# CONSUMER PURCHASE INTENTION ON SPORT FOOTWEAR AMONG GENERATION Y IN PADANG, INDONESIA

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# CONSUMER PURCHASE INTENTION ON SPORT FOOTWEAR AMONG GENERATION Y IN PADANG, INDONESIA

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Thesis Submitted to the Ghazali Shafie Graduate School of Government
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#### **ABSTRAK**

Kajian ini adalah bertujuan untuk mengenal pasti keinginan pengguna dalam membeli Jenama kasut sukan di kalangan generasi Y di Padang, Indonesia. Kajian ini memberikan gambaran perbandingan deskriptif hasrat membeli pengguna dan faktor yang menjejaskan niat beli pengguna antara jenemaasing dan tempatankasut sukan di kalangan Generasi Y. Dari literatur sebelumnya, satu rangka kerja teori telah dibangunkan untuk menunjukkan kesan negara asal, harga, imej jenama, dan reka bentuk produk terhadap hasrat pembelian penggunajenama kasut sukan Asing dan kasut sukan Tempatan di kalangan generasi Y.

Bilangan sampel dalam kajian ini ialah 260 responden, dan kaedah bagi persampelan adalah dengan menggunakan kaedah persampelan kemudahan, data utama dalam kajian ini diperolehi daripada soal selidik, yang kemudiannya menjalankan analisis data yang diperolehi dalam bentuk analisis kuantitatif. Teknik analisis data yang digunakan adalah analisis regresi linear. Hipotesis telah diuji dengan ujian F dan ujian t dengan  $\alpha=0.05$ .

Hasil kajian menunjukkan bahawa hanya faktor-faktor negara asal dan reka bentuk produk yang mempunyai pengaruh yang besar ke atas niat pembelian pengguna kedua-dua kasut sukan, baik jenama asing mauhupun jenama tempatan. Manakala, harga hanya mempunyai kesan yang ketara apabila pengguna membuat keputusan untuk berniat membeli kasut sukan Tempatan. Sementara itu, imej jenama hanya mempunyai kesan yang ketara bila nak berniat membeli kasut sukan asing.

Keterangan perbandingan niat beli antara jenama Asing dan jenama kasut sukanTempatan telah mendedahkan beberapa faktor yang sama dan faktor yang berbeza dalam menjejaskan niat pembelian kasut sukan di kalangan generasi Y di Padang, Indonesia. Implikasi dan cadangan kajian akan datang juga dibincangkan.

Kata Kunci: Niat Pembelian, Negara Asal, Harga, Jenama Imej,

Rekabentuk Produk

#### **ABSTRACT**

This study is aims to determine consumer purchased intention on Sport footwear among generation Y in Padang, Indonesia. This study provides a comparative description on consumer purchased intention and factors that affected purchased intention between foreign and local sport footwear among Generation Y. From preceding literature, a theoretical framework was developed to show the effect of country of origin, price, brand image, and product design on consumer purchase intention o Foreign and Local sport footwear among generation Y.

A number of samples in this study were 260 respondents, and for sampling is by using convenience sampling method. Primary data in this study were obtained from questionnaires, which then conducted an analysis of data obtained in the form of quantitative analysis. Techniques of data analysis used were multiple linear regression analysis. The hypothesis was tested by F test and t test with  $\alpha = 0.05$ .

Results of the study indicated that only the country of origin and product designs factors that have a significant influence on consumer purchase intention both for foreign and local sport footwear. Whereas, price only have significant effect when consumer decided to purchase local sport footwear. Meanwhile, brand image only have significant effect when decided to intend purchased foreign sport footwear.

A comparative description on purchased intention of Foreign and Local sport footwear revealed some similar, and its differences factors that affect the purchase intentions on sport footwear among generation Y in Padang, Indonesia. Implications and future research suggestions are also discussed.

**Key word:** Purchase Intention, Country of Origin, Price, Brand Image,

Product Design

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Finally, I realize that of this thesis still has shortcomings, and far from perfection because of limitations of knowledge and experience. It is therefore with great humility the author expects criticism, suggestions and any form of direction from all parties for the betterment of this thesis.

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#### **CHAPTER ONE**

#### INTRODUCTION

#### 1.1 Background

The development world economy towards globalization era has been affected all business activity directly or indirectly. In the current global market competition nowadays, companies are highly competitive due to many existing competitors, regardless of industry (Lim et al, 2010). Company's globalization led the stiff competition which not only for local brand product/service, but also led to the proliferation of global brands product to enter Indonesian market. In addition, globalization has increased the opportunities for the local and foreign companies to market their product worldwide.

