

The Effect of Perceived Value and Social-psychology on Shopping Decisions using Credit Card

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Abstract. Credit card users in Indonesia have continued to rapidly increase. This raises a variety of social problems, because credit card users can have a psychological influence on the people around them. Intention to do or not to do a certain behaviour is influenced by three things, which are attitude, subjective norms, and behavioural control. Behavioural control has a positive effect on non-compliance behaviour. In addition, the perceived value of a credit card is also an important factor in determining the intention to use a credit card. The purpose of this research is to determine the effect of perceived value and social-psychology on shopping decisions based on the intention of using a credit card. The research method employed is quantitative research, the data collection techniques is in the form of questionnaires, and the analysis method used is descriptive and verification analysis using a Structural Equation Modeling (SEM) model based on variants or components, which is PLS (Partial Least Square). The results showed that perceived value and social psychology variables had a positive and significant effect on the intention to use a credit card with coefficient values of 0.25 and 0.23 respectively. While the influence of the intention to use a credit card on the shopping behaviour using a credit card showed 0.09 coefficients, meaning that the intention to use a credit card had a positive and significant influence on the shopping decision behaviour in using a credit card.

1. Introduction

Since its first launch in Indonesia, credit cards have received positive reactions from the public. The number of credit cards in Indonesia and the number of its users have always experienced a rapid increase from year to year. One factor that triggers the growth of credit card use or products is the market share of the credit card itself. The growth of the credit card business is supported by the number of supermarkets and small shops that accept credit cards as an alternative means of payment in cash.

Some researchers have a concern that in shopping decision behaviour, the tendency of someone to buy something because they have a credit card is in relation to compulsive behaviour, which in turn leads to overspending. Compulsive behaviour itself is an unplanned purchase, which is done without much consideration, only driven by mood, impulsiveness. [7] The increase in credit card users raises social problems, where credit card users can influence the psychological state of other individuals around them. These social and psychological factors also trigger people to use credit cards.

To discover the shopping behaviour using a credit card, this research uses the concept of intention to use a credit card. Intention to do or not to do a certain behaviour is influenced by three

basic things, which are attitude toward behaviour, social influence called subjective norms, and perceived behavioural control. The second factor that forms the intention is subjective norms, which is perceptions held by individuals regarding social influence in shaping a certain behaviour [1] [2]

Another factor that influences purchasing decisions through intentions or behaviour is behavioural control. Behavioural control can directly and indirectly affect behaviour. Direct influence will arise if there is an actual control that is outside the individual's will. Research on the effect of behavioural control on intention has been carried out, that behavioural control had a positive effect on non-compliance behaviour. [8] [3]

Furthermore, the perceived value of credit cards is also an important factor in determining the intention or desire to use a credit card. Since several studies have suggested that this aspect of security and privacy affects consumer behaviour, the perceived value variable can be included in variables that determine the intention to use a credit card. In addition, this research also uses the concept of "social and psychology" in explaining the factors that influence the intention to use a credit card. Some indicators to explain the concept of "social psychology" is self-esteem, which is the feelings that individuals have regarding self-esteem, acceptance, and a sense of respect for themselves. Based on the phenomenon that occurred, the authors are interested in conducting research on the aspects of perceived value and social psychology in relation to shopping behaviour using credit cards.

2. Research Method

This research is an economics research in the field of marketing management science that focuses on behaviour. The unit of analysis in this research is the behaviour of using credit cards, while the unit of observation is the credit card owner who uses a credit card. The method used in this research is quantitative approach, and based on the level of explanation, this research is categorized as a case study. The formation of the model in the conceptual framework of this research is to answer the research problem that has been explored into three problem formulations, which were tested using SEM analysis method with Partial Least Square approach with the XL Stat 2014 program.

The data collection method used in this research is a closed questionnaire method. The scale used in the questionnaire is a Likert scale with a standard scale of 1 to 5. The population of this research is active credit card users in three of the largest banks in Indonesia in 2015 issuing credit card. This research employed accidental sampling method. The determination of sample size in this research is using the Taro Yamane formula [5]. Based on the determination of the sample size with the Yamane approach, obtained a minimum sample of 178 respondents.

Descriptive analysis is carried out by referring to each indicator in the variable under study. While the verification research used quantitative analysis using a structural equation model (SEM) based on variants or components, which is PLS (Partial Least Square) to verify the relationship between variables. The path diagram used in this research is Second Order Partial Least Square.

Hypotheses

H₁: Perceived value and social-psychology have a positive and significant effect on the intention to use a credit card

H₂: Intention to use a credit card has a positive and significant effect on shopping decision behaviour using a credit card.

H₃: Perceived value and social-psychology affect the intention to use a credit card and the implications for shopping decision behaviour using a credit card.

