce has undergone a significant transformation, primarily driven by the advent of e-commerce platforms. These platforms have become essential channels for buying and selling activities, offering consumers unparalleled convenience and various products. In Indonesia, the shift towards digital marketplaces has been notably pronounced, fueled by rapid internet penetration and the widespread adoption of smartphones. According to the Indonesian Internet Service Providers Association (APJII), in 2024, internet users in Indonesia reached 221,563,479 from a total population of 278,696,200, marking a 1.4% increase from the previous year. This significant growth in internet users reflects the substantial change in consumer shopping behavior in Indonesia. It underscores the importance of e-commerce in the rapidly developing digital economy from the previous year, as shown in Figure 1 below:



Figure 1. E-commerce User Numbers in Indonesia

Source: <https://data.tempo.co/data/909/prediksi-angka-pengguna-e-commerce-di-indonesia-2024>

Figure 1 shows the increase in e-commerce users in Indonesia from 2017 to 2024. There is a significant growth trend in the use of e-commerce platforms. It reflects a significant change in how consumers shop in Indonesia and highlights the importance of e-commerce in the rapidly developing digital economy.

E-commerce platforms like Shopee, Tokopedia, Lazada, and Bukalapak have capitalized on this digital shift, becoming integral to Indonesia's retail ecosystem. Among these, Shopee has emerged as a leading platform, characterized by its innovative marketing strategies and extensive product range. As of September 2023, Shopee recorded over 200 million visits, significantly outpacing its competitors. This dominance is attributed to its user-friendly interface, diverse product offerings, and strategic use of digital marketing tools such as live streaming and price discounts.

Impulse buying, unplanned purchases without prior intention, has become a central theme in consumer behavior studies. This phenomenon is particularly prevalent in the digital marketplace, where consumers are constantly exposed to various stimuli that can trigger impulsive purchasing decisions. Factors such as limited-time offers, flash sales, and engaging live-streaming sessions contribute to this behavior. In Indonesia, the culture

of impulse buying has been amplified by the ease of online shopping and the psychological impact of price discounts.

Price discounts are among the most effective marketing strategies e-commerce platforms employ to attract consumers and drive sales. These discounts can take various forms, including percentage reductions, buy-one-get-one-free offers, and voucher codes. The allure of obtaining products at a lower price often prompts consumers to make spontaneous purchases. A study by Mayani & Octavia (2024) highlighted that price discounts, bonus packs, and visual merchandising significantly influence impulsive buying decisions in retail. This finding underscores the critical role of price discounts in shaping consumer behavior in the digital age.

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Live streaming has emerged as a powerful tool in the e-commerce arsenal, offering sellers a dynamic and interactive platform to showcase their products and engage with potential buyers. This real-time interaction enhances the shopping experience and builds trust and authenticity. Platforms like Shopee have integrated live-streaming features that allow sellers to conduct live demonstrations, answer questions, and offer exclusive discounts to viewers data from databooks. Metadata.co.id, presenting the number of visitors to e-commerce platforms in Indonesia from January to September 2023, illustrates the changing trend in consumer preferences. The sharp surge in Shopee users, making it the e-commerce platform with the most significant number of visitors in Indonesia, highlights its strong dominance and popularity in the local e-commerce market. This indicates that Shopee has attracted more customers through various strategies, such as improving service quality, offering attractive promotions, and providing a better user experience.

Meanwhile, other platforms like Tokopedia, Lazada, Bukalapak, and Blibli remain stable or decline, indicating challenges for these platforms in implementing strategies to attract or retain customers. Based on databooks. Metadata.co.id presents the number of

visitors to e-commerce platforms in Indonesia from January to September 2023, shown in Figure 2.



Figure 2. Most extensive E-commerce Visits in Indonesia

Source: <https://databoks.katadata.co.id/datapublish/2023/10/11/pengunjung-shopee-makin-banyak-bagaimana-e-commerce-lain>

Figure 2 shows the changing trend in consumer preferences in Indonesia regarding e-commerce services on the online platforms Shopee, Lazada, Blibli, Tokopedia, and Bukalapak. The sharp surge in users on Shopee to become the e-commerce platform with the most significant number of visitors in Indonesia shows its strong dominance and popularity in the local e-commerce market. This indicates that the Shopee platform has attracted more customers through various strategies, such as improving service quality, offering attractive promotions, and providing a better user experience. Meanwhile, the online platforms Tokopedia, Lazada, Bukalapak, and Blibli tend to remain stable or even fall, indicating that there are challenges for platform providers in carrying out strategies to attract or retain customers.