Easy accessibility for foreign companies to enter Indonesian market, Padang in particular, has led to a stiff competition among existing businesses specifically for sport footwear products. From local consumer perspective, this phenomenon, have many advantages as well as opportunities for them in term of choosing alternative goods and services. Hence, allows local consumers to choose more wide range of products which are suitable with their tastes, needs, and their purchasing power.

Sport footwear market is one of the markets that could be entered by foreign sport footwear producers in Indonesia market through introducing newest sport footwear available in the world open market. Indonesia has a great potential market in the sports footwear sector which could increase the sales of 30-40 trillion IDR per year (Aprisindo, 2012). The Indonesian Ministry of Trade (2012) suggested that, the

average growth of Indonesia's sport footwear sector amounted to 8.86% per year. However, most of the domestic market dominated by imported sport footwear with more than 60% of the total value of trade (Ministry of Trade, 2012, refer to Table 1.1). This condition indicates that most of Indonesian customers were preferred foreign/global brands sport footwear rather than local brands or products. Several global brands that dominate the Indonesian market such as Nike, Adidas, Bata, Reebok, while local brands such as Specs, Eagle, and Piero (just to name a few).

Table 1.1

Top Brand Index of Sport Footwear in Indonesia

Brands	Years			
	2009 (%)	2010 (%)	2011 (%)	2012 (%)
Adidas	33.9	28.6	22.9	31.9
Nike	10.4	13.3	22.4	13.9
Eagle	7.0	5.6	5	3.7
Bata	9.2	7	2.6	6.1
Reebok	5.4	6.4	4.4	5.5
Specs	2.3	3.7	2.6	2.6
Piero	-	2.2	-	-

Source: www.topbrand-award.com, accessed 2013

The growth of sport footwear markets in Indonesia cannot be separated from the increased awareness of Indonesian people especially youngster generation (generation Y) about the importance of physical exercise in order to sustain physical fitness (Swa Magazine, 2012). This scenario indicated by the growth of the sports centers in such as gym, indoor soccer field, football field, jogging track in city park, and many other parks (Wiratama, 2012). Exercising has become a compulsory need

of modern individuals at this time because the exercise will make the body healthier and reduce the risk of various diseases (HSE, 2001).

Sport is a necessity, especially for Generation Y. The increased of awareness of people about physical exercise also increased demand of sport footwear product (Swa,2012). Increasing demand of sport footwear indirectly caused a high competition between companies in attracting consumers to use their products. Competitive rivalry was shown with various options footwear are available in the Indonesia market such as: Adidas, Nike, Reebok, Bata, Eagle, Specs, Piero and others.

This is not exceptional generation Y in Padang City is the biggest potential market for sport footwear product in Indonesia. According to statistics from Padang Central Bureau of statistics (BPS)Indonesia (2012) stated that the population of generation Y is about 35 % of total population of Padang City. This statistics shown that market for this the generation market is big enough, so companies in this segment could be have done several ways which meet with the needs and desires of this generation.

In more detail, the population who reflecting Generation Y in City of Padang can be explained by the following Table 1.2.

Sport footwear market growth is interesting, especially in the context of competition and consumer purchase intention toward local brands such as Eagle, Specs, Piero and foreign/global brands like Adidas, Nike, Rebook, Bata, and others (just to show a few).

Table 1.2

Total Population City of Padang by Age and Sex

No	Age (year)	Male	Female	Total
1	0 - 4	40.826	38593	79420
2	5-9	40928	37983	78910
3	10 – 14	41.069	39.042	80.111
4	15 – 19	40.885	42.700	83.586
5	20 – 24	47.961	49.600	97.561
6	25 – 29	34.473	33.914	68.387
7	30 – 34	29.665	28.477	58.142
8	35 – 39	26.286	26.616	52.902
9	40 – 44	23.689	24.294	47.983
10	45 – 49	25.218	26.615	51.833
11	45 – 49	22.831	23.071	45.902
12	55 – 59	17.362	17.022	34.384
13	60 – 64	9.768	10.702	20.469
14	65 – 69	8.635	9.666	18.301
15	70 – 74	6.818	8.084	14.901
16	75+	5.485	8.453	13.938
	Total	421.900	424.831	846.731

