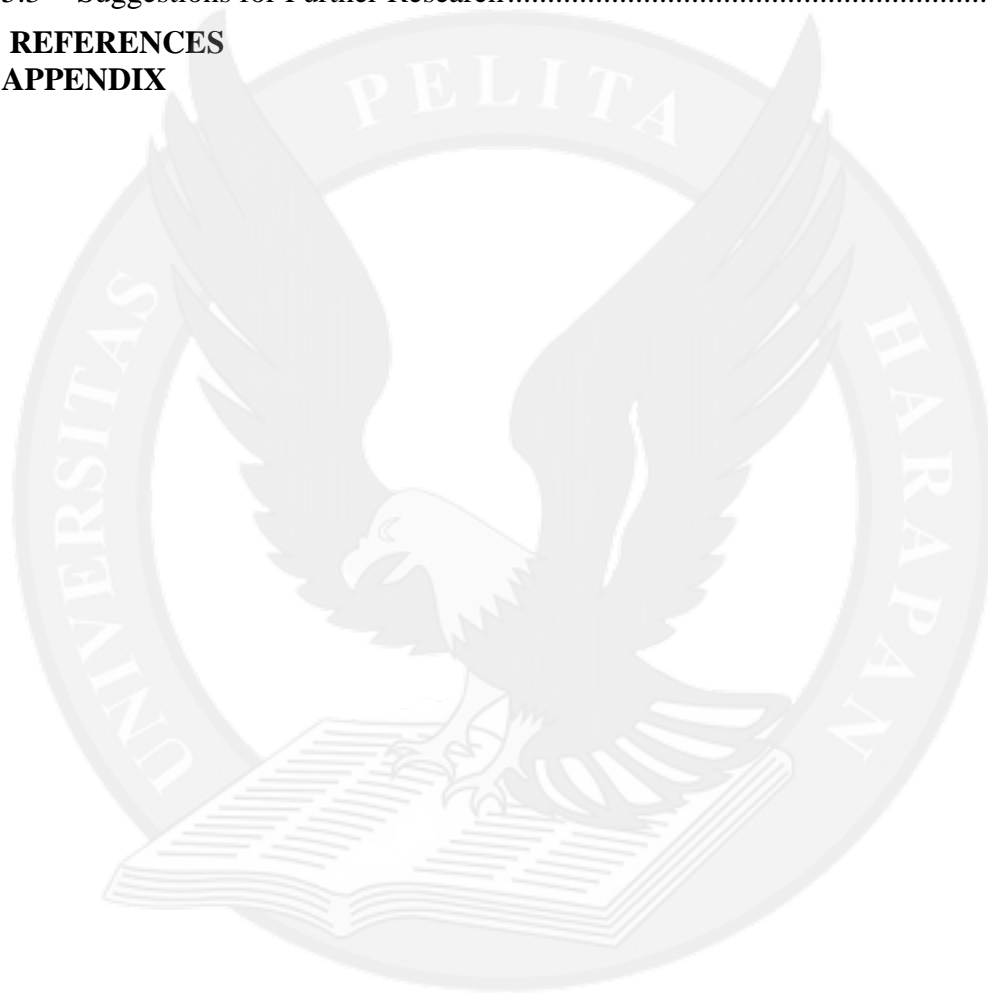


## TABLE OF CONTENTS

<b>COVER</b>	
<b>STATEMENT OF ORIGINALITY OF THESIS</b>	
<b>THE AGREEMENT OF MENTORING GUIDANCE FOR THESIS</b>	
<b>THESIS EXAMINING COMMITTEE</b>	
<b>ABSTRACT</b> .....	iv
<b>ACKNOWLEDGEMENT</b> .....	v
<b>TABLE OF CONTENTS</b> .....	vii
<b>LIST OF FIGURES</b> .....	x
<b>LIST OF TABLES</b> .....	xi
<b>CHAPTER I</b> .....	1
<b>INTRODUCTION</b> .....	1
1.1 General Background .....	1
1.2 Research Questions .....	9
1.3 Purpose of the Research .....	10
1.4 Research Benefits .....	10
1.5 Research Limitations .....	10
1.6 Chapter Outline .....	11
<b>CHAPTER II</b> .....	13
<b>LITERATURE REVIEW</b> .....	13
2.1 Theoretical Framework .....	13
2.1.1 International Business .....	13
2.1.2 Global Marketing .....	15
2.1.3 Global Branding .....	17
2.1.4 Global Consumer Behaviour .....	18
2.1.5 Brand Preference .....	19
2.1.6 Brand Image .....	20
2.2 Previous Studies .....	22
2.3 Research Model .....	25
<b>CHAPTER III</b> .....	26
<b>RESEARCH METHODOLOGY</b> .....	26
3.1 Unit of Analysis .....	26
3.2 Research Design .....	26

3.3	Variable Measures .....	27
3.4	Conceptual Definition and Operational Definition.....	28
3.5	Measurement Scales .....	31
3.6	Population and Sampling.....	32
3.7	Sample Size .....	33
3.8	Data Collection Method.....	33
3.9	Goodness of Measures .....	35
3.10	Reliability & Validity .....	36
3.11	Structural Equation Modeling (SEM).....	40
3.12	Outer Model.....	41
3.13	Inner Model .....	42
<b>CHAPTER IV .....</b>		<b>44</b>
<b>RESULT AND DISCUSSIONS .....</b>		<b>44</b>
4.1	Respondent Profile.....	44
4.2	Pre-Test Result.....	47
4.2.1	Reliability Pre-Test Result .....	48
4.2.2	Validity Pre-Test Result.....	48
4.2.3	Actual Reliability Test Result .....	53
4.2.4	Actual Validity Test Result.....	53
4.3	Descriptive Statistics .....	55
4.3.1	Brand Image .....	56
4.3.2	Perceived Quality .....	57
4.3.3	Perceived Price.....	58
4.3.4	Brand Preference .....	59
4.4	Inferential Statistics .....	60
4.4.1	Outer Model .....	61
4.4.1.1	Measurement Model.....	61
4.4.1.2	Convergent Validity .....	62
4.4.1.3	Discriminant Validity .....	63
4.4.1.4	Average Variance Extracted (AVE).....	64
4.4.1.5	Composite Reliability.....	64
4.4.2	Inner Model .....	65
4.4.2.1	Multicollinearity.....	65
4.4.2.2	R-Square .....	66

4.4.2.3 Hypothesis Testing .....	67
4.5 Discussions .....	71
<b>CHAPTER V</b> .....	73
<b>CONCLUSION AND SUGGESTION</b> .....	73
5.1 Conclusions .....	73
5.2 Managerial Implications .....	74
5.3 Suggestions for Further Research .....	75
<b>REFERENCES</b>	
<b>APPENDIX</b>	



## LIST OF FIGURES

Figure 1.1 LVMH Luxury Fashion 2017 Annual Report .....	4
Figure 1.2 Kering Luxury Fashion 2017 Annual Report .....	5
Figure 1.3 Population Distribution by Economic Class and Country .....	6
Figure 1.4 Comparison between Rupiah's Currency to US Dollar.....	7
Figure 2.1 Evolution of Global Marketing.....	15
Figure 2.3 Research Model .....	25
Figure 3. 1 Goodness of Measure: Forms of Reliability and Validity .....	38
Figure 3. 2 A Simple Path Model .....	41
Figure 4. 1 Measurement Model .....	61
Figure 4. 2 Bootstrapping Smart PLS .....	70

## LIST OF TABLES

Table 3. 1 Conceptual Definition and Operational Definition.....	28
Table 3. 2 Data Collection Methods .....	34
Table 3. 3 Loading Factor Table .....	36
Table 3. 4 Rule of thumb Evaluation Model.....	39
Table 4. 1 Respondent Profile.....	44
Table 4. 6 Composite Reliability Pre-Test Result.....	48
Table 4. 7 Validity Pre-Test Result.....	49
Table 4. 8 Validity Average Variance Extracted (AVE) Pre-Test Result.....	49
Table 4. 9 Discriminant Validity Pre-Test .....	50
Table 4. 10 Composite Reliability Actual Test.....	53
Table 4. 11 Actual Validity Test Result.....	54
Table 4. 12 The Mean Category.....	55
Table 4. 13 Brand Image Dependent Variable.....	56
Table 4. 14 Perceived Quality Independent Variable .....	57
Table 4. 15 Perceived Price Independent Variable .....	58
Table 4. 16 Brand Preference Independent Variable .....	59
Table 4. 17 Convergent Validity Matrix .....	62
Table 4. 18 Discriminant Validity Matrix.....	63
Table 4. 19 Average Variance Extracted .....	64
Table 4. 20 Composite Reliability Matrix .....	65
Table 4. 21 Rule of Thumb Inner Model .....	65
Table 4. 22 Multicollinearity Variance Inflation Factors.....	66

Table 4. 23 R-Square.....	67
Table 4. 24 Hypothesis Testing.....	67
Table 4. 25 Hypothesis Testing Result .....	68

