

**DETERMINANTS OF COUNTERFEIT FASHION PURCHASE
BEHAVIOR IN INDONESIA**

Thesis

Presented as Partial Fulfillment of Requirements for the Degree of Sarjana

Ekonomi (S1) in International Business Management Program

Faculty of Economics Universitas Atma Jaya Yogyakarta



Compiled by:

Dova Kurniawan

Student ID Number: 14 12 21536

FACULTY OF ECONOMICS

UNIVERSITAS ATMA JAYA YOGYAKARTA

MAY 2018

Thesis

**DETERMINANTS OF COUNTERFEIT FASHION PURCHASE
BEHAVIOR IN INDONESIA**

Compiled by:

Dova Kurniawan

Student ID Number: 14 12 21536

Has been read and approved by:

Advisor



Mahestu N Krisjanti, SE., M.Sc. IB., Ph.D.

Yogyakarta, May 12th, 2018

This is to certify that the thesis entitled
**DETERMINANTS OF COUNTERFEIT FASHION PURCHASE
BEHAVIOR IN INDONESIA**

Presented by
Dova Kurniawan
Student ID Number: 14 12 21536

Has been defended and accepted on June 7th, 2018 towards fulfillment of
the requirements for the Degree of Sarjana Ekonomi (S1)
in International Business Management Program
Faculty of Economics Universitas Atma Jaya Yogyakarta

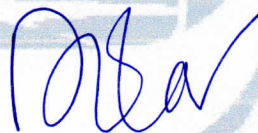
Examination Committee

Chairman

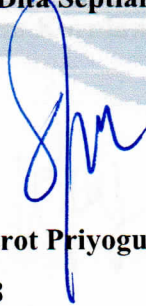
Member



Mahestu N Krisjanti, SE., M.Sc. IB., Ph.D.



E. Dita Septiari, SE., MSc.



Drs. C. Jarot Priyogutomo, MBA.

Yogyakarta June 25th, 2018

Dean



Budi Suprpto, MBA, Ph.D.

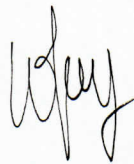
AUTHENTICITY ACKNOWLEDGEMENT

**I, Dova Kurniawan hereby declare that I compiled the thesis with the
following title:**

DETERMINANT OF COUNTERFEIT FASHION PURCHASE BEHAVIOR IN INDONESIA

**Is really, my own thinking and writing, I fully knowledge that my writings
does not contain others' or part(s) of others' writing, except for those
that have been cited and mentioned in the references.**

Dova Kurniawan



Yogyakarta, May 12th, 2018

ACKNOWLEDGEMENT

My deepest grateful goes to God, for making me able to finish my thesis. This thesis is needed to meet one of academic requirements in completion of Bachelor study of International Business Management Program University of Atma Jaya Yogyakarta. Title that the author propose is:

DETERMINANTS OF COUNTERFEIT FASHION PURCHASE BEHAVIOR IN INDONESIA

In the process of making the thesis, the author got support from various parties that made the process of the thesis was better, faster, and easier. Therefore, I would like to express my big gratitude for:

1. My advisor Ms. Wenefrida Mahestu Noviandra Krisjanti, S.E., M.Sc. IB, Ph.D who guides me from the very beginning. Thank you for everything.
2. My lovely family, Papi, Mami, Daisy, Rimba, Dara, Devina who always give support and prayers for me to finish my study.
3. My dear friends Amadea, Deya, Fidha, Severin, Tita and Paulina who always be there when I need them and keep giving me support in every situation.
4. IBMP 2014 class who have become my second family and accompanied me for my 4 years in college.
5. My seniors from IBMP 2013, Esso, Ajeng, and Robin for their help to get me through the process of my thesis.
6. HMPSM, for the experience and lessons that I will never get in the class.

7. My assistant laboratory friends, who give support and help me whenever I need it.

Finally, the author relies that this thesis is not perfect enough. The author receives every criticism, suggestions, and other knowledge that will complete and develop this thesis, so this thesis can be more reliable for the further research. Hopefully, this thesis will be useful for people who need a reference to make the further research.

Yogyakarta, May 12th 2018



Dova Kurniawan

TABLE OF CONTENTS

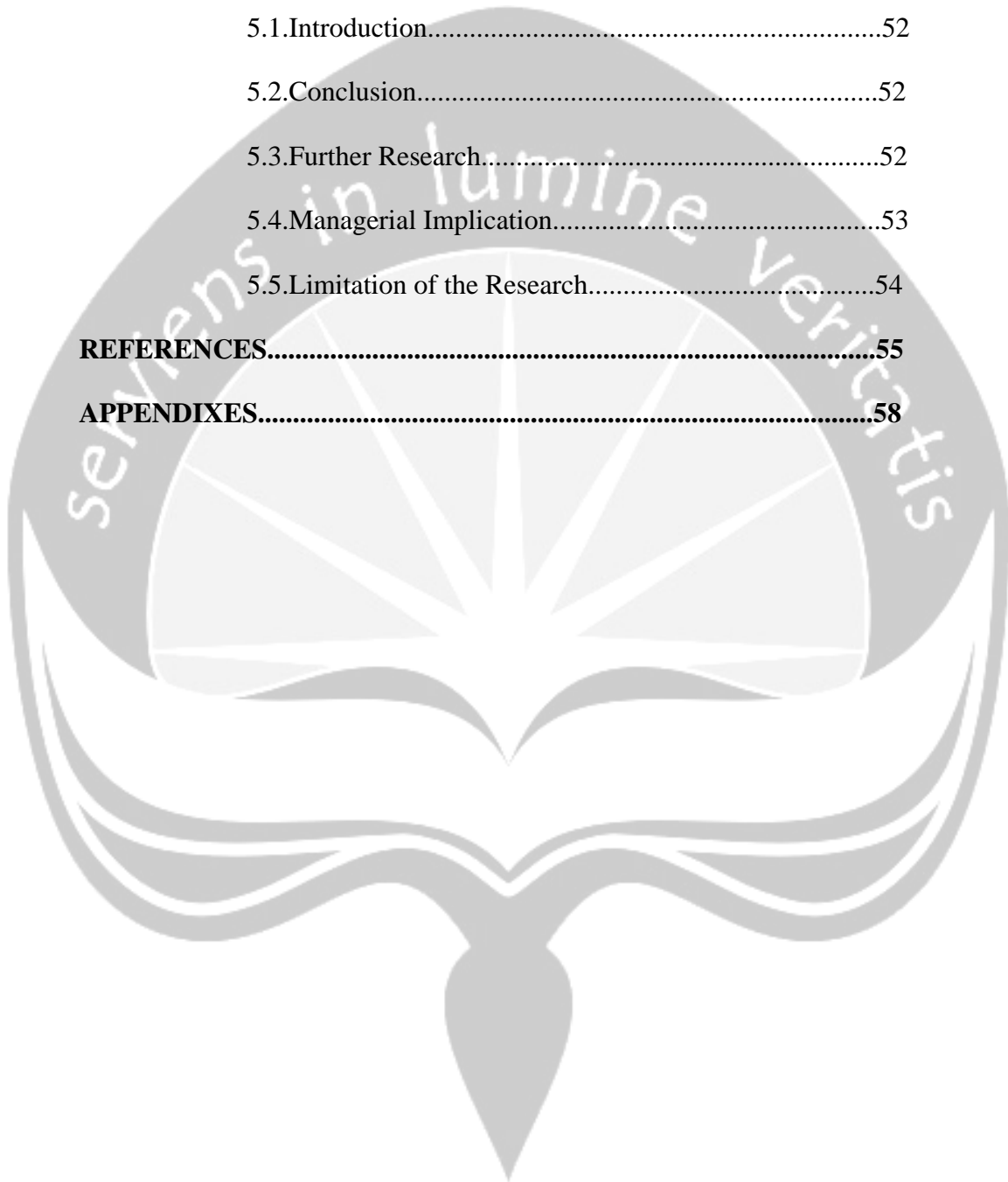
TITLE PAGE.....	i
APPROVAL PAGE.....	ii
COMMITTEE’S APPROVAL PAGE.....	iii
AUTHENTICITY ACKNOWLEDGEMENT.....	iv
ACKNOWLEDGEMENT.....	v
TABLE OF CONTENTS.....	vii
LIST OF TABLES.....	xii
LIST OF FIGURES.....	xiii
LIST OF APPENDIXES.....	xiv
ABSTRACT.....	xv
CHAPTER I: INTRODUCTION.....	1
1.1.Research Background.....	1
1.2.Problem Identification.....	3
1.3.Research Limitation.....	4
1.4.Research Objectives.....	4
1.5.Research Benefit.....	5
1.6.Writing Structure.....	6
CHAPTER II: LITERATURE REVIEW.....	7
2.1. Introduction.....	7
2.2. Theoretical Background.....	7
2.2.1. Fashion Consciousness.....	8