Source: Padang Central Bureau of statistics (2012)

Since the tight competition in Indonesia sport footwear market, it is important to understand factor that influencing consumer in making decision buying sport footwear product. Literature indicates that several factors can influence consumers purchase intention in purchase foreign and local product, including: Country of Origin (COO)(Bhakar et al, 2013; Hamin and Greg Eliot, 2006; Ahmed, Johnson, and Boon, 2004), price (Hamin and Greg Eliot, 2006; Ahmed, Johnson and Boon 2004), brand image (Bhakar et al, 2013; Ahmed, Johnson, and Boon, 2004), and design (Hamin and Eliot, 2006; Block, 1995; Garber 1995).

Country of origin (COO) is one of the factors that determine the intension of consumer to purchases (Hamin and Eliot, 2006; Rezvani et al, 2012; Krisjanti, 2009; Oazden & Azamat, 2012). According to Kotler and Keller (2009) perception of the country of origin can influence consumers to use the product either directly or indirectly, the degree of COO effects is positively related to the degree of purchasing risk, and sometimes even within one COO, the effect can be differ, for example Japan matter for electronic but not for foods (Kaynack and Cayusgil, 1983).

Lichtenstein, Risgway, and Netemeyer (1993) suggest that the price is the most dominant cue in marketing the products especially the sport footwear, price is also one of the cues used in the perception of consumers and will affect consumer evaluation of a product (Monroe, 1990).

Image of brand is important role when talking about intention to purchase sportswear product whether foreign or local brands. According to Kotler (2009), brand image is beliefs about the perceptions and consumer beliefs toward a brand, which are reflected and associated in the consumer memory. Development of brand image is very important in purchasing decisions; a good management of brand image will resulted in positive consequences on image of product (Pratama, 2011). Kotler (2009) stated that the consumers will have different responses on corporate image or brand image. The brand image is the public perception of the country, company, or its products.

The product design plays an important role in deciding to buy or not the sports footwear that are offered by the footwear company. This design will increase product differentiation (Wibowo, 2011) of many sport footwear products trough design differentiation such as uniqueness' motive and color as a key indicator for attracting

consumers. It's intended to facilitate consumers in distinguishing the characteristics of sport footwear with other sport footwear. Bloch (1995) recognized that the consumer would get two cognitive responses affected by product design that are belief about the product and categorization of the product.

In conclusion, we can conclude that Indonesia have huge opportunities of sport footwear industry. Nowadays, sport footwear market in Indonesia dominated by foreign/ global brand dominates about 60% of domestic market (ministry of trade, 2012). These phenomena shown that Indonesian consumer is still preferredbuy and used foreign product rather than local product.

#### 1.2 Problem Statement

Like most of other cities in Indonesia, nowadays Padang society is fully aware the importance of physical exercise, particularly among younger or Generation Y who preformed sport exercising frequently. It can be seen from the many sports centers such as gym, indoor soccer center, badminton hall, and jogging track which is always visited by people specifically younger who want to perform exercising.

Table 1.3

Number of Sport Centre in Padang

Sport center	Number
Badminton hall	28
Indoor soccer center	16
Gym/Fitness Centre	17
Tennis Court	11
etc	

Source: (KONI, PBSI Padang, sumbaronline, padang, go.id, accessed 2013)

In exercising, people cannot be separated from sports footwear to support exercise activities, people need to use sport footwear when exercising. Today, in Indonesia market we recognize the foreign brand sport shoes are very popular such as Adidas, Nike, Reebok, and Converse and dominate Indonesian market (Frontier Consulting Group, 2013). It is inseparable from the behavior of Indonesian consumers who prefer to buy foreign products over domestic products.

Indonesia consumers are more preference used foreign product rather than local product, and there are slight competitions between foreign and local brands (ministry of trade, 2012), therefore it is important to identify the factors and priorities factors that encourage consumer to buy foreign and local brand sport footwear's product weather foreign or local product. Although there are number of studies on consumer purchase intention toward foreign and local product, there no much research have been done in Indonesia such as study by Krisjanti (2007) about intention to purchase import brand and study by Setiyawan (2012) that study purchase intention China product in Indonesia.

Researcher found that there are several factors that affect consumers purchase intention on foreign and local product including country of origin, price, brand image, and product design.

