

ACKNOWLEDGEMENT

Praise and gratitude given to Almighty Lord, Jesus Christ for all the blessings that have been given by Him. Without His unending love, grace, and mercy, the author will not be able to complete this final paper.

This final paper entitled “The Moderating Role of Customer Ethnocentrism on The Linking Perceived Brand Globalness and Customer Purchase Intention: An Evidence from Indonesia” is aimed to fulfill final requirement to attain the Bachelor-Degree of Economics in Management. Besides, this final paper facilitates the process of learning and expanding knowledge horizon.

The author would like to thank you for the dearest supervisor, Dr. Ir. Evo S. Hariandja, M.M. who has been generously and patiently shared his knowledge and guided throughout the making of this paper. Without his kindness and support, the author would not be able to finish this paper in time.

The author realizes without any guidance, support, encouragement and prayer from various people, this final paper cannot be completed. Therefore, the author would like to thank profusely to all those who have assisted in the process of completing this final paper, namely to:

1. Dra. Gracia Shinta S. Ugut, MBA, Ph.D. as the Dean of Faculty of Economics and Business.
2. Mr. Niel B. Nielson, MA., Ph.D. as the Advisor of Faculty of Economics and Business.

3. Ms. Isana S.C. Meranga, S.P., M.M. as the Head of Management.
4. Ms. J. Sandra Sembel, S.Pd., S.E., MM.. as the Head of International Business Concentration.
5. Mr. Radityo Fajar Arianto, S.E., M.B.A. as the author's academic supervisor.
6. Mr. Dr. Ir. Evo Sampetua Hariandja, M.M. as the author's research paper supervisor, who has been generously and patiently shared her knowledge and guided the author throughout the making of this paper.
7. All lecturers who have taught and shared their insights and experiences during the author's learning period at the Universitas Pelita Harapan.
8. All employees and staffs of Business School who have assisted the author in her administrative tasks.
9. The author's parents who have always been there, sending the author never-ending prayers, encouragements, and motivations that makes this thesis possible.
10. All friends who are always supportive to accompany, advise, and help the author in completing this study.
11. Countless parties who have helped the author enormously in completing this thesis, who could not possibly be mentioned one by one.

Last, author realizes that this research has its limitations. Therefore, to improve the quality of this paper, suggestions and critics are very well appreciated. The author hopes that this research paper can be useful for any kind of purposes and beneficial for the reader.

TABLE OF CONTENTS

COVER

FINAL ASSIGNMENT STATEMENT AND UPLOAD AGREEMENT

THESIS APPROVAL

THESIS DEFENSE COMMITTEE

ABSTRACT	v
-----------------------	---

ACKNOWLEDGEMENT	vi
------------------------------	----

TABLE OF CONTENTS.....	viii
-------------------------------	------

LIST OF FIGURES	xii
------------------------------	-----

LIST OF TABLES	xiii
-----------------------------	------

LIST OF APPENDICES	xv
---------------------------------	----

CHAPTER I INTRODUCTION

1.1 Research Background.....	1
1.2 Research Problem	6
1.3 Research Objective	10
1.4 Research Question	11
1.5 Research Scope.....	13
1.6 Research Outline	14

CHAPTER II LITERATURE REVIEW

2.1 Brand	16
2.2 Global Brand	17
2.3 Perceived Brand Globalness.....	19
2.4 Perceived Brand Prestige.....	21
2.5 Brand Social Responsibility	22
2.6 Perceived Brand Quality.....	25
2.7 Perceived Brand Credibility	27
2.8 Customer Purchase Intention.....	30
2.9 Consumer Ethnocentrism	31

2.10 Summary of Research Position Compare to Previous Study	32
2.11 Linkages between variable	33
2.12 Perceived Brand Globalness and Customer Purchase Intention.....	34
2.13 Perceived Brand Globalness and Perceived Brand Prestige.....	34
2.14 Perceived Brand Prestige and Customer Purchase Intention	35
2.15 Perceived Brand Globalness and Brand Social Responsibility	36
2.16 Brand Social Responsibility and Customer Purchase Intention	37
2.17 Perceived Brand Globalness and Perceived Brand Quality	37
2.18 Perceived Brand Quality and Customer Purchase Intention	38
2.19 Perceived Brand Globalness and Perceived Brand Credibility	39
2.20 Perceived Brand Credibility and Perceived Brand Quality	40
2.21 The mediating role of PBP, PBQ, and BSR	41
2.22 The moderating role of Consumer Ethnocentrism	42
2.23 Conceptual Model	44

CHAPTER III RESEARCH METHODOLOGY

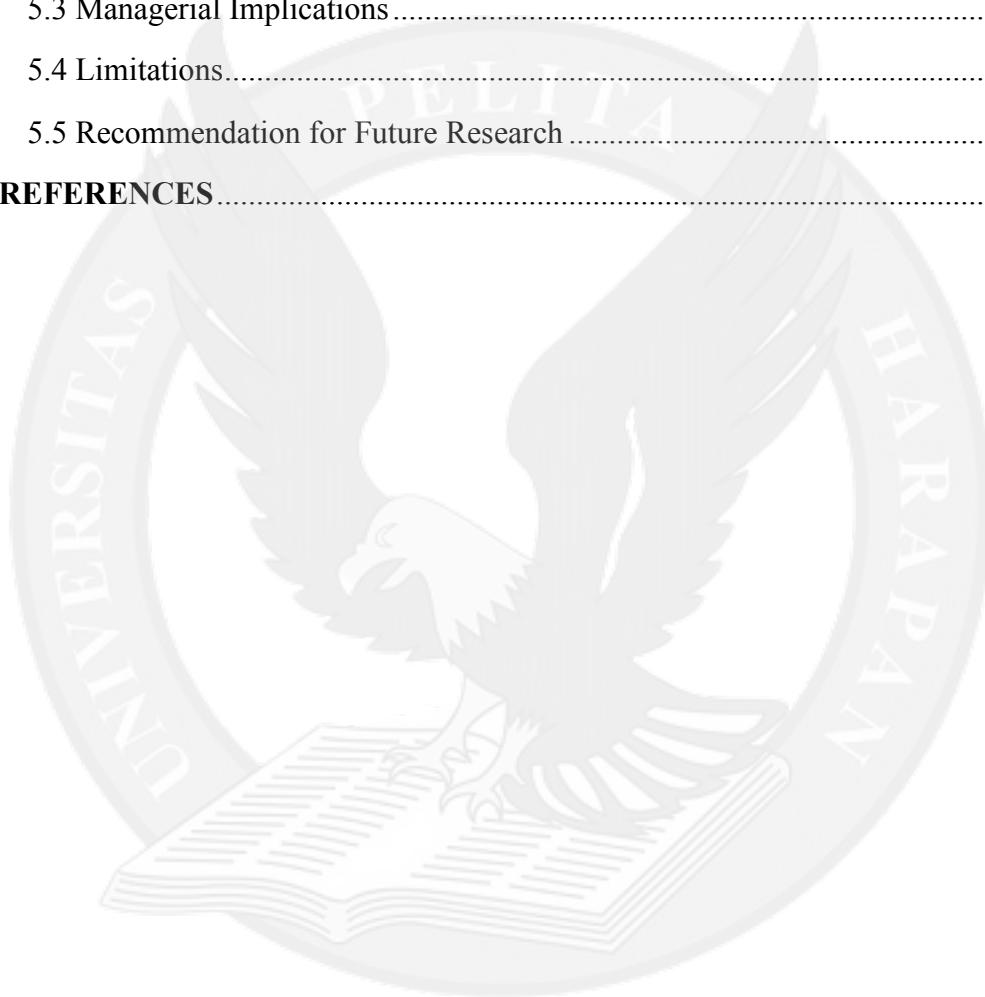
3.1 Research Paradigm	45
3.2 Research Design	52
3.3 Research Object.....	55
3.4 Unit of Analysis.....	57
3.5 Measurement of Variables	59
3.6 Conceptual and Operational Definition.....	61
3.7 Measurement of Scale	63
3.8 Data Collection Method	66
3.9 Sampling.....	68
3.10 Methods in Data Analysis	71
3.11 Inferential Analysis	71
3.12 Descriptive Analysis.....	72
3.13 Goodness of Data	73

3.14 Validity	73
3.15 Reliability	74
3.16 Structural Equation Modelling	75
3.17 Partial Least Squares	77
3.18 Preliminary Test	79
3.19 Validity Pre-test Result.....	80
3.20 Convergent Validity Pre-test	80
3.21 Discriminant Validity Pre-Test.....	83
3.22 Reliability Pre-test Result.....	85

CHAPTER IV DATA ANALYSIS AND DISCUSSION

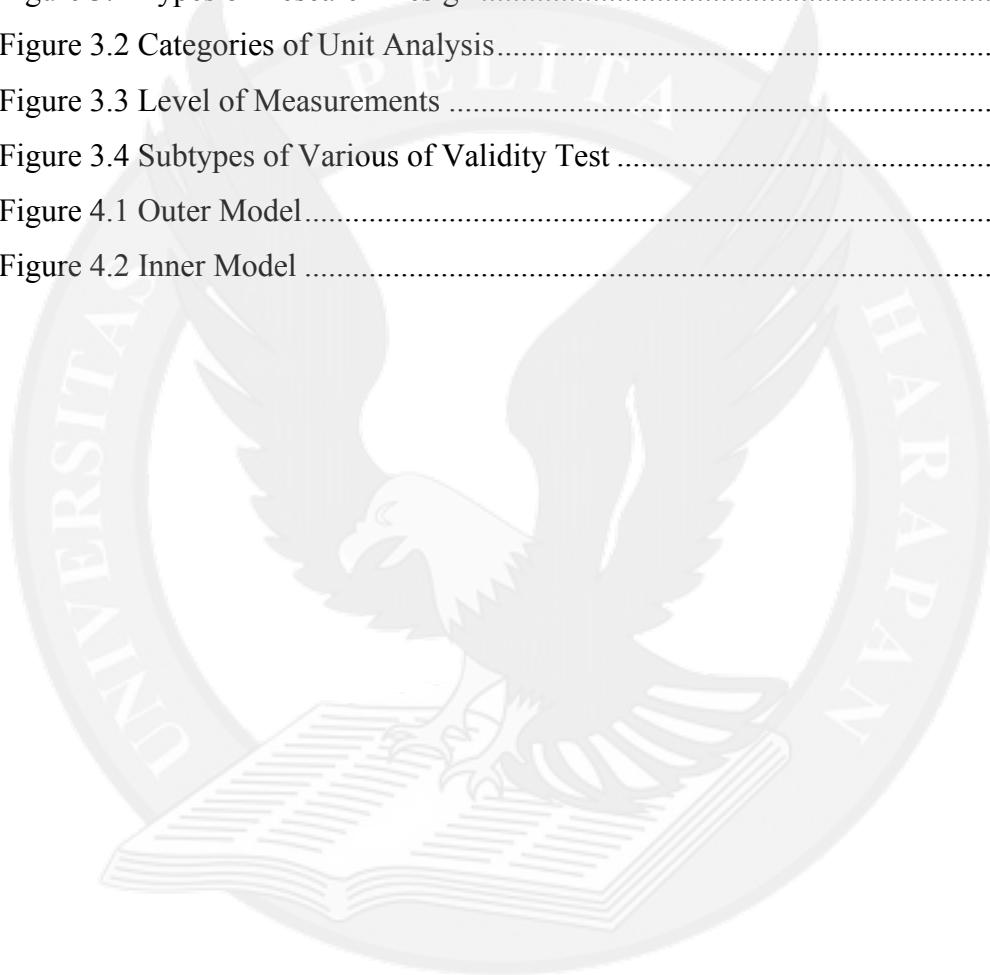
4.1 Respondent Profile	88
Gender	89
Age	89
Monthly Income	90
4.2 Actual Test.....	91
4.3 Descriptive Statistics	91
4.4 Inferential Statistics	94
4.5 Convergent Validity Test – Actual Test Round I	95
4.6 Discriminant Validity Test – Actual Test Round I.....	97
4.7 Convergent Validity Test – Actual Test Round II.....	98
4.8 Discriminant Validity Test – Actual Test Round II	100
4.9 Outer Model.....	103
4.10 Goodness of Fit.....	103
4.11 Common Method Bias.....	106
4.12 R-Square	107
4.13 Predictive Relevance	108
4.14 Hypothesis Testing	109
4.15 Inner Model	122

4.16 Discussion.....	122
4.17 Comparison Between the Previous Research and the Present Research ..	131
CHAPTER V CONCLUSION AND RECOMMENDATION	
5.1 Conclusion.....	134
5.2 Theoretical Implication	136
5.3 Managerial Implications	137
5.4 Limitations.....	138
5.5 Recommendation for Future Research	139
REFERENCES.....	140



LIST OF FIGURES

Figure 2.1 Brand Credibility Model.....	28
Figure 2.2 Concept of Consumer Ethnocentrism.....	32
Figure 2.3 Conceptual Model.....	44
Figure 3.1 Types of Research Design	52
Figure 3.2 Categories of Unit Analysis.....	58
Figure 3.3 Level of Measurements	64
Figure 3.4 Subtypes of Various of Validity Test	74
Figure 4.1 Outer Model.....	103
Figure 4.2 Inner Model	122



LIST OF TABLES

Table 1.1 Indonesian Import and Export Value Data 2019	7
Table 1.2 Top 5 Best Luxury Brands in 2020.....	8
Table 2.2 Definitions for Brand Credibility Dimensions.....	28
Table 2.3 Research Comparison Summary	32
Table 3.1 The Five Paradigms Summarized	47
Table 3.2 Differences between Quantitative Approach and Qualitative Approach.....	51
Table 3.3 Conceptual Definition and Operational Definition.....	61
Table 3.4 Sampling Design and their Advantages and Disadvantages.....	69
Table 3.5 Convergent Validity Pre-Test Result (Perceived Brand Globalness) ...	80
Table 3.6 Convergent Validity Pre-Test Result (Perceived Brand Prestige)	81
Table 3.7 Convergent Validity Pre-Test Result (Brand Social Responsibility)	81
Table 3.8 Convergent Validity Pre-Test Result (Perceived Brand Quality)	82
Table 3.9 Convergent Validity Pre-Test Result (Perceived Brand Credibility)	82
Table 3.10 Convergent Validity Pre-Test Result (Customer's Purchase Intention)	82
Table 3.11 Discriminant Validity Pre-Test Result (Perceived Brand Globalness)	83
Table 3.12 Discriminant Validity Pre-Test Result (Perceived Brand Prestige)	83
Table 3.13 Discriminant Validity Pre-Test Result (Brand Social Responsibility)	84
Table 3.14 Discriminant Validity Pre-Test Result (Perceived Brand Quality)	84
Table 3.15 Discriminant Validity Pre-Test Result (Perceived Brand Credibility)	85
Table 3.16 Discriminant Validity Pre-Test Result (Customer's Purchase Intention)	85
Table 3.17 Cronbach's Reliability Pre-Test Result.....	86
Table 3.18 Composite Reliability Pre-Test Result.....	86
Table 4.1 Gender Percentage	89
Table 4.2 Age Percentage	90
Table 4.3 Income Percentage	90
Table 4.4 Descriptive Statistics.....	92

Table 4.5 Convergent Validity - Factor Loading > 0.70 for Actual Test Round I	95
Table 4.6 Convergent Validity - AVE Actual Test Round I.....	96
Table 4.7 Discriminant Validity - Cross Loadings > 0.70 for Actual Test Round I	97
Table 4.8 Convergent Validity - Factor Loading > 0.70 for Actual Test Round II	98
Table 4.9 Convergent Validity - AVE Actual Test Round II	99
Table 4.10 Discriminant Validity - Cross Loadings > 0.70 for Actual Test Round II	100
Table 4.11 Reliability of Cronbach's Alpha and Composite Reliability for Actual Test.....	101
Table 4.12 Heterotrait – Monotrait Ratio (HTMT)	102
Table 4.13 Goodness of Fit Index Calculation.....	104
Table 4.14 Summary of Model Fit.....	105
Table 4.15 RMS Theta	105
Table 4.16 Variance Inflation Factor	106
Table 4.17 R-square Value.....	107
Table 4.18 Q-square Predictive Relevance	109
Table 4.21 Hypotheses Testing Result Direct Effects	110
Table 4.22 Hypotheses Testing Result of Indirect Effects.....	111
Table 4.23 Hypotheses Testing Result of Moderating Effects	112
Table 4.24 Comparison of Previous Research (Vuong & Khanh Giao, 2020) and Present Research	132

LIST OF APPENDICES

APPENDIX A QUESTIONNAIRE	A-1
APPENDIX B PRELIMINARY TEST MODEL	A-2
APPENDIX C PRELIMINARY TEST MEASUREMENT MODEL.....	A-3
APPENDIX D ACTUAL TEST MEASUREMENT MODEL.....	A-4
APPENDIX E ACTUAL TEST STRUCTURAL MODEL	A-5