2.2.2. Subjective Norm.....	9
2.2.3. Ethical Judgment.....	10
2.2.4. Value Consciousness.....	10
2.2.5. Self-Ambiguity.....	11
2.2.6. Purchase Intention.....	11
2.3. Previous Study.....	12
2.4. Hypothesis Development.....	20
2.5. Conceptual Framework.....	22
CHAPTER III: RESEARCH METHODOLOGY.....	23
3.1. Introduction.....	23
3.2. Research Location.....	23
3.3. Data Collection.....	23
3.4. Research Variable.....	25
3.5. Statistic Descriptive Analysis.....	25
3.6. Partial Least Square.....	26
3.6.1. First Step: Designing Structural Model (Inner Model).....	26
3.6.2. Second Step: Designing Measurement Model (Outer Model).....	27
3.6.3. Third Step: Constructing Path Diagram.....	27
3.6.4. Fourth Step: Estimation.....	27
3.6.5. Fifth Step: Goodness of Fit.....	27
3.6.5.1. Evaluation of Goodness of Fit:	

Outer Model.....	27
3.6.5.2. Evaluation of Goodness of Fit:	
Inner Model.....	28
3.6.6. Sixth Step: Hypotheses Testing.....	28
3.7.Independent Sample T-Test.....	29
CHAPTER IV: DATA ANALYSIS AND DISCUSSION.....	30
4.1.Introduction.....	30
4.2.Statistic Descriptive Analysis.....	30
4.2.1. Gender.....	30
4.2.2. Age.....	31
4.3.Partial Least Square.....	32
4.3.1. First Step: Designing Structural Model (Inner Model).....	32
4.3.2. Second Step: Designing Measurement Model (Outer Model).....	32
4.3.3. Third Step: Constructing Path Diagram.....	34
4.3.4. Fourth Step: Estimation.....	36
4.3.5. Fifth Step: Goodness of Fit.....	36
4.3.5.1. Evaluation of Goodness of Fit:	
Outer Model.....	36
4.3.5.2. Evaluation of Goodness of Fit	
Inner Model.....	43
4.3.6. Sixth Step: Hypotheses Testing.....	44

4.3.6.1. Hypothesis Testing Fashion	
Consciousness towards Purchase	
Intention.....	45
4.3.6.2. Hypothesis Testing Subjective Norm	
towards Purchase Intention.....	45
4.3.6.3. Hypothesis Testing Ethical Judgment	
towards Purchase Intention.....	45
4.3.6.4. Hypothesis Testing Value	
Consciousness towards Purchase	
Intention.....	46
4.3.6.5. Hypothesis Testing Self-Ambiguity	
towards Purchase Intention.....	46
4.4.Independent Sample T-Test Analysis.....	46
4.5.Discussion.....	48
4.5.1. The Effect of Fashion Consciousness to	
Purchase Intention.....	48
4.5.2. The Effect of Subjective Norm to Purchase	
Intention.....	49
4.5.3. The Effect of Ethical Judgment to Purchase	
Intention.....	50
4.5.4. The Effect of Value Consciousness to	
Purchase Intention.....	50
4.5.5. The Effect of Self-Ambiguity to Purchase	

Intention.....	51
CHAPTER V: CONCLUSION AND RECOMMENDATION.....	52
5.1.Introduction.....	52
5.2.Conclusion.....	52
5.3.Further Research.....	52
5.4.Managerial Implication.....	53
5.5.Limitation of the Research.....	54
REFERENCES.....	55
APPENDIXES.....	58