Reveals research (Chen, 2011; Ozden and Maksudunov, 2012; Rezvani et al, 2012) asserted that COO have significant effect in determining consumer purchase behavior, but most of the researches have been done in overseas for example study by Chen (2011) that conducted in China. However, there still need further study to determine the effect of country origin on consumer purchase intention among

generation Y in Padang, Indonesia due to the several differences such as different economic background, different culture, and others.

With a lot of products in market both of foreign and local brand indirectly putting price is a determining factor for the consumer to decide whether to buy or not to buy a specific product (Anic, 2010; and Krisjanti, 2007). Researchers had identified the price effect on consumer behavior in purchasing product whether it foreign and local brands. Even most of literatures found that price had affected consumer purchase behavior, but how about consumer behavior in Padang, Indonesia? Thus, there is needto conduct a research in looking of different perception toward price among generation Y in Padang, Indonesia.

Table 1.4

Sport Footwear Price in Padang, Indonesia

Sport footwear	Price (IDR)
Adidas	400,000 - 1,000,000
Nike	450,000 – 1,000,000
Reebok	500,000 - 700,000
Eagles	200,000 - 350,000
Specs	200,000 - 450,000

Source: observation,2013

Like COO and price, some of literatures have been stated that brand image and product designs also play important role in determining the intention of consumer to purchase products, Product design is one of ways to add consumer value (Amstrong, Denize, Kotler, 2012). However, it still need a study whether these factors have an influence in Determining consumers' purchase intentions sport footwearfor foreign and local brands in Padang, Indonesia.

Therefore, this study will identify the relationship between COO, price, brand image, and product designand determine the priority factor that affect purchasing intention of sport footwear among generation Y in Padang Indonesia. Even though many researchers have identified many factors that affect consumer purchase behavior but in this study will focus only on country of origin, price, brand image, and design of product. However, it does not mean that the other factors which not discus on this thesis are not important, but due to limited time and scope of study.

#### 1.3 Research Question

This research is to identify factor that affects consumers purchase intention among generation Y in Padang, Indonesia. This Research willsinvestigates and prioritize factors of local brands sport footwear intention to purchase. The research questions are:

- 1. Will country of origin affect consumer purchase intention toward foreign and local brand?
- 2. Is there a significant effect of price on purchase intention toward foreign and local brand?
- 3. Does brand image have significant influence on consumer purchase intention toward foreign and local brand?
- 4. Does product design have significant affect to consumer purchase intention toward foreign and local brand?
- 5. What are the priority factors that affect consumer purchase intention toward foreign and local brand?

### 1.4 Objective of Study

- To identify the effect of country of origin on purchase intention toward foreign and local brand
- To determine the effect of price on consumers purchase intention toward foreign and local brand
- To determine effect of brand image on consumers purchase intention toward foreign and local brand
- 4. To determine the influence of design on consumer purchase intention on foreign and local brand
- 5. To identify the priority factor that affect consumer purchase intention toward foreign and local brand.

#### 1.5 Scope of Study

This study is limited to a survey conducted among the generation Y who domiciled in Padang Indonesia, the discussion only to confine in four factors that affected consumer purchase intention among generation Y in Padang, Indonesia toward foreign and local sport footwear product.

#### 1.6 Significance of Study

#### 1.6.1 Businesses

Assist businesses in the sports footwear industry in setting the strategy to meet the needs of consumers. To a local shoe manufacturer, this study could be considered in determining strategy and improve product strategy in order to compete with global brand in order to fulfill consumer need and requirement commonly now as "consumer voice" (Saud, Mohammad Basir, 2005)

#### 1.6.2 Academicians and Researchers

This study could be considered for further research as a literature reviews in identify the consumer purchase intention factors that affected consumer when they want to purchase a product.

#### 1.6.3 Consumers

This research is beneficial to consumers in order to have better understanding about a product quality for example. This research also will give an opportunity to customers to be part of evaluator by evaluating the quality of product in order enhancing marketability product.

#### 1.7 Operational Definition

#### a. Purchase Intention

A course of action that one intent to follow, an aim that guides action in buying certain product. The meaning purchasing intention in this study is the preference to buy a particular product compared to other products

#### b. Country of Origin

Country where the goods are first designed and manufactured. In this study COO means in the term of prestige and quality that associated with the product. In this research refer the sports footwear were being designed and manufactured before exporting to any country.

