## **ABSTRACT**

Changing lifesyle of Indonesian consumers towards a more sophisticated and more fashion concerned has constributed to the increasing tense of competition among retail industries, especially among modern convenience stores that offers such as lifestyle products. Miniso is one of the players of modern retail that are currently popular in Surabaya.

This research is conducted to find out the effects of store environment elements such as In-Store Music, Lighting, Store Layout, Employee towards Positive Affect and Urge to buy in shaping Impulse Buying on customers at Miniso, which aimed to use those six variables to identify the act of Impulse Purchases inside the store.

This study uses a quantitative approach to the analysis technique of Structural Equation Model and processed using SPSS software version 22.0. Sample used in this research are the customers of Miniso Tunjungan Plaza Surabaya who are between the age group of 18-60 year-old, domiciled in Surabaya, with genderwise of either male or female, have visited the physical store and have made any purchase in the last two months prior to the time when the questionnaire is being distributed, amount to 130 respondents from Miniso's customers. The sampling method used in this research is probability sampling method.

The final output of this research shows some differences between the two objects, which in Miniso Tunjungan Plaza Surabaya, there are two hypotheses are being rejected, which In-Store Music has no significant influence on Positive Affect, and Lighting has no significant influence on Positive Affect. As for the other remaining hypotheses, the result indicates that Store Layout significantly influences Positive Affect; Employee significantly influences Positive Affect; Positive Affect significantly influences Urge to buy; Urge to buy significantly influences Impulse Buying.

Keywords: In-Store Music, Lighting, Store Layout, Employee, Positive Affect, Urge To Buy, Impulse Buying, Miniso Tunjungan Plaza Surabaya.