

CHAPTER I

INTRODUCTION

1.1. Background

Globalization changes consumer perception all around the world by using web innovation (Smith, 2020). Nowadays Internet business are expanding all around the world (Mentor, 2018). Web innovation offered advantages to buyers as individual will be easier to arrange items and check prices also to make sure the brand is accordance with their images. Internet innovation was found to be beneficial in many sectors such as business deals, media streaming and downloads, also useful for transportations sectors. Mechanical advances have fundamentally added to the development of the business climate, improved financial abilities, and offered more types of assistance at better calibre through presenting new systems (Boteng, 2016). Wang et al. (2017)) said that web innovation appears to be the most advantage of making on the web business applications .Making it possible for various banks have familiar Web banking which make customer easier at transaction and for company to provide a good service. Web business has become a fundamental piece of business world. With the assistance of online business website company get a chance to have their products and associations accessible to consumer. An online store is open anytime, so customer will be able to visit the company's page anytime when is suitable for them (Amal, 2016). Commerce assumes a significant part in this monetary model where similar benefits can be made. Web based business is one of these components as a result of its different consequences for exchange created nations, non-industrial nations and nations around the world (Yahyaoui and Yousef, 2017). E-trade sways on different appropriation costs, it influences the state of business sectors and the development of people inside these

business sectors, and the serious structure (Baroud, 2018),it minimize time and expenses in doing business and make it faster in reaching business deal.



Figure 1.1 Retail Ecommerce Sales Worldwide, by Region,2020
Source: (Cramer-flood, 2020)

This report by retail e commerce sales worldwide in 2020 reported that Asia Pacific has the highest sales amounted \$2,448.33 followed by North America with \$ 749.00. Seeing this data we can conclude that nowadays many company prefer to do their business online. Company would now have the choice to change costs significantly , serve online clients, able to reach client from different region and get online reviews by electronic media which is useful for improving their quality. The expense caused by offline promoting could be minimized and online seller will surely get more profit from their business (Victor and Bhaskar 2017). Not only beneficial for the company side this method of banking also profitable for consumer in fulfilling their needs (Shahzad et al., 2017; Rahi and Ghani 2016). These days, consumer wants and needs are expanding , they have to fulfil it anywhere and at any place without

much effort in getting the products and e-commerce is the answer (Hammoud et al., 2018). As indicated by Hammoud et al. (2018) the internet usefulness is divided into 4 points. To start with, the Web banking framework can direct and work the help fittingly; second, the Web banking organization can appropriately control clients towards continuing if any disappointment happens; third, it can give a fast way out to deal with any blunder in Web banking exchanges; and fourth giving a brisk reaction to any customers' inquiry. Research by Aghdaie et al. (2015), state that internet give a chance for company to give a good quality to maintain loyal customer. Web-based Media offers incredible freedoms to reach and make closer to home associations with customers in their social networks and has changed how brand is consumed by customer according to (Pederzoli, Rokka, Aiello, Donvito Godey, Manthiou, and Singh 2016). Since company know about this benefit they begin to use social media to promote their product. (Alalwan et al. 2017). Nowadays, without a doubt, the online media exhibiting limit is executed overall territories through electronic media stages and channels with the purpose of marketing, giving information and increasing sales with maintain relationship with customer. (Tuten and Solomon, 2017). According to (Barreda, Bilgihan, Nusair, and Okumus, 2016; Palla, Tsiotsou, and Zotos, 2013) some online media has made another period of customers generously more exceptional and refined and is not easy to affect since they can't really evaluate things (Alalwan, 2018; Constantinides, 2014).

GlobalWebIndex reports that is profitable for e-commerce business with 90% of the nation's web customers between age 16-64 said they prefer to buy things online.