#### c. Price

Market value or agreed exchange value, that of goods or service. Variable of price in this study means price level that would be considered by consumers to

purchase the product such as whether the price affordability, suitability price with standard quality products, price competitiveness, and conformity prices with benefits obtained by consumers.

#### d. Brand Image

Brand image is the overall perception of a brand which formed by processing information from various sources. Brand image is an association that appears in the minds of consumers when considering a particular brand. The association can be form as the memory of the brand (Shimp, 2003). Indicators of brand image in this study are user image, professional impression, and the impression of modern, popular, available for all segments, and concern to consumers.

#### e. Product Design

Design is one of the consumer considerations in buying products which includes shapes, models and colors. Design is the creation of shape, configuration, or composition of lines or colors or lines and colors or a combination thereof, in the form of 3 or 2 dimensional, which gives the impression of aesthetic, used to produce a product, goods, and industrial commodities. The more interesting designs will make consumers more interested in the product. This variable was measured by using color, pattern, shape or model

#### 1.8 Structure of Research

This study is consisting of five chapters. Chapter one discus the background of the study, problem statement, scope of study, research question, research objectives,

significance of the study, scope of study, limitation of study, operational definition and structure of the study.

Chapter Two contains review, which related to the study. The reviews presented in this chapter include the overview of consumer purchase intention and factors that affect consumer purchase intentions, literature on each independent and dependent variable and also the relationship between all the variables. This chapter also provides the hypothesis and theoretical framework to the study.

Chapter Three discuss about research methodology, starting with research design, continues by population and sample, type of data and data collection procedures, measurement of variables, research instrument, reliability testing and analysis of data.

Chapter four present an analysis and interpretation of the result of the study. This chapter discusses the survey's responses based on the interpretation of the statistical findings. This chapter will also come out with the data interpretations and references that have been collected.

Finally, Chapter Five, this chapter summarize the key finding to each of the preposition which consists of three sections. Starting with the discussion continues by conclusion, and last is recommendation for future research. Limitation and managerial implication also identified.

#### **CHAPTER TWO**

#### LITERATURE REVIEWS

#### 2.1 Introduction

This chapter reviews and explores the literature on consumer purchase intention, country of origin (COO), price, brand image, and product design. The first section explains about theoretical foundation or underpinning theory of this study. Then follow by concept of purchase intention, COO, price, brand image, product designwith include former research that explaining the relationship being discussed and shown between independent variable COO, Price, Brand Image, and perceived of product design) with dependent variable (consumer purchase intention). Last, this paragraph will close by chapter summary.

#### 2.2 Underpinning Theory

One theory that explained the relationship between COO, price, brand image, product design is the cues utilization theory was first introduced By Cox (cited in Sulliveanand Burger, 1987) and developed by Olson and Jacoby (1972). Every product consists of several of cues which to serve as surrogate indicators of quality to consumer and shopper (Olson & Jacoby 1972). Consumers evaluate products on the basis of two attributes namely intrinsic and extrinsic attributes or cues. According to this theory consumer will refer of both of intrinsic and extrinsic cues to evaluate product before purchase.

Due to fact that there are always any risk in purchasing a product, Consumers usuallygo through research prior to purchase, and doing evaluation on product

information to lower the risk before purchase a product (Lin, 2007). Olson and Jacoby (1972) classifies product characteristic or products cues into intrinsic and extrinsic product cues. Cue theory content that products consist of intrinsic and extrinsic cues which serve as substitute indicators of quality where consumers appear to utilize simultaneously in evaluating product (Rahman, 2011). The intrinsic cues related to composition of product including product design and features, meanwhile extrinsic related to component product but not belong to product itself including country of origin, price, brand image and others (Lin, 2007).

The Cues theory examined the important role of intrinsic cues such as design and intrinsic cues including COO, price, and brand in for consumer evaluation tools before purchase a product. Zeithaml (1988) revealed that those intrinsic and extrinsic cues such as brand image and product design are the important factors consumers considered when evaluating a product before intent to purchase that product. Armstrong and Kolter (2009) stated that to in attracting consumer to purchase a product is by creating a consumer value that could be done by creating uniqueness/colorful design of product.

#### 2.3 Purchase Intention

Concept of Purchase intention reflects consumer behaviour in short term future buying decision, or what product/brand will be bought by consumers at next purchasing time. Specifically, purchase intention is a future projection of consumer behaviour that will significantly contribute to the configuration of attitudes (Fandos and Flavian, 2006).

