

TABLE OF CONTENTS

| | |
|--|------|
| ABSTRACT | i |
| ACKNOWLEDGEMENT | ii |
| TABLE OF CONTENTS | iv |
| LIST OF TABLES..... | vii |
| LIST OF FIGURES | viii |
| CHAPTER I | 1 |
| INTRODUCTION | 1 |
| 1.1 Background | 1 |
| 1.2 Problem Statement..... | 8 |
| 1.3 Research Questions..... | 20 |
| 1.4 Research Objectives..... | 20 |
| 1.5 Research Purpose..... | 21 |
| 1.6 Research Systematic Outline | 22 |
| CHAPTER II | 24 |
| LITERATURE REVIEW..... | 24 |
| 2.1 Consumer Behavior | 24 |
| 2.1.1 Willingness to Buy..... | 26 |
| 2.2 Consumer Ethnocentrism..... | 27 |
| 2.3 Product and Service Quality | 29 |
| 2.3.1 Perceived Quality | 32 |
| 2.4 Price | 34 |
| 2.4.1 Perceived Price | 35 |
| 2.5 Brand..... | 37 |
| 2.5.1 Brand Image..... | 38 |
| 2.6 Hypothesis Development | 41 |
| 2.6.1 The Influence of Consumer Ethnocentrism Towards Willingness to Buy..... | 41 |
| 2.6.2 The Influence of Perceived Quality Towards Willingness to Buy | 42 |
| 2.6.3 The Influence of Perceived Price Towards Willingness to Buy | 44 |

| | |
|--|----|
| 2.6.4 The Influence of Perceived Brand Image Towards Willingness to Buy..... | 45 |
| 2.7 Previous Research | 46 |
| 2.8 Research Model..... | 50 |
| CHAPTER III..... | 52 |
| RESEARCH METHODOLOGY | 52 |
| 3.1 Types of Research | 52 |
| 3.2 Types of Variables..... | 53 |
| 3.2.1 Dependent Variable..... | 54 |
| 3.2.2 Independent Variable | 54 |
| 3.2.3 Moderating Variable | 55 |
| 3.2.4 Mediating Variable | 55 |
| 3.3 Research Subject and Research Object..... | 56 |
| 3.4 Unit of Analysis..... | 56 |
| 3.5 Research Design | 57 |
| 3.6 Conceptual and Operational Definition | 58 |
| 3.7 Data Collection Technique | 62 |
| 3.8 Research Scale..... | 66 |
| 3.9 Population and Sample | 68 |
| 3.9.1 Population..... | 68 |
| 3.9.2 Sample | 68 |
| 3.10 Sampling Design | 69 |
| 3.10.1 Probability Sampling..... | 69 |
| 3.10.2 Non-Probability Sampling | 72 |
| 3.11 Sample Size..... | 73 |
| 3.12 Data Analysis Method | 74 |
| 3.12.1 Descriptive Statistic..... | 74 |
| 3.12.2 Inferential statistic | 75 |
| 3.12.3 PLS-SEM (Partial Least Square – Structural Equation Modeling)... | 76 |
| 3.13 Importance-Performance Map Analysis | 84 |
| 3.14 Pre-Test..... | 84 |
| 3.14.1 Outer Model..... | 85 |
| CHAPTER IV..... | 93 |

| | |
|---|-----|
| RESULT AND DISCUSSION..... | 93 |
| 4.1 Respondent Profile | 93 |
| 4.2 Descriptive Statistics | 95 |
| 4.2.1 Descriptive Statistics Consumer Ethnocentrism..... | 96 |
| 4.2.2 Descriptive Statistics Perceived Quality | 97 |
| 4.2.3 Descriptive Statistics Perceived Price | 98 |
| 4.2.4 Descriptive Statistics Perceived Brand Image | 99 |
| 4.2.5 Descriptive Statistics Willingness to Buy | 100 |
| 4.3 The Results..... | 101 |
| 4.3.1 Outer model | 101 |
| 4.3.2 Inner Model | 109 |
| 4.4 Hypothesis Testing | 113 |
| 4.5 Importance-Performance Map Analysis Result | 116 |
| 4.6 Discussion | 118 |
| 4.6.1 The influence of consumer ethnocentrism towards willingness to buy | 118 |
| 4.6.2 The Influence of Perceived Quality Towards Willingness to Buy | 120 |
| 4.6.3 The Influence of Perceived Price Towards Willingness to Buy | 123 |
| 4.6.4 The Influence of Perceived Brand Image Towards Willingness to Buy..... | 125 |
| CHAPTER V | 128 |
| CONCLUSIONS AND SUGGESTIONS..... | 128 |
| 5.1 Conclusion | 128 |
| 5.2 Managerial Implication..... | 128 |
| 5.3 Limitations | 137 |
| 5.4 Recommendations for Future Research..... | 138 |
| REFERENCES | 139 |
| APPENDIX | 151 |

LIST OF TABLES

| | |
|--|-----|
| Table 1. 1 - Profile of the respondents | 12 |
| Table 1. 2 Initial survey of consumer ethnocentrism, perceived quality, perceived price, perceived brand image, and willingness to buy. | 13 |
| Table 2. 1 Previous research..... | 47 |
| Table 3. 1 Conceptual and Operational Definition | 59 |
| Table 3. 2 R-square value..... | 81 |
| Table 3. 3 Pre-Test Factor Loading Result | 85 |
| Table 3. 4 Pre-Test Outer / Factor Loading Revision..... | 86 |
| Table 3. 5 Pre-Test Reliability Test | 88 |
| Table 3. 6 Pre-Test Reliability Test Revision | 88 |
| Table 3. 7 Pre-Test AVE Value Result | 89 |
| Table 3. 8Pre-Test AVE Value Result Revision | 90 |
| Table 3. 9 Pre-Test HTMT Result | 90 |
| Table 3. 10 Pre-test HTMT Result Revision..... | 91 |
| Table 4. 1 Respondent demographic's profiles | 93 |
| Table 4. 2 Descriptive Statistic | 95 |
| Table 4. 3 Descriptive Statistics Consumer Ethnocentrism | 96 |
| Table 4. 4 Descriptive Statistics Perceived Quality..... | 97 |
| Table 4. 5 Descriptive Statistics Perceived Price | 98 |
| Table 4. 6 Descriptive Statistics Perceived Brand Image | 99 |
| Table 4. 7 Descriptive Statistics Willingness to buy | 100 |
| Table 4. 8 Outer Loading Before Revision | 101 |
| Table 4. 9 Outer Loading Test after Revision | 103 |
| Table 4. 10 Reliability Test Before Revision | 105 |
| Table 4. 11 Reliability Test After Revision | 105 |
| Table 4. 12 Convergent Validity Test Before Revision..... | 106 |
| Table 4. 13 Convergent Validity Test After Revision | 107 |
| Table 4. 14 Discriminant Validity HTMT Test Before Revision..... | 108 |
| Table 4. 15 Discriminant Validity HTMT test After Revision | 108 |
| Table 4. 16 R-square Test | 110 |
| Table 4. 17 Q-square / Predictive Relevance Test..... | 110 |
| Table 4. 18 Collinearity Test Outer Model | 111 |
| Table 4. 19 Collinearity Test Inner Model..... | 112 |
| Table 4. 20 Hypothesis Testing | 114 |
| Table 4. 21 Importance-Performance Map Analysis | 116 |

LIST OF FIGURES

| | |
|---|-----|
| Figure 1. 1 – 10 Most Favorite Fashion Brand in Indonesia | 3 |
| Figure 1. 2 – Apa Alasan Konsumen Pilih Produk Lokal..... | 9 |
| Figure 2. 1- Research Model | 51 |
| Figure 4. 1- Path Coefficient | 113 |