3. Findings and Discussion

3.1 Findings

1. R² in variable Y ex 0.06 with p value of <0.01. This showed that perceived value and social-psychology had a positive and significant influence on the intention to use a credit card with a

value of 0.06. That means H1 is accepted, meaning that perceived value and social-psychology had a positive and significant influence on the intention to use a credit card.

2. The coefficient value for the influence of intention to use a credit card towards the shopping behaviour using a credit card was 0.09 with p value = 0.03. This showed that the intention to use a credit card had a significant and positive influence of 0.09 on the shopping behaviour using a credit card. That means H2 is accepted, meaning that the intention to use a credit card had a positive and significant effect on the shopping behaviour using a credit card.
3. R2 on the Z variable was 0.12 with p value = 0.03 which showed that perceived value, social-psychology, and intention to use a credit card had a positive and significant effect on shopping behaviour using a credit card with a value of 0.12. That means, H3 was accepted, meaning that perceived value and social-psychology affected the intention to use a credit card and the implications for shopping decision behaviour using a credit card.

3.2 Discussion

3.2.1 *The influence of perceived value and social-psychology on the intention to use a credit card*

The test results using warpPLS 5.0 software showed that perceived value and social-psychology had a positive effect on the intention to use a credit card. Intention generally grows because of the encouragement or factors around it. It is in line with the intention of using a credit card. Perceived value is one of the factors that can grow a customer's intention to use a credit card. A consumer will buy a product if the product is considered profitable. While social-psychology is a social and psychological condition of a consumer in using a product. A customer in using a credit card is strongly influenced by his or her social and psychological conditions. The level of confidence and feeling will be respected if using a credit card will encourage these customers to have the intention of using a credit card.

3.2.2 *The influence of the intention to use a credit card towards shopping behaviour in using a credit card*

The test results using warp PLS 5.0 software showed that the intention to use a credit card had a positive effect on the shopping behaviour in using a credit card. These results mean that the higher a customer's intention to use a credit card, the higher the shopping behaviour will be with a credit card. If a customer starts to want to meet the needs and feels good about using a credit card, then the customer tends to use the credit card to fulfil his or her wishes. Other factors also arise from the surrounding social environment. The social environment such as family, friends, co-workers who support ownership of a credit card, will encourage the emergence of a desire to shop using a credit card.

3.2.3 *The influence of perceived value and social-psychology on the intention to use a credit card and its implications for shopping behaviour using a credit card*

The test results using warp PLS 5.0 showed that the intention to use a credit card was indeed influenced by perceived value and social-psychology. Customers who feel that a credit card has benefits will feel the intention to use a credit card. The aspect of perceived value is not only the usefulness and benefits of ownership of a credit card but also about the credibility and ease of operating the credit card. If the customers feel that they get credibility and security in using a credit card, the intention to use a credit card will appear.

The next factor that can influence the intention to use a credit card is social-psychology, namely social and psychological factors that can affect a customer's intention to use a credit card. The social environment such as family, friends, colleagues, and others that support the use of credit cards will trigger the growth of a customer's intention to use a credit card. In addition, the psychological state of a customer such as a feeling of confidence and respect if he or she is using a credit card will encourage the customer to use a credit card.

In addition, customers who use a credit card feel more confident and feel respected so it is more convenient to do shopping behaviour with a credit card. Then, customers who feel that they can control themselves when shopping with a credit card will tend to use the credit card to transact when shopping. It is different with customers who feel unable to control themselves in using a credit card. They will tend to avoid using a credit card when shopping. So, the point is, the perceived value and social-psychology greatly affect the intention to use a credit card and those variables will impact on customer's shopping behaviour using a credit card. If the perceived value and social-psychology of a credit card user are uncontrolled, the user will tend to overspending.

4. Conclusion

From the explanation of the results and discussion above, it can be concluded that the perceived value variable had a positive influence on the intention to use a credit card with a coefficient of 0.25 and the p value condition of <0.01 , so it meets the requirements of the fit model where $p < 0.05$. It means that the perceived value was significant towards the intention to use a credit card. The influence of social-psychology variable on the intention to use a credit card showed the coefficient number of 0.23 and p value of <0.01 . It means that social-psychology had a positive and significant influence on the intention to use a credit card with the coefficient number of 0.23. The influence of the intention to use a credit card towards shopping behaviour using a credit card showed the coefficient number of 0.09 and p value = 0.03. It means that the intention to use a credit card had a positive and significant influence on shopping behaviour using a credit card that was equal to 0.09.

Based on the aforementioned findings, it is suggested that the government, as a policy maker, must pay greater attention in controlling the use of credit cards in the community so as not to cause noise that can adversely affect the country's economy; banking institutions, as credit card providers, must be more selective in giving credit cards to the public; and society, as credit card users, must be more careful in using credit cards, especially in shopping to avoid overspending.

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