Purchase intention is the tendency of consumers to act on an object and is generally measured from the consumer's purchase intention (Kim, and Olmsted, 2005). This

purchase intention within the framework of the theory of Reasoned Action is part of a behaviour as a result of consumer attitudes toward the object, means that if consumers have a positive attitude towards a brand / product then they have the intention to buy the product.

Homer and Yoon (1992) suggested that positive attitudes of consumers on a brand affect the purchase intentions of consumers on the brand. The result is reinforced by studies of Wood (2002) who studied the effect of measuring purchase intentions in general. In that study he suggested that the general purchase intention will influence brand choice and product category specifics.

Indonesia markets have a drastic change in the recent years. The market has been growing rapidly; it can be seen from the number of outstanding products and sold in the Indonesian market. We can easily see the different types of brands which are sold in Indonesia market, whether it's local and foreign products. At this time, the products on the market are numerous, so that consumers freely choosing the goods they want to purchase to fulfill their needs (Rini, 2012).

Nowadays, an Indonesian consumer is no longer to purchase the products without recognition the product details. As a result, there are several factors that affect consumer purchase intention sport footwear product. The factors are: country of origin, price, brand image, and design of the product.

#### 2.4 Country of Origin

Consumers' evaluation toward products not just based on intrinsic product cues (e.g., quality and composition of content) but also extrinsic cues (eg COO, brands, and packaging, price). Among of that's extrinsic cues, the perception of the country of

origin is often taken into consideration in the purchase decision of consumers (Agarwal and Kamakura, 1999).

Since the first studied by Scholer in 1965, the COO effect has become probably one of the main topics studied in international marketing (Eliot and Hamin, 2006). Until today, measurable of country of origin effect is widely accepted as a literature in international marketing. There are several studies has been done by author about COO, for example study by Hamin and Eliot (2006) which measure consumer perception on COO in less developed countries, and a study by Ghalandari and Norouzi (2012) that measured effect of COO on consumer purchase intention.

Scholars have several opinions about the definition of the COO, Bilkey and Nes (1982) showed that COO is the general perception of consumers towards a quality product made by a country. Country of origin is identical to the origins of where a product is made and designed. Johanssonetal.(1985)defineCOOasthe countrywherethe corporate headquartersofthecompany marketingtheproductorbrandis located.For example, Toyota impliesas JapaneseoriginsandBMW implyas Germanyorigins forinstance.

The increasing globalization of the economy leads to less trade barriers between countries, which resulted in the availability of foreign products in the local market more widely than ever before. In such circumstances, many products and services are evaluated with regard to the country of origin as a potential competitive differentiator in the local market of each country.

COO effect has differences between developed and less developed country. Country of origin effects in developed countries tends to be lower (Comoron Elliot, 1994). In developed countries, people tend to be more interested in buying local products

rather than imported products, because they recognize the quality of the merchandise. While developing nations bear a country of origin effect tends to be more significant. Consumers in developing countries often prefer to use the brand from overseas due to the perception of those who believe that a higher quality product foreign (Hamin and Elliot, 2006).

Country of origin is one of the extrinsic cues that influence and have a relationship with the consumer's purchase intention. It is known that the location where the product is produced and from which country a product comes will affect purchase intentions and purchase decisions by consumers. A country will be perceived to have an exclusive reputation of a particular product. However, country-of-origin is not the only determinant of purchase decisions by consumers. According to Lin and Kao (2004), country-of-origin will create a certain perception of a brand / product, which can be positive or negative perceptions. At the next level that perception will lead to actual purchase.

#### 2.5 Price

Price is the amount of money charged for a product or service (Kotler, Armstrong; 2009). Price is the total of all the value offered to get the benefits of having or using the product or service. Price is the only element in the marketing mix that produces revenue, and all the other elements of the cost. Price is also the most flexible element of the marketing mix. Price doesn't only represent the cost of an item, but also related to the level of good quality for the brand, and the level of satisfaction that will be expected (Erickson and Johansson, 1985, Assael, 1995).