The Dolee Branded Store on Shopee is a prime example of utilizing price discounts and live streaming to stimulate impulse buying. This store, known for selling various branded products at competitive prices, regularly hosts live streaming sessions offering real-time discounts and engaging directly with their audience. However, impulse buying is not solely driven by economic incentives like price discounts but also by psychological and social factors. The presence of social influencers, peer pressure, and the desire to keep up with trends can all contribute to impulsive purchasing decisions. The Fear of Missing Out (FOMO), a psychological phenomenon where individuals fear that others might be having rewarding experiences that they are absent from, plays a significant role in impulse buying. Ananda et al. (2023) found that endorsements made during live-streaming sessions enhance trust and strengthen purchase intentions among viewers. It indicates that the social environment and the perceived credibility of the seller play crucial roles in the decision-making process.

Technological advancements have revolutionized e-commerce, providing new avenues for marketing and consumer engagement. The use of big data analytics, artificial

intelligence, and machine learning allows e-commerce platforms to personalize shopping experiences and predict consumer behavior more accurately. These technologies enable platforms like Shopee to tailor their marketing strategies, offering personalized discounts and product recommendations that cater to individual preferences. This personalization further drives impulse buying by making the shopping experience more relevant and engaging for consumers. For small and medium-sized enterprises (SMEs), integrating FOMO into marketing strategies can be particularly effective. SMEs often rely on creating a sense of exclusivity and urgency to compete with larger businesses. By leveraging FOMO, SMEs can encourage consumers to make quick purchasing decisions, fearing they might miss out on a limited-time offer or exclusive product. This strategy can be incredibly potent when combined with live streaming and price discounts, creating a compelling call to action for consumers.

Based on the research gap, the research issue revolves around understanding how live streaming acts as a mediator between price discounts and impulse buying in the context of e-commerce platforms. Existing studies have separately examined the effects of price discounts on impulse buying and the role of live streaming in consumer engagement. There is a lack of comprehensive research that explores the mediating role of live streaming in enhancing the impact of price discounts on impulse buying.

In the dynamic landscape of digital marketing, understanding the multifaceted aspects of marketing management is crucial. Marketing management is an analytical process that involves planning, implementing, and overseeing initiatives to meet consumer needs and desires through effective and efficient processes (P.T. Kotler et al., 2019). The primary goal is to achieve organizational objectives by creating a competitive advantage through superior consumer satisfaction compared to competitors. Marketing management encompasses various functions, including market research, product development, distribution, pricing, and promotion. These functions are not standalone but integrated to form a holistic marketing strategy. Buana et al. (2023) emphasize that adapting and applying relevant marketing strategies to meet dynamic market needs is critical to success in marketing management. This integrative approach is vital in building long-term consumer relationships, focusing not merely on one-time transactions but on fostering sustained customer loyalty. Baker & Hart (2016) suggests that marketing should understand customer needs and desires in ways that allow companies to develop products that align with current and future market demands.

In the modern marketing landscape, the use of technology and data has become essential. Big data and analytics enable companies to quickly identify trends, behaviors, and consumer preferences. Chernev (2019) argues that leveraging consumer data helps companies make evidence-based strategic decisions, thereby enhancing the effectiveness of marketing campaigns. Effective marketing management, therefore, not only boosts sales and market share but also strengthens brand positioning in competitive markets (Masida & Fauzi, 2022).

A crucial element of marketing management is the marketing mix, traditionally known as the 4Ps: Product, Price, Promotion, and Place. Each component plays a significant role in satisfying consumer needs and achieving marketing objectives. Kapoor (2021) highlights that a comprehensive understanding of the marketing mix is essential for meeting consumer desires effectively. The product encompasses design, quality, features, brand, and variety decisions. Kusnawan et al. (2019) explain that understanding complex consumer needs requires innovative and responsive product adaptations in a

connected world. Pricing involves determining consumers' monetary value for products or services, affecting profit margins and competitive positioning. Kapoor (2021) notes that effective pricing strategies can drive sales and strengthen market position, but they must always consider consumer willingness and ability to pay. Promotion involves informing, persuading, and influencing consumer purchase decisions, including advertising, sales promotions, public relations, and digital marketing. Kotler et al. (2015) stress that promotion must be integrated and consistent to effectively communicate product value to consumers. Distribution, or place, includes decisions on how products will reach consumers through physical or digital channels. Kusnawan et al. (2019) emphasize the critical nature of effective channel integration in ensuring product availability at preferred consumer touchpoints.

The expanded marketing mix, known as the 7Ps, adds three more elements: People, Process, and Physical Evidence. These additional components reflect the need to adapt to changing consumer behavior and market dynamics (Kapoor, 2021). People refer to everyone involved in marketing and value creation, including employees and management. Efficient processes enhance customer satisfaction and operational effectiveness. Physical evidence includes the environment where services are provided and tangible elements that convey service quality, helping consumers evaluate pre-purchase. By leveraging the 7 Ps framework, the research can comprehensively analyze how live streaming and price discounts interact and influence impulse buying, providing actionable insights for optimizing e-commerce strategies.

Consumer behavior studies explore how individuals or groups purchase, select, and use goods or services to satisfy their needs and wants. Understanding consumer behavior is critical for developing marketing strategies that align products and services with market preferences (Foxall, 2014). It involves purchasing activities and the psychological and social processes preceding and following purchases. Kurniawan & Nugroho (2024) describe consumer behavior as influenced by external factors like culture and internal factors like motivation and perception. Studying consumer behavior aims to enable marketers to understand consumer needs, develop more appropriate products, create appealing marketing messages, and design effective distribution strategies. Lindawati et al. (2023) highlight the importance of analytics in consumer behavior studies, which help refresh marketing strategies with current data and trends. Understanding consumer behavior helps companies target the right audience with suitable offers, enhancing marketing efficiency and consumer satisfaction (Hoyer et al., 2017).

Impulse buying is a psychological phenomenon involving spontaneous, unplanned purchases driven by emotional impulses rather than rational considerations (Nagadeepa et al., 2021). It occurs in various shopping contexts and significantly impacts consumer behavior and retail financial performance. Impulse buying can be triggered by internal factors like emotions and personality traits and external factors like store layout, sales promotions, and attractive visual elements (Mattia et al., 2021). Social media has become a platform that influences impulse buying, especially among young consumers. Influencer posts, integrated ads, and easy shopping access via social media accelerate unplanned purchases (Juwita et al., 2022). In the digital era, e-commerce broadcasters' characteristics, such as trust and appeal, can emotionally impact consumers, increasing the likelihood of impulse buying through emotional contagion (Herdiana & Supriyono, 2023). Additionally, psychological factors like social appearance anxiety can heighten

impulse buying tendencies online, especially among young women influenced by social pressures and expectations amplified by social media (Aji et al., 2022).

Understanding the triggers of impulse buying is crucial for marketers in designing effective strategies to target and influence consumers. By identifying moments that prompt impulse buying and understanding the underlying motivations, brands can create campaigns that boost sales and enhance consumer engagement ethically and responsibly.

Price discounting is a common marketing strategy to increase product appeal by temporarily lowering prices. This tactic aims to stimulate quicker purchase decisions and boost sales volume within a specific period. Price discounts can effectively manage revenue and profitability (Aga, 2023). A study by Choi et al. (2024) proves that price discounts significantly influence impulse buying, particularly for hedonic products like clothing or electronics, where emotional responses are more robust. However, Nagle et al. (2023) caution that frequent or deep discounts can damage product value perception and create long-term expectations of low prices among consumers.

Kusnawan et al. (2019) found that while consumers are willing to pay more for sustainable products, discounts can substantially increase sales, especially when environmental and social benefits are well-communicated. Nonetheless, poorly managed discounts can be counterproductive, harming consumer trust and overall brand value (Burman et al., 2024). Meanwhile, Zhou & Gu (2015) found that when price discounts were made by giving different percentages depending on the number of purchases, the impact on impulsive buying was higher than simply giving price discounts by generalizing product types.

Research conducted by Zhang et al. (2023) through an online survey of 267 respondents in China revealed that the social presence of live streamers, other viewers, and products positively influences affective intensity. The study also demonstrated that the impulse to buy is driven by affective states (i.e., affective intensity) rather than cognitive states (i.e., perceived risk) in live-streaming commerce. The measurement of live streaming in this research is frequency of participation, average viewing duration, and level of interaction with content. Similarly, research by Li et al. (2022) indicated that the broadcaster and live streamers' social presence, directly and indirectly, influences impulsive purchases through pleasure and excitement, encouraging online consumers to buy through live streaming. However, the social presence of other viewers had little impact.

Live streaming technology allows real-time content to be broadcast over the internet, enabling companies to reach a broad audience without geographical limitations. Ananda et al. (2023) highlight that engaging and visually appealing live streams can significantly enhance customer engagement and strengthen brand-consumer relationships. Baker & Hart (2016) notes that in e-commerce, especially in China, live streaming has become a primary marketing tool that broadens market reach and boosts sales conversions by creating direct and responsive consumer interaction.

The underlying theory of the research is the Fear of Missing Out (FOMO) Theory. This theory examines how the fear of missing out on exclusive deals or experiences can drive consumer behavior. Urgency and Scarcity: Live streaming often incorporates elements of urgency and scarcity (e.g., limited-time offers, exclusive discounts) that play on FOMO, motivating viewers to make immediate purchases to avoid missing out. This

theory helps us understand how live streaming can leverage psychological triggers to increase impulse buying.

High-quality live streaming goes beyond technical aspects to include valuable content that captivates the audience Kusnawan et al. (2019). Liu et al. (2024) discuss how cross-border live streaming can change consumer purchasing behavior by providing immediate gratification and reinforcing positive attitudes toward products. Aji et al. (2022) emphasize the importance of the virtual environment in enhancing user experience and positively influencing product perception.

The influence of price discounts on impulse buying via live streaming is an exciting and relevant phenomenon in the current e-commerce era. When integrated into live-streaming sessions, price discounts have significant potential to trigger impulse purchases, leveraging the immediate appeal and interactivity offered by live-streaming (Paraman et al., 2022). In live streaming, price discounts are a strategy to capitalize on instant interest and strengthen the impulse to purchase at that time. A previous study revealed that live streaming that offers special discounts during sessions can create a sense of urgency and exclusivity, motivating consumers to make quick purchasing decisions so as not to miss out on the offer (Wang et al., 2019). This tactic often increases immediate sales conversions because buyers feel they are getting more value for their money. The study of Liu et al. (2024) added that the combination of authenticity and interactivity of live streaming with attractive price incentives, such as price discounts, increases the effectiveness of live streaming in influencing impulse purchases.

In formulating a marketing strategy that combines live streaming and price discounts, companies need to understand these dynamics and design offers that are not only attractive in terms of price but also offer added value through a memorable and satisfying shopping experience (Wongkitrungrueng et al., 2020). It will trigger impulse purchases and increase long-term consumer satisfaction and loyalty. A well-thought-out strategy will ensure that discounts and live streaming work together to achieve maximum sales and customer experience results.

The novelty of this research lies in proposing the live-streaming variable as a mediator between price discounts and impulse buying, a relationship that still needs to be researched. While many studies have examined the direct effects of price discounts on impulse buying and the role of live streaming in consumer engagement, few have explored how live streaming might mediate this relationship the choice of live streaming as a mediator is based on its unique ability to create an interactive. Also, engaging shopping experiences can amplify the effects of price discounts. Live streaming enhances consumer involvement and trust, making price discounts more appealing and likely to result in impulse purchases. The research conducted by Liu et al. (2024) and Paraman et al. (2022) supports this view, demonstrating that live streaming combined with price incentives can significantly influence purchasing behavior. Based on the background description, the research hypotheses are as follows:

H₁: Price discounts significantly affect live-streaming

H₂: Price discounts significantly affect impulse buying

H₃: Live streaming significantly affects impulse buying

H₄: Price discounts significantly affect impulse buying through live-streaming

The hypotheses in the study are built upon insights from previous research and observations of current trends in e-commerce. Here is a more detailed explanation of how these hypotheses are constructed, along with the supporting arguments:

H₁: Price discounts significantly affect live-streaming

This hypothesis is based on the observation that price discounts are often used during live-streaming sessions to attract consumer attention and increase engagement. Research by Paraman et al. (2022) indicates that price discounts offered during live streaming can create a sense of urgency and exclusivity, encouraging consumers to engage more actively in the sessions. Therefore, the hypothesis posits a positive relationship between price discounts and the effectiveness of live streaming in attracting and engaging consumers.

H₂: Price discounts significantly affect impulse buying

This hypothesis is grounded in extensive prior research showing that price discounts are among the most potent factors driving impulse buying. Mayani & Octavia (2024) highlight that price discounts, bonus packs, and visual merchandising significantly influence impulsive purchasing decisions. When consumers perceive a financial benefit from a discount, they are more likely to make spontaneous purchases without much deliberation.

H₃: Live streaming significantly affects impulse buying

This hypothesis builds on studies demonstrating how live streaming can enhance consumer interaction and engagement, thereby increasing the likelihood of impulse purchases. Ananda et al. (2023) found that support during live-streaming sessions enhances consumer trust and purchase intentions. Additionally, Li et al. (2022) showed that the social presence of live streamers can drive impulsive buying through real-time interaction and product demonstrations.

H₄: Price discounts significantly affect impulse buying through live-streaming

This hypothesis integrates the direct effects of price discounts and live streaming on impulse buying. Previous research, such as by Paraman et al. (2022) and Liu et al. (2024), suggests that combining price discounts and live streaming can amplify the effectiveness of promotional efforts and drive impulse buying. The hypothesis assumes that live streaming acts as a mediator, enhancing the impact of price discounts on impulse buying by creating a more interactive and engaging shopping experience.

RESEARCH METHODS

The selection of the Dolee Branded Store on the Shopee platform is a significant factor that justifies the research object. Shopee is one of the largest e-commerce platforms in Indonesia, boasting a substantial and diverse user base. Dolee Branded Store, being active on this platform, has a large and varied customer base, providing a rich and diverse data source. The frequent use of influencer marketing strategies by Dolee Branded Store makes it an ideal subject for examining the impact of such marketing techniques on the growth of SMEs in the creative industry. Additionally, the store's strategic location in Tangerang Regency, Banten, a notable hub for creative economic activities, offers a relevant context for studying digital marketing's effects on SMEs' growth in this region. From March to May 2023, the research period aligns with the store's active promotional activities, allowing real-time observation and measurement of marketing strategies' impact (Aga, 2023; Aji et al., 2022).

The criteria for selecting respondents were meticulously defined to ensure the collection of relevant and reliable data. Respondents needed to be active Dolee Branded Store on Shopee customers, having made at least one purchase within the last three months. They had to interact with the store's influencer marketing campaigns by viewing or following influencers promoting its products. The selection also aimed to cover diverse demographics, including age, gender, occupation, and geographic location, to view the marketing strategies' impact on customer segments comprehensively. Respondents were expected to complete the survey honestly and thoroughly, ensuring the validity of the data collected. The purposive sampling method was employed to select respondents based on these specific criteria, ensuring that the sample accurately represented the population of interest (Ananda et al., 2023).

The specified sample size for this research was justified based on established statistical theories and guidelines (Chaniago et al., 2023). Augusty (2014) suggests that a representative sample size should be at least five times the number of indicator variables used in the study. With 34 indicators for the three main variables, a minimum sample size of 170 respondents was required. It ensures that the statistical analysis performed is reliable and valid. A larger sample size increases the diversity of the data collected, allowing for more generalizable results and robust conclusions. The sample size also aligns with the requirements of the Partial Least Square-Structural Equation Modeling (PLS-SEM) method used in this research, which benefits from larger sample sizes for more accurate and valid model predictions. The goal was to achieve a representative and diverse sample, reflecting the broader customer base of the Dolee Branded Store on Shopee (Buana et al., 2023).

Table 1. Operationalization of Variables

Variable	Definition	Dimension	Indicator	Scale
Impulse Buying	External stimuli influence the sudden, unplanned decision to buy products without prior intention.	Emotional Response	Feelings of excitement during purchase (Hoyer et al., 2017; Li et al., 2022)	Interval
		Cognitive Evaluation	Perception of immediate need (Mattia et al., 2021; Zhang et al., 2023)	Interval
		Behavioral Response	Frequency of unplanned purchases (Herdiana & Supriyono, 2023; Kurniawan & Nugroho, 2024)	Interval
			Degree of post-purchase satisfaction (Masida & Fauzi, 2022; Wang et al., 2019)	Interval
Price Discount	A reduction from the usual price of a product aimed at encouraging purchases.	Perceived Value	Perception of getting a good deal (Aga, 2023; Burman et al., 2024)	Interval
		Purchasing Decision	Likelihood of purchasing due to discount (Ananda et al., 2023; Zhou & Gu, 2015)	Interval
		Urgency to Buy	Sense of urgency to purchase (Husniyyah et al., 2024; Juwita et al., 2022)	Interval

Table 1. Operationalization of Variables (Continuous)

Variable	Definition	Dimension	Indicator	Scale
			Frequency of buying discounted items (Choi et al., 2024; Nagadeepa et al., 2021)	Interval
Live Streaming	Real-time video broadcasting by influencers to promote products and engage with customers.	Viewer Engagement	Number of viewers and interactions (Aji et al., 2022; Wongkitrungrueng et al., 2020)	Interval
		Product Presentation	Clarity and attractiveness of product demonstration (Iryani & Fauzan, 2023; Lindawati et al., 2023)	Interval
		Real-time Interaction	Quality of interaction between presenter and viewers (Kurniawan & Nugroho, 2024; Liu et al., 2024)	Interval
		Influence on Purchase	Increase in purchase intention post-live stream (Buana et al., 2023; Paraman et al., 2022)	Interval

Source: Data Processed, 2024

Table 1 shows that the research indicators were derived from a thorough literature review and established studies in marketing, consumer behavior, and research methodologies. Sources include reputable academic journals, books, and prior empirical research validating these indicators. Several steps were taken to ensure the indicators' reliability and validity. Literature reviews provided a solid theoretical foundation for selecting relevant indicators. The validity of the indicators was tested through statistical analyses such as Confirmatory Factor Analysis (CFA), which assesses how well the indicators measure the intended constructs. Reliability was tested using techniques like Cronbach's Alpha and Composite Reliability to ensure consistent measurement. Pretest and pilot studies were conducted to refine the survey instruments, ensuring clarity and comprehensibility for respondents. Expert consultations were also sought to verify the content validity of the indicators. After data collection, further statistical analyses, including convergent and discriminant validity tests, were performed to confirm the indicators' reliability and validity in the empirical context (Choi et al., 2024; Ghazali & Latan, 2015).

RESULTS AND DISCUSSION

The comprehensive analysis of the data collected from Dolee Branded Store customers on Shopee reveals insightful findings regarding the impact of price discounts, live streaming, and impulse buying behavior. The research aimed to understand these dynamics using Structural Equation Modeling (SEM) with SmartPLS 4.0, which allowed for testing various hypotheses and examining direct and mediated effects.

The initial analysis focused on the direct effects of price discounts on live streaming and impulse buying. The results indicated that price discounts significantly influenced live streaming participation, as evidenced by a path coefficient of 0.554 and a t-statistic of 7.657, confirming Hypothesis 1. This finding suggests that financial incentives such as discounts effectively draw consumer attention and encourage participation in live-streaming sessions, which aligns with the observations by Choi et al. (2024). The substantial engagement in live streaming when discounts are offered underscores the

importance of integrating these promotional strategies to boost consumer interaction and sales.

However, Hypothesis 2, which proposed a direct positive effect of price discounts on impulse buying, was not supported. The t-statistic for this relationship was 1.751 with a p-value of 0.080, indicating that the influence of price discounts on impulse buying does not meet the threshold for statistical significance. This outcome suggests discounts attract consumer interest but cannot trigger spontaneous purchasing decisions. This finding aligns with the insights of Nagle et al. (2023), who pointed out that the effectiveness of financial incentives such as discounts can vary and may not consistently drive impulse buying behavior. The lack of significance in this relationship could be due to several factors, including the possible saturation of discount promotions in the market, leading to diminished sensitivity among consumers. Additionally, it might indicate that other factors, such as emotional engagement and real-time interaction during live streams, play a more crucial role in driving impulse purchases than merely financial incentives.

Conversely, Hypothesis 3, which examined the effect of live streaming on impulse buying, was supported with a path coefficient of 0.353 and a t-statistic of 3.443. This significant relationship highlights the powerful influence of live streaming on consumers' spontaneous purchasing decisions. The interactive and real-time nature of live streaming creates an engaging shopping environment that encourages quick decision-making and impulse purchases. This finding is consistent with the work of Iryani & Fauzan (2023), who emphasized the effectiveness of live streaming in enhancing consumer engagement and driving sales. The visual appeal, immediate feedback, and interactive features of live-streaming sessions create a compelling experience that prompts consumers to act on impulse.

The mediated effect of live streaming on the relationship between price discounts and impulse buying was examined to explore the dynamics between these variables further. The results showed that the mediating effect of live streaming was significant, with a t-statistic of 3.086 and a p-value of 0.002, supporting Hypothesis 4. It indicates that live streaming enhances the impact of price discounts on impulse buying, suggesting that combining financial incentives and interactive promotions creates a more compelling environment for consumers. The mediated effect underscores the importance of a holistic approach to promotional strategies, integrating discounts with engaging live-streaming sessions to maximize consumer response. This finding aligns with the studies by Liu et al. (2024) and Choi et al. (2024), which observed similar effects in their research.

Table 2. Direct Effect Analysis

Hypothesis	Path	Coeff.	t-Statistic	p-value	Conclusion
H ₁	Price Discount -> Live Streaming	0.554	7.657	0.000	Accepted
H ₂	Price Discount -> Impulse Buying	0.201	1.751	0.080	Rejected
H ₃	Live Streaming -> Impulse Buying	0.353	3.443	0.001	Accepted

Source: Data Processed, 2024

Table 3. Indirect Effect Analysis

Hypothesis	Path	Coeff.	t-Statistic	p-value	Conclusion
H ₄	Price Discount -> Live Streaming -> Impulse Buying	0.196	3.086	0.002	Accepted

Source: Data Processed, 2024

Based on table 2 and table 3, the measurement scales for each variable in this study were meticulously designed to capture the nuances of consumer behavior accurately. Impulse buying was measured using indicators such as emotional response, cognitive evaluation, and behavioral response, all rated on a Likert scale from 1 (Strongly Disagree) to 4 (Strongly Agree). Emotional responses were assessed by evaluating feelings of excitement during purchases, cognitive evaluations by perceptions of immediate need, and behavioral responses by the frequency of unplanned purchases and post-purchase satisfaction (Hoyer et al., 2017; Li et al., 2022; Mattia et al., 2021; Zhang et al., 2023). These indicators provided a comprehensive understanding of the factors driving impulse buying behavior.

Price discounts were measured through perceived value, purchasing decision, urgency to buy, and frequency of buying discounted items on a Likert scale from 1 to 4. Perceived value was gauged by consumers' perceptions of getting a good deal, purchasing decisions by the likelihood of buying due to discounts, urgency to buy by the sense of urgency created by discounts, and frequency of buying discounted items by how often consumers took advantage of discounts (Aga, 2023; Ananda et al., 2023; Burman et al., 2024; Zhou & Gu, 2015). These measures helped quantify price discounts' effectiveness in influencing consumer behavior.

Live streaming was evaluated through viewer engagement, product presentation, real-time interaction, and influence on purchase intention. Viewer engagement was assessed by the number of viewers and interactions during live streams, product presentation by the clarity and attractiveness of product demonstrations, real-time interaction by the quality of interaction between presenters and viewers, and influence on purchase intention by the increase in purchase intent following live streams (Aji et al., 2022; Iryani & Fauzan, 2023; Kurniawan & Nugroho, 2024; Lindawati et al., 2023; Liu et al., 2024; Wongkitrungrueng et al., 2020). These indicators captured the multifaceted nature of live streaming as a promotional tool.

The study's findings underscore the critical roles of emotional engagement, financial incentives, and interactive platforms like live streaming in shaping consumer behavior in the digital retail environment. By integrating these elements, retailers can create a more engaging shopping experience encouraging impulse purchases. The mediated effect of live streaming shows how combining price discounts with interactive promotions can significantly enhance consumer engagement and drive sales. This comprehensive approach provides valuable insights for e-commerce strategies, emphasizing the importance of blending financial incentives with dynamic and interactive marketing techniques to influence consumer buying behavior effectively.

The significance of live streaming as a mediating variable in this study highlights its role in amplifying the effects of price discounts on impulse buying. Live-streaming sessions' interactive and engaging nature draws consumers' attention and creates a sense of urgency and excitement that can lead to spontaneous purchases. This finding is supported by the work of Husniyyah et al. (2024), who demonstrated the effectiveness of live streaming in engaging consumers and driving impulse purchases through real-time interaction and detailed product presentations.

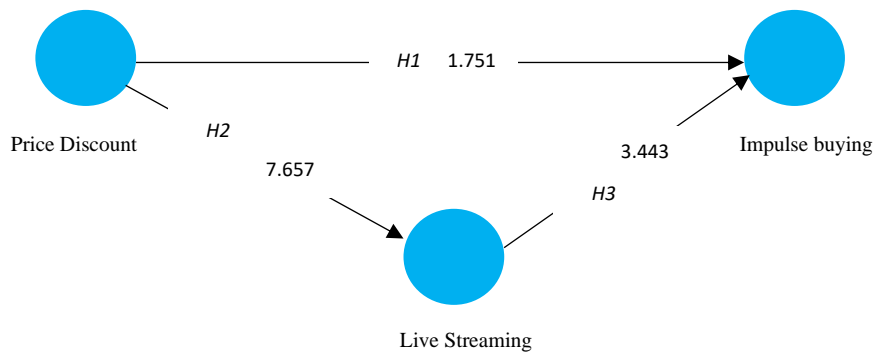


Figure 3. Structural Model Results

Source: Data Processed, 2024

In conclusion, the study provides robust evidence that while price discounts are effective in drawing consumer interest, their direct impact on impulse buying may only be limited with the addition of engaging promotional tools like live streaming. The mediated effect of live streaming enhances the influence of price discounts, creating a more compelling and engaging shopping environment that encourages impulse purchases. These findings offer valuable implications for retailers aiming to boost sales through targeted promotions and interactive online experiences. By leveraging the synergistic effects of price discounts and live streaming, retailers can create a more dynamic and effective marketing strategy that resonates with today's digitally savvy consumers.

CONCLUSION

This research comprehensively examines the interactions between price discounts, live streaming, and impulse buying behavior among consumers on the Shopee platform, explicitly focusing on the Dolee Branded Store. The findings offer valuable insights for both academic research and practical marketing strategies, though there are notable limitations that future researchers should address. The limitation of this research is the reliance on self-reported data collected through questionnaires. Self-reported data can be subject to biases such as social desirability bias and recall bias, potentially affecting the accuracy of the findings. Future researchers should complement self-reported data with observational or transactional data to obtain a view of consumer behavior. Another area for improvement is the study's focus on a single case, Dolee Branded Store on Shopee. While this in-depth focus provides detailed insights, the findings may need to be more generalizable to other brands or e-commerce platforms. Future studies should include multiple stores across various platforms to enhance the generalizability of the results. Additionally, the sample demographic was predominantly young adults aged 18 to 27. While this group is significant for understanding current consumer trends, it may only partially represent the behaviors of older age groups. Future research should include a broader age range to capture a more diverse perspective on impulse buying behavior. This study did not account for cultural differences, which might influence consumer behavior. Given that Shopee operates in various countries, future research could explore how cultural factors impact the relationship between price discounts, live streaming, and impulse buying.

The findings have several practical implications. First, integrating price discounts with live streaming can boost consumer engagement and drive impulse purchases. Marketers should strategically time discounts during live streams to create urgency and enhance participation. Second, live streaming has proven to be a powerful tool for driving impulse buying through real-time interaction and product presentation. Investing in high-quality live-streaming sessions that feature engaging hosts and interactive elements can create a more immersive shopping experience, encouraging spontaneous purchases. Theoretically, this research contributes to understanding consumer behavior in digital marketing contexts. It provides empirical evidence supporting the stimulus-organism-response (SOR) framework, demonstrating how external stimuli (price discounts and live streaming) influence internal states (consumer engagement and excitement), leading to response behaviors (impulse buying). This application enriches the theoretical literature on consumer behavior in e-commerce settings. For managers, the study highlights the importance of an integrated marketing strategy that combines financial incentives with interactive platforms. Managers should leverage the synergy between price discounts and live streaming to maximize consumer engagement and drive sales. Specifically, offering discounts during live streams can attract more viewers and create a sense of urgency, encouraging impulse purchases. Moreover, e-commerce platforms should optimize their interfaces to support the seamless integration of live streaming and promotional offers. Enhancements include features highlighting ongoing live streams, easy access to discounted products, and interactive tools facilitating real-time engagement. Finally, investing in training for marketing and sales teams is crucial. Training should cover best practices for hosting live streams, engaging with audiences, and using data analytics to inform marketing decisions. Managers can ensure that their marketing efforts are innovative and effective by equipping teams with the necessary skills.

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