Figure 1.2: The findings of a broad survey of internet user aged 16-64
 Source: (Kemp and Moey,2019)

With the inconvenient digitalization cooperation of the correspondence structures of associations, occupation and age are influencing customer decision about buying luxury product (Amatulli et al., 2017). Electronic can combine marketing, making connection and giving influence, for example Facebook, Instagram, Skype, and Lifestream (Campbell et al., 2016). Social media additionally gives adaptability to the organizations or brand to make changes as indicated by the latest thing (Lamberton and Stephen, 2016; Rana and Kumar, 2016). Online media likewise empowers the advertiser to get drawn in with clients more to give data. Accordingly, the likely advantages of web-based media for organizations are boundless (Rana and Kumar, 2016). Promoting through online media stages has gotten astoundingly significant and in this extraordinary circumstance, the pioneers of electronic media will change customer mindset and perception toward product (Salo, 2017). Reported by Alalwan et al. (2017) will give information about products's uniqueness that will drive consumer's buying behaviour (Kohli et al., 2015). Besides, online media will overall generally improve buyer's knowledge and direct them to surf on website (Dwivedi et al., 2015). A couple

of assessments have researched (Dwivedi et al., 2015) the association between advertisement and public information, anyway concerning luxury, there is a shortage of all around information in regards to the matter, both speculatively and observationally.



Figure 1.3 : Southeast Asia's Top Mobile Apps
 Source: (Kemp and Moey,2019)

Numerous organizations in Indonesia have started to utilize online media as a way to deal with communication with their consumers. Tokopedia is one of tops Similar Web's rankings of value-based sites in Indonesia, with the stage's site pulling in a normal of around 125 million visits each month. The second one is Shopee with 88 million visits every month. Another Indonesian most viewed e commerce is Tokopedia – comes third in both the limited shopping application rankings and the worth based site rankings. The stage's site sits fundamentally behind Shopee's, with an ordinary of 84 million visits every month among May and July 2019. In travel major , Traveloka attracting a typical of 38 million visits every month all through late months. In this way, given that promoting exercises in a web-based media showcasing setting address one of the principal methods for convincing and affecting customers in the dynamic cycle, expanding brand mindfulness, it is essential to contemplate the marvel with regards to luxury. Subsequently, current

luxury customers are step by step directing their concentration toward web-based media stages (Martín-Consuegra et al., 2019), and as indicated by Yu, Cho and Johnson (2017), the exercises did via online media stages will in general expand purchasers experience, contribution with the brand, intuitiveness and brand dependability.

The aftereffect of this is the experience of a brand, it changes the view into another viewpoint wherein space where computerized channels and actual stores connect persuasively. As indicated by an investigation by The Boston Counselling Gathering (2016) advanced offers a chance for an extraordinary contrast in how to reach and hold luxury buyer, with six out of ten luxury buyers being impacted by computerized channels.

The following is a graph of internet users in several countries:

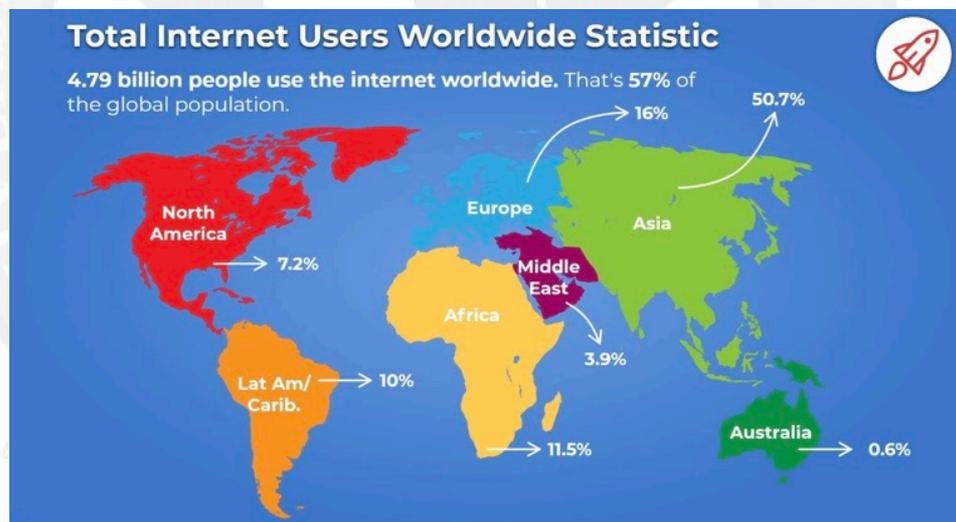


Figure 1.4: Internet Users in the World
Source : (Broadbandsearch,2021)