Generally, the price is an important cue for determining the quality when there are only few cues is available. When the product cannot be evaluated before purchase and if there are high levels of risk in making the wrong choices, price is one of the essential cues that can be applied in evaluating a product (Dodds and Monroe, 1985; Zeithaml, 1988). Price is also one of the elements of the marketing mix of the most flexible; the price can be changed quickly, unlike product features and distribution agreement (Zeithaml, 1988)

Meanwhile, from the perspective of the consumer, the price is a value that must be paid in obtaining a product, means thatthe value that they get equal to the price (Schecter and Bishop, 1984; Faryabi et al, 2012). Gale (1994) suggests that customer value is the ratio between total quality and total cost of which is defined as the total quality of all factors other than price. Prices could affect consumers in making the decision to buy a product, for various reasons (Ferdinand, 2000).

Furthermore, according to Tjiptono (2008) there are two major roles of pricein influencing purchasing decisions, including:

- Allocation role: function of price is assisting buyers in deciding how to obtain
  the benefit or the highest expected utility based on their purchasing power.
  Thus, the price can assist the buyer to decide how to allocate their purchasing
  power on various types of goods and services. Buyers can compare the prices
  of several alternatives that available, and then deciding for what product they
  would spend their money.
- 2. Information role: price has a function to educate consumers regarding the factors of the product, such as quality. Particularly, this is useful in situations where buyers have difficulties to assess the product factor or benefits objectively. Higher prices will lead consumers shifting in purchasing the products, they will prefer finding the similar product at a cheaper price.

When consumers make an evaluation and assessment of the price of a product it is influenced by the behaviour of the consumers themselves. Whereas, according to Kotler and Keller (2006) consumer behaviour influenced by four main aspects: cultural, social, personal (age, occupation, economic conditions) and psychological (motivation, perception, trust).

Andreas (2007) reveals that consumers will consider the price level in making the decision to purchase a product. Specifically, each consumer realizes that there is a relationship between the relative price and the level of their expectations about the product to be purchased (Voss et al, 1998). Furthermore, the quota of the price offered can be compared with the experience and expectations of consumers, so the price is acceptable or at least according to the quality of the products offered.

Dodds (1991) founded that consumers will buy branded products when prices are considered worthy. Sweeney, et al (2001) also stated that a similar thing in buying a product, consumers do not only consider the quality of course, but also think about the feasibility of the price.

Research by Raharso (2005) proved that perceived by the consumer price effect to lead to the intention to buy that subsequently effect on satisfaction in order to create loyalty. Karbala and Wandebory (2012) in their studies found that price is one of the essential factors contributes to the consumers purchase intention.

Based on Stanton (2004) there are four indicators that characterize the price, namely:

- 1. Price affordability
- 2. Suitabilitybetween price and quality products,
- 3. Price competitiveness,
- 4. Conformity between prices and benefits.

#### 2.6 Brand Image

Brand image come from the word brand and image. Brand is the art and cornerstone of marketing (Kotler, 2007), this opinion shows that how the brand is something that is very valuable that used as corners and the steering of product where product will be taken later. Brand is a sign, symbol or design or a combination of all of these which intended to identify products or services of the seller or group of sellers and to differentiate them from goods or services of a competitor. Whereas, image can be interpreted as a perception of the public about the company and the products they produce (Kotler, 2002). Perception of image is relatively consistent in the long term (Simamora, 2003).

Brand image is the overall perception of a brand which formed by processing information from various sources every time. The brand image is built based on impressions, thoughts or experiences of a person with a brand that will eventually form the attitude towards the brand in question (Setiadi, 2003). Brand image is a collection of perception about a brand which are interrelated in the consumer's mind (Ouwersloot and Tudorica, 2001).

Keller (2008) defined Brand image as a perception about the brand as reflected by the brand association held in consumer memory.

Based on the definition above, it can be concluded that brand image is a set of associations who perceived by consumers to a particular brand and can be delivered through the communication facilities provided.

Schiffman and Kanuk (1997) mentioned that the factors forming brand image are as follows:

- Quality, quality related to quality of goods offered by the manufacturer with a specific brand
- 2. Can be trusted or reliable, relating to opinion or agreements established by the public about a product that consumed.
- 3. The use or benefit, related to the functioning of a product which can be used by consumers.
- 4. Services, which deals with the task of producers, in serving consumers.
- 5. Risks, related to the size of the result or profit and loss which may be suffered by consumers.
- The price, which in this case relates to the level or the extent of the sums of money spent consumers, to influence a product, can also affect the image the long-term.