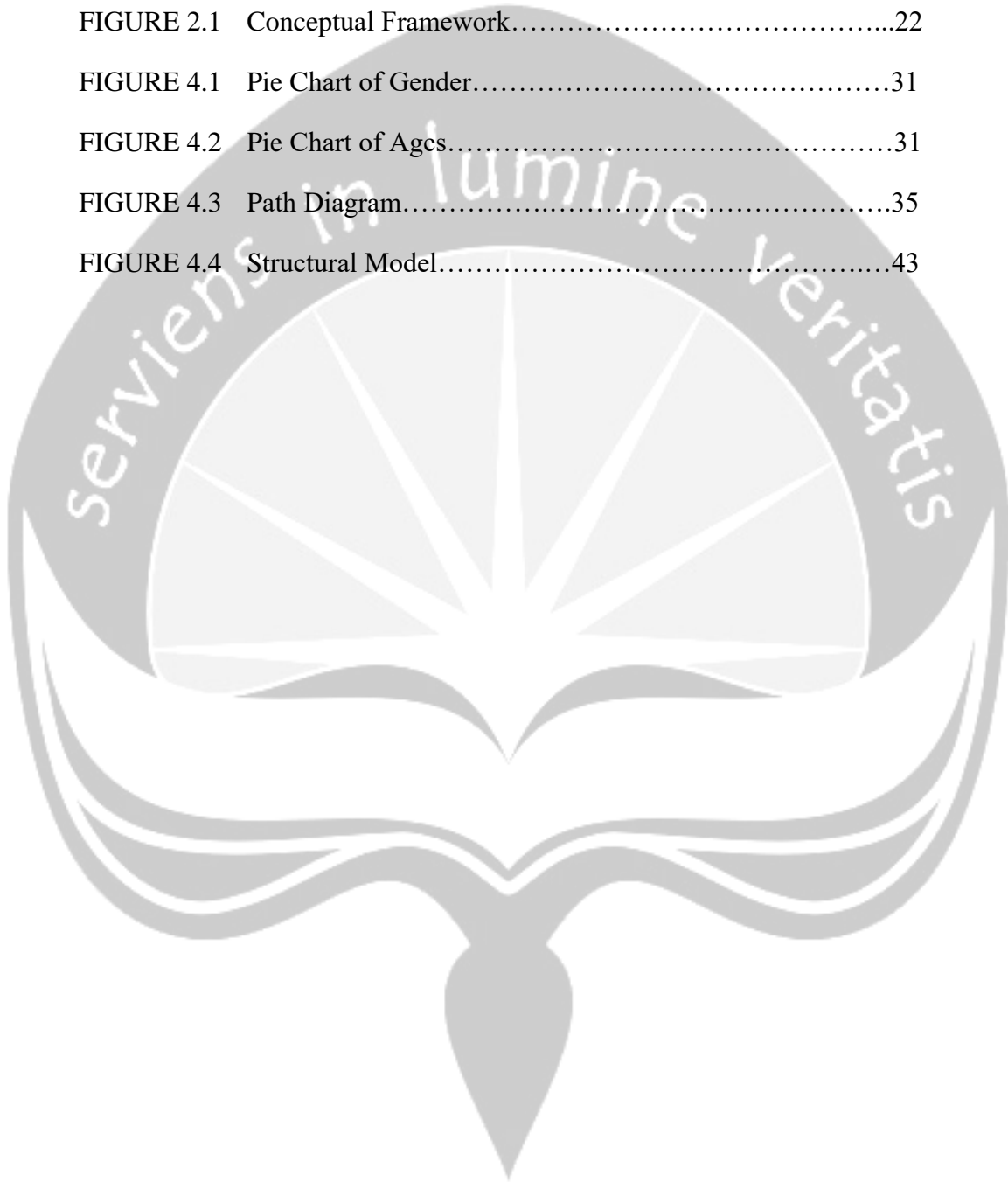


LIST OF TABLES

TABLE 2.1	Previous Study.....	13
TABLE 4.1	Construct and Construct Dimension.....	32
TABLE 4.2	First Outer Loading (Measurement Model).....	37
TABLE 4.3	Second Outer Loading (Measurement Model).....	38
TABLE 4.4	Third Outer Loading (Measurement Model).....	39
TABLE 4.5	Fornell Larcker Criterium.....	41
TABLE 4.6	Cross Loading.....	41
TABLE 4.7	Reliability Test.....	42
TABLE 4.8	R-Square Result.....	44
TABLE 4.9	Path Coefficient.....	45
TABLE 4.10	Gender Independent Sample T-Test Result.....	47
TABLE 4.11	Age Independent Sample T-Test Result.....	48

LIST OF FIGURES

FIGURE 2.1	Conceptual Framework.....	22
FIGURE 4.1	Pie Chart of Gender.....	31
FIGURE 4.2	Pie Chart of Ages.....	31
FIGURE 4.3	Path Diagram.....	35
FIGURE 4.4	Structural Model.....	43



LIST OF APPENDIXES

- APPENDIX I: Questionnaire
- APPENDIX II: Questionnaire Results
- APPENDIX III: Demographic Results



**DETERMINANTS OF COUNTERFEIT FASHION PURCHASE
BEHAVIOR IN INDONESIA**

**Compiled by:
Dova Kurniawan
14 12 21536**

**Supervisor:
Mahestu N. Krisjanti, SE., M.Sc. IB., Ph.D.**

International Business Management Program, Faculty of Economics, Atma Jaya
Yogyakarta University, Jalan Babarsari 43-44, Yogyakarta

ABSTRACT

Counterfeiting is a major problem that is experienced worldwide, Indonesia included. The main purpose of this research is to analyze the purchase behavior of counterfeit fashion product in Indonesia. This research is using online questionnaire that is distributed to 290 respondents. This research is using SEM-PLS as the analysis tool.

The result shows that fashion consciousness, subjective norm, ethical judgment, value consciousness and self-ambiguity significantly affect purchase behavior of consumers towards counterfeit products. It is better for future research to add more demographic variables and also specify the products so the respondents can reach better understanding. The result of this research can help the companies of luxury fashion brand in Indonesia to prevent their products being copied by analyzing the factors and making strategies based on that.

Keyword: Counterfeit, fashion, purchase behavior, purchase intention, Indonesia