With a current world assessed population of 7.8 billion, there are around 4.79 billion individuals overall who approach and utilize the web as often as possible. That implies that 61.4% of the total populace utilizes the web. From

the year 2000 to 2019, the utilization of the web expanded by 1,157%. As of June 2019, the world district of Asia represents most of the web clients on the planet. 2,300,469,859 individuals in Asia are on the web, which makes up 50.7% of the worldwide web populace. 89.4% of America and 87.7% of Europe approaches and uses the web consistently. The two districts have the absolute most elevated web infiltration rates. Nations in the Center East have seen a 5,243% development in web utilization since 2010. The usage of online channels licenses advancement, partition and generally presence. Subsequently, luxury brands require a presence in the physical yet alongside the electronic world. Luxury has formed into a 1 trillion-euro region (Bain and Co., 2016), crossing vehicles, singular things (dress, calfskin, watches, skin wellbeing the executives, decorations), convenience, food and wine, and even yachts a little region that begins people's innovative psyche. During the most recent twenty years, the retail of the luxury items area has grown generously (D'Arpizio et al, 2016).

Throughout the long term, the idea of luxury has gone through generous changes, turning into a genuine articulation of itself and disposing of the feeling of wickedness created by elite people (Chandon, Laurent, Pierre, and Valette-Florence, 2016). Basic things of luxurious things can be interpreted as things that are not needed in customary everyday presence, however are considered exceptionally alluring by certain individuals (Kenton, 2020). Even though luxury things are redundant, their market is unpredictable and serious in a manner that although it is expensive, a lot of customers are as yet keen on purchasing the luxury brand itself. Luxury brand spenders aim to improve their social position and give a feeling of having a place and expanding their confidence (Vanessa Page, 2020). For luxury brand lovers, they believe that having the option to have the freshest thing from a brand is an honour since they care such a great amount about their general public. By expanding

worldwide availability to luxury knowledge these customers can turn out to be more acquainted with luxury brand names that imply utilitarian or can be called representative qualities, prompting expanded brand mindfulness (Pino, Amatulli, Peluso, Nataraajan, and Guido, 2019).

Luxury brand ascribes incorporate quality, legitimacy, reverberation, eminence, and premium value (Ko, Costello, and Taylor, 2019). Luxury is all over and for its effect on numerous carries on with, the existences of customers, yet besides the numerous lives committed to the creation and selling of items and ser-indecencies of luxury design on the planet, it merits attention. Luxury brand notoriety is expanding as they give socio-mental advantages (Stathopoulou and Balabanis, 2019), social recognizable proof (Kauppinen-Räsänen et al, 2018), social status, passionate worth (Saran et al., 2016), and mass distinction (J. Paul,2015,2019). The majority of the investigations managing buyer buy conduct are either experiential in nature or have examined the understudy tests. Accordingly, it is fascinating to contemplate the customer brand disposition of luxurious item esteem insight and buy a goal and its ensuing impact on their genuine buy conduct (Farooqi, 2019:8). Organizations participating in online media showcasing are from different ventures, like food, auto or the electronic business. Another industry that likewise participates in web-based media advertising is the luxury design industry. As of recently, there have been numerous brands that effectively occupied with web-based media promoting, like Louis Vuitton, Gucci, Dior, Burberry, and so on (Godey et al., 2016). The moving development of luxury because of globalization is one of the empowering factors in presenting shoppers toward the western way of life around the world. The relentless shopper openness wants to support great items and administrations around the globe, remembering Indonesia. The period of globalization has rolled out numerous improvements all through the world and one of them is the Style

World. With the advancement of style, the vast majority particularly ladies are consistently state-of-the-art inside the current design brand and individuals of any age are worried about the improvement of design.

The moving development of luxury because of globalization is one of the empowering factors in presenting shoppers toward western lifestyle. The luxury Business sectors growth significantly in emerging areas with high immaterial wages. Based on replication journal by Giada Mainolfi obtain data reported by the Altagamma Foundation (2018) state that consumers from emerging markets area have high expectation for luxury products focused in achieving good quality and seek for uniqueness. The innovation of new technology vhang consumer perception about luxury world and brand experience with the combination between digital and physical stores. Developing business sectors are the new encouraging business sectors for luxury merchandise. With the help of internet innovation Asia is influenced by Western lifestyle. The difference is that Western luxury consumer are interested in cars, apartments and clothes where emerging market are interested in things that previous generations don't have. Besides, research has demonstrated that shoppers in developing business sectors can re-form the significance of brand and cycle the information quicker than in created markets, particularly with regards to the importance of luxurious brand merchandise in creating markets. Also, luxury marks that have gone worldwide make certain to be supported by customers in creating market districts because of the far and wide dispersion channels and purchasers normally making importance for luxurious items (Stiehler, 2016). Stiehler (2016) expressed that luxury marks that have gone worldwide make certain to be supported by buyers in creating market districts because of the broad dispersion channels. Besides, purchasers as a rule have inclinations in making importance for luxury brands.

They now have worldly possession towards expensive product (Dev, Podoshen, & Shahzad, 2018). There are opportunities to investigate customer culture and direct in such business areas. Additionally, as luxury market development keeps on being driven by shoppers in developing business sectors like China, India, and Indonesia. As we know china has important role in the luxury world, addressing roughly 33% of all-out luxury deals (Altgamma Establishment, 2018). Also, research has demonstrated that buyers in developing business sectors can re-form the importance of brand and interact the information quicker than in created markets, particularly with regards to the significance of luxury brand products in creating markets. Stiehler (2016) expressed that luxury marks that have gone worldwide make certain to be supported by shoppers in creating market areas because of the far and wide dispersion channels. The improvement of the design business has been becoming rapidly, especially in the top of the line style brand groups. Indonesia is one of the nations in Southeast Asia that had encountered an expansion in the development of the working-class society or more and this prompted the utilization of luxury brand.

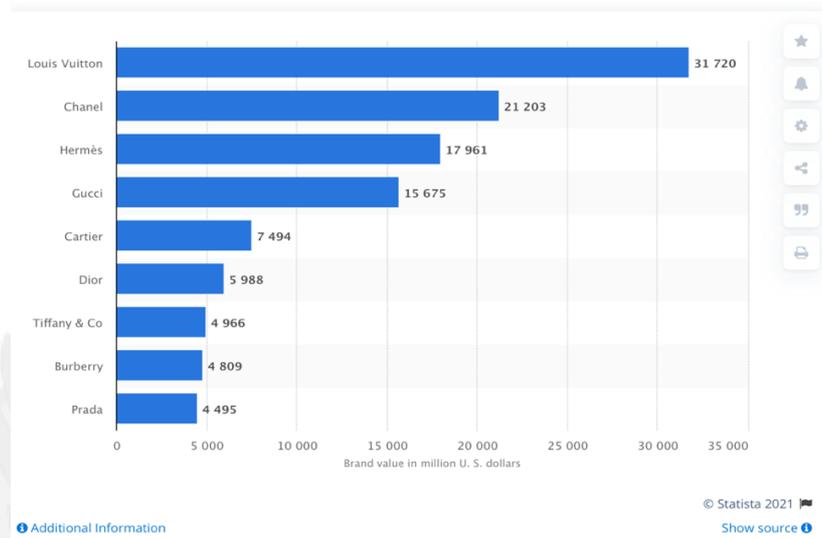


Figure 1.5: The Most Valuable Luxury Brands Worldwide in 2021
Source : (Statista,2021)

The worldwide luxury merchandise industry that incorporates style has been on the ascent throughout the long term. Seeing this potential, top notch brands have arisen opening their stores in Indonesia, one of which is the Louis Vuitton luxurious style brand. Louis Vuitton is the world's most critical excess brand and is a division of LVMH. Louis Vuitton join cowhide items, totes, trunks, shoes, watches, enhancements and laces. A huge bit of these is upgraded with the LV monogram. It is conceivably the most profitable brand in the world with generally incomes north of 30%. Louis Vuitton is one of the style retailers that frequently deliver new models of sacks and the nature of its item and have exceptionally exacting creation norms. Different information revealed by Interbrand (2017), shows that Louis Vuitton is a brand that is proficient to impact shopper choices in picking items. Furthermore, this brand is likewise viewed as fit for driving the market cost in the exceptional design brand class.

The assessment of buyer direct has dependably been the subject of propelling considers, as it is essential for relationship to see how and the

reason between buyer's action (Stankevich, 2017). Besides, Smith (2020) characterized customer conduct as the way toward comprehension and showing human conduct, and this conduct has heap causes, precursors, and drivers. In light of the above comprehension, it very well may be reasoned that shopper conduct is a cycle by which every individual or gathering decides their impression of an item or administration before at last utilizing the item or administration to fulfill their requirements and desires. Consumer can influence the degree of acquisition of the merchandise. Schiffman and Kanuk in Oke (2015:4) express that buyer conduct is seen from how every individual settles on decisions for items that are sold utilizing the assets they have, including cash, energy, and time. Purchasers will be happy with their impression of value, item quality, administration quality, organization picture, etc. Buyers should comprehend the item and acknowledge the principles offered by the dealer to feel satisfied . By and large, shopper conduct can be seen from two viewpoints, in particular the dynamic interaction on buys and the determinants that influence the cycle (OK, 2015: 44). Shopper conduct is vital in the improvement of business disciplines. Kotler (2016: 166).

To reach consumer satisfaction company needs to give attention to consumer's evaluative judgement about specific products. The study of consumer behaviour is referred to an understanding of how a particular individual or group can choose, buy, consume, and dispose of a good or service in the form of a person's thoughts or experiences to provide satisfaction to the needs and desires of consumers (Kotler and Keller 2009). Based on the study of consumer behaviour researcher suggest to convince consumer to keep utilizing digital innovation by providing security to consumer and give information to gain consumer's trust. Motives have consistently been known as one of numerous elements that impact shopper conduct (Madinga, 2021: 285). One of the significant reasons why numerous

individuals need to buy certain items is the quality related to the specific product. Luxury brand the board in such global business sectors needs to understand the shopper conduct of both social direction and individual direction all the while. These incorporate sociocultural variables like materialism (Audrin et al.,2017; Dion & Boraz, 2017), sociocultural components like regulating impact (Jain and Khan, 2017; Prentice and Loureiro, 2018), and brand consciousness (Makkar and Gab, 2018 Zhang and Zhao, 2019).

The materialism behaviour is about consumer who concerns worldly possessions. Materialism perceived as the significance individuals join to common belongings which assume a luxury product develop life fulfilment and happiness or as a high valuation of material merchandise, that shows social status (Durose, 2019:306). The obsession for consumer achieving social status therefore brands have strong possibility especially in emerging market. Study reported materialism positively influence 20-30 years old people to buy luxury things. (The Boston Counselling Group,2019). Previous study by (Sharda & Bhat, 2018) states that materialist behaviour capable in influencing consumer perception and strengthened customer intention in buying the products. People with materialism behaviour mostly accept and put their belief toward product that is imported from developed country (Yang, Ding, & D'Alessandro, 2018), more significant than developed market.

With the development of digital technology consumer will be easier to get information about brand name and it will leads them to brand consciousness (Pino, Amatulli, Peluso, Nataraajan, & Guido, 2019). According to (Hogstrom,2015) brand consciousness is based on brand information, brand image and brand essence. So luxury product with good image in the consumer's mind will influence consumer in buying their products (Giovanni,2015) (Yim,2014) (Lee, 2008). Mostly brand

consciousness buyer thought that luxurious things have better quality and it encourage them to express themselves.

Another behaviour that influence consumer behaviour in buying products is bandwagon behaviour. From the replication journal Research by Giada Mainolfi obtain information (from Leibenstein, 1950) represent people's desire of consuming certain product due to other people also wearing the same product. Bandwagon affected by people associated direction and latest trend , it is usually suggested by famous people like celebrity and influencer. Recently, there has been an examination in which shopper conduct adjusts towards the quest for explicit brands (1). Bandwagon utilization alludes to individuals' longing to buy an item so they can get into the swim of things or to buyers following someone they are related with. (8) by and large, prevailing fashion prompts can affect customers' acumen, appraisals, and substance acknowledgment. Besides influencing watchers' intellectual assessments, researchers have discovered that trend signs can likewise impact one's enthusiastic reaction. As illustrated, high fleeting trend prompts could weaken watchers' mental reactance to powerful messages (Li and Sundar, 2018). The more well-known these practice, style and mentalities are the higher probability for somebody will join the trend.

Quoting from previous research, not many have systematically discussed the sale of luxury brands in emerging market areas. Besides, in the context of luxury brand sales, the marketer literature has not overly clarified and examined customer behaviour and rather measured customer intentions (A. Sharma et al., 2020). Thus, the discussion about luxury brands in emerging markets like Indonesia has not been thoroughly studied, especially the context of materialism. Indonesia has a stable luxury goods market revenue growth. Millennials in Jakarta who is aware of new technology , and easier to get influenced by western lifestyle seems to get more attracted to luxury brand.

Consequently, this thesis will be focusing on consumer behaviour that influence consumer's purchase. Data from Pew Research Center classified 1996 considered as the last birth year for Millennials .Anyone that is born between 1981 and 1996 (ages 23 to 38 in 2019) is considered a Millennial, and anyone born from 1997 considered as a new generation (Pew Research Centers,2019). This thesis population sample comes from metropolitan city or known as JABODETABEK (Jakarta, Bogor, Depok, Tangerang and Bekasi). The researcher choose this region as sample because the consideration is the metropolitan city have many shopping centers that provides many luxury store.

1.2. Research Problem

In the current situation where the improvement of advanced innovation has grown quickly, web-based media has gradually changed the conventional method of correspondence between people, impacting the presence in which organizations connect among their employee and obviously focusing on great relationship with customer. (Essamri, McKechnie, and Winklhofer, 2019; Gielens and Steenkamp, 2019).In the past era, luxury goods were usually only sold around the European continent, this was because the production of luxury goods came from Europe and America. Along with the times and globalization, consumers originating from Indonesia were no longer sufficient to meet basic needs such as food, clothes, a place to live but turning to the desire to own luxury / prestige. (Prihatin, 2016). Fashion sectors has an important role to the country economic growth, it is continue to increase significantly with the help of globalization especially trends that people attracted to keep up with. Consumer who adore expensiveness, social status and uniqueness are the ones who is associated with luxury products . In emerging country many people have high immaterial wages which cause them to the wants of worldly possessions , many of people started to buy more and

more of luxury products. Luxury products has successfully attracted Indonesian people , this can be seen by seeing many of luxury brand can be found easily in many of shopping centers in Indonesia such as Plaza Indonesia, Grand Indonesia, Plaza Senayan , and Pacific Place.

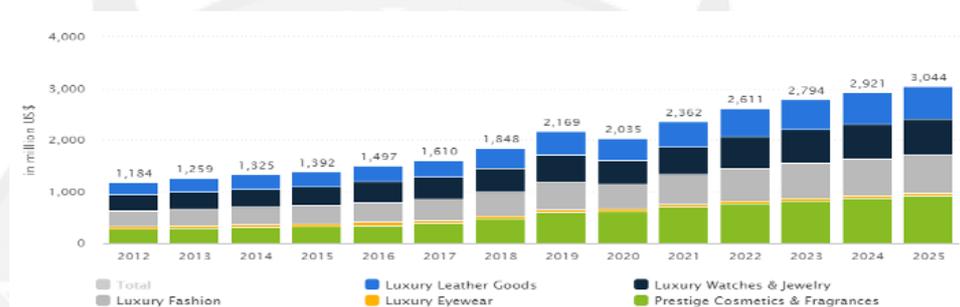


Figure 1.1 : Revenue Luxury Goods Market in Indonesia (in million US\$)
Source: (Statista 2020)

Income in the Luxury Goods market in Indonesia in 2020 is amounted to US \$2,035 and the market is depended upon to build up consistently by 8.4% (CAGR 2020-2025) (Statista, 2020). Income in the Luxury Goods market amounts to US \$2,035m in 2020. Indonesian Luxury market in 2020 amounted to US \$2,035 and the market is depended upon to build up consistently by 8.4% (CAGR 2020-2025). The typical income per capita is US \$7.44. The result of pay box shows the expected pay improvement of the picked market, for instance, market segment and locale in million of the picked cash of consistently (Statista, 2020). The following graph always displays an increasing throughout year 2012 – 2019, but unfortunately in year 2020, luxury good revenue in Indonesia experience a decrease from \$2,169 in 2019 to \$2,035 in 2020. For the global luxury goods industry, the year of 2018, was a fantastic year for luxury goods companies to evolve that have started in 2017. This decrease is due to the pandemic Covid-19 and consumers begin to decrease in buying luxury goods. (Statista, 2020).

One of luxury company that have important role in influencing consumer's choices is Louis Vuitton. Many of Indonesian consumer are attracted to this brand. Louis Vuitton are popular for their quality , uniqueness and authentic design that make their image prestigious to consumer perception. Global luxury fashion brand, namely Louis Vuitton, has been known to attract consumers from all over the world, including Indonesia. The pandemic effects also influence the decrease of Louis Vuitton sales, sales in 2020 dropped by 17 % and continue to fell by 38% (Abboud, 2020). Graph shown in figure 1.1 also shown that the revenue in luxury world is also experiencing decline, this is because the government is implementing PDB to limit people movement to drop the percentage of people with corona virus disease, which also cause the limit to business activities.

Seeing current situation Louis Vuitton still rank the first place top Fashion Luxury Brand that impacts consumer's buying choices in Indonesia followed by Gucci and Hermes. Based on this research, Indonesian customer especially the millennial ones who is adapted to new technology and know about the latest trends. Millennials are the one Young consumers also considered as people who use social media in most of the time. Global Web Index reported that 90 % between age 16-64 prefer to buy their needs through online media. Surveys report that Louis Vuitton has influence 42.4 million followers on Instagram. They design their Instagram page as unique as they can so the customer will be attracted in visiting their page .

1.3. Research Objectives

Therefore based on research problem the research can concludes several research objectives as follows:

- 1) To examine whether materialism positively impacts brand consciousness of luxury fashion brand named Louis Vuitton in Indonesia.

- 2) To examine whether materialism positively impacts bandwagon luxury consumption behaviour of luxury fashion brand named Louis Vuitton in Indonesia.
- 3) To examine whether materialism positively impacts product beliefs of luxury of luxury fashion brand named Louis Vuitton in Indonesia.
- 4) To examine whether materialism positively impacts intention to buy foreign luxury products online of luxury fashion brand name named Louis Vuitton in Indonesia.
- 5) To examine whether brand consciousness positively impacts Product beliefs of fashion luxury products named Louis Vuitton in Indonesia.
- 6) To examine whether brand consciousness positively impacts intention to buy foreign luxury products of fashion luxury brand named Louis Vuitton in Indonesia.
- 7) To examine whether bandwagon luxury consumption behaviour positively impacts product beliefs of luxury fashion brand named Louis Vuitton in Indonesia.
- 8) To examine whether bandwagon luxury consumption behaviour positively impacts intentions to buy foreign luxury products online of luxury fashion brand named Louis Vuitton in Indonesia.
- 9) To examine whether product beliefs positively impacts intentions to buy foreign luxury products online of fashion brand named Louis Vuitton in Indonesia.

1.4. Research Question

After describing the research objectives above, therefore the research question can be formed and explained as follows:

- 1) Does materialism has positive impact brand consciousness of luxury fashion brand named Louis Vuitton in Indonesia ?
- 2) Does materialism has positive impact bandwagon luxury consumption behaviour of luxury fashion brand named Louis Vuitton in Indonesia ?
- 3) Does materialism has positive impact product beliefs of luxury of luxury fashion brand named Louis Vuitton in Indonesia ?
- 4) Does materialism has positive impact intention to buy foreign luxury products online of luxury fashion brand name named Louis Vuitton in Indonesia ?
- 5) Does brand consciousness has positive impact Product beliefs related to fashion luxury products named Louis Vuitton in Indonesia.
- 6) Does brand consciousness has positive impact intention to buy foreign luxury products of fashion luxury brand named Louis Vuitton in Indonesia
- 7) Does bandwagon luxury consumption behaviour has positive impact product beliefs of luxury fashion brand named Louis Vuitton in Indonesia ?
- 8) Does bandwagon luxury consumption behaviour has positive impact intentions to buy foreign luxury products online of luxury fashion brand named Louis Vuitton in Indonesia ?
- 9) Does product beliefs has positive impact intentions to buy foreign luxury products online of fashion brand named Louis Vuitton in Indonesia ?

1.5. Research Demarcation

The demarcation of this research is limited by several conditions such as:

- 1) The discussion of this research includes Consumer Behaviour, Digital Marketing, Social Media and Luxury Fashion Brand.

- 2) This research is implemented in Indonesian consumers especially metropolitan city which include Jakarta, Tangerang, Bogor, Depok and Bekasi.
- 3) Respondents chose in the examination as to age of the respondents, 16.9% of the model was developed some place in the scope of 18 and 24 years, 32.1% some place in the scope of 25 and 34 years, 24.9% some place in the scope of 35 and 44 years, 17.1% somewhere in the range of 45 and 54 years, and 6.8% somewhere in the range of 55 and 64 years, with 2.2% of the example beyond 65 years old. In this study, the researcher intended to examine the millennial generation who have interest in purchasing luxury brands and are aware of Louis Vuitton products.

1.6. Research Benefit

Based on the research objectives to be accomplished, this research is required to have benefits in schooling, either straightforwardly or in a roundabout way. The advantages of this examination are as per the following:

1) Theoretical Benefits

Theoretically, the results of this research are expected to be useful for academic implications and as additional references for future researcher.

2) Practical Benefits

As a basis or reference that can be a recommendation for company in promoting their product using social media and digital marketing.

3) General Purpose

For information and knowledge about the result of the relationship between what company strategy applied regarding the consumer behaviour.

1.7. Writing Structures

The writing systematics used in this research report are as follows:

CHAPTER 1: INTRODUCTION

This part will examine the foundation of the research background, research problem, research objective, research question, research demarcation and writing structures.

CHAPTER II: LITERATURE REVIEW

This chapter explain briefly about the theories used to support research, the theoretical basis used is expected to help in determining the relationship between materialism, brand consciousness, bandwagon luxury consumption behaviour as well as on product beliefs, and intention to buy foreign luxury products

CHAPTER III: RESEARCH METHOD

Chapter III includes research methodology which describes methods used to test hypotheses and the significance relationship between variables as well as the research design and methods of collecting data quantitatively. Pre-test also been added to this research to reduce and minimize defficiencies

CHAPTER IV: DISCUSSION

This chapter discusses the data analysis and discussion of problem-solving described in chapter I.

CHAPTER V: CONCLUSIONS, SUGGESTIONS, AND RECOMMENDATIONS

This chapter contains conclusions, suggestions, and recommendations drawn from the discussion in the previous chapter. The suggestions given are expected in the research study and used by future researcher and readers.