Furthermore, the presence of indicators that reflect the brand image summarized by Keller (2008), namely:

- 1. Easily recognized: Besides to the logo, a brand known through the message and the way in which the product is packaged and presented to the consumer called trade dress. Through communication intensive, a form of special products to attract attention and easily recognizable by consumers. So that the trade dress is often served the same function as a trademark, the differentiation products and services on the market which can be requested protection law.
- 2. Good reputation: For companies, image, meaning the public perception of corporate identity. This perception is based on what people know or think about the company in question. Hence, the same company may not necessarily have the same image in front of people anyway. The company's image became one of the handles for consumers in making important decisions. Example: the

decision to buy an item, the decision to determine shelter for the night, the decision to consume food and beverages, taking courses, schools, and others. A good image will have a beneficial impact for the company, whereas a bad image will bear the negative impact and weaken the ability of the company over the competition.

 Always remember: It means the chosen of brand elements it should be easy to remember, and called. Symbols, logos, names that are used should be interesting, so unique that attract people to remember and consumed.

Attitudes and actions of consumers towards a brand are determined by image the brand. This is because the brand image relates to consumer beliefs to a brand. Brand image is defined Keller (2008) as the perception of a brand which recorded in the memory of consumers.

Consumers which have a positive image of a brand will be more likely to make a purchase. Consumers tend to purchase brands that are well known because they feel safe with something known, and have the notion that the possibility of this brand also has a quality that is accountable and reliable. Therefore, other than pay attention to the physical attributes of its products, the task of the company is to build a positive brand image in order to continue increase of purchase level for their products.

In a study conducted by Shah et al (2012) which examined on the effect of brand image on purchase intentions, This research, generating assessment that turns affects the brand image have positive purchase intentions. This indicates that a good brand image can improve the attitudes of consumers in the purchase intention

### 2.7 Product Design

In the sport shoe industry, design has the effect as important as COO, brand image, and price. Mostly of consumers sport footwear are young people who are very concerned about the design of a product before deciding to buy the product.

A design is a unique combination of visual elements of space, form, light, colour and pattern (Egman and Wagner, 1994). Industrial design is an applied art where aesthetics and usability (ease of use of an item) an enhanced product. By increasing competition, the design would be one of the most powerful ways to differentiate and position the company's products and services. One way to get consumer satisfy and gain differential advantages can be done trough product design (Stanton et al, 2004).

Design issues of a product has become one of the factors that needs serious attention from manufacturers especially division development of new products, because not a few of the consumer, who began questioning the design issues of a product that is able to meet the needs and desires of consumers. This design relates to the appearance and functionality of a product to meet customer needs (Angipora, 2002).

The design aspect of the marketing activity is one of the shapers the attractiveness of a product. Design may establish or provide attribute of a product, so it can be a hallmark of the brand product. Characteristic of a product that eventually can distinguish it from similar products from other brands of competitors (Kotler and Armstrong, 2009).

Product design can such as improved and simplified, improvement in product design such as addition of functionality and usability of a product. While the simplification of product design aims to make usage a product becomes easier.

According to Stanton (2004) Product design is one aspect of the image-forming products. Companies are also more aware of the importance of the marketing value of product design, especially the design appearance. Two factors that related to the design of products are:colour and product quality.

According to Kotler (2005) there are 7 product design parameters, namely:

#### 1. The characteristic

The characteristicis the basic properties that support the basic functions of the product. Most products can be provided by some of the traits. The characteristic product is a competitive tool for the company's products are differentiated. Some companies are very innovative in adding new features to the product. One of the key success factors overseas company such as the American companies are because they continually improve certain traits in products such as cars, computers, sports equipment, and others. Introduction of new characteristics assessed are one of the ways that is very effective in the competition.

#### 2. Performance

Performance refers to the horizontal surface of the main characteristics of the product during using that product. The buyers are usually willing to pay more for better performance.

### 3. Quality Conformity

Is meant by adjustment is the level where product design and its operation characteristics are approach to the standard target. Quality of conformance is the point of compliance and fulfilment of all units produced to the promised target specifications.

## 4. Durability

Durability is a measure of the expected operating time of a particular product. For example, Nike advertises their shoes as a durable shoe to justify a higher price. Buyers are willing to pay more for products that are more durable.

### 5. Reliability

Reliability is a measure of the probability that a product will not be operating incorrectly or damaged within a certain time period. Buyers are willing to pay more for products with a higher reliability reputation. Because they want to avoid the cost of damage and wasting time to mend.

### 6. Reparability

Ease of repair is a measure of the ease of repair of a product malfunction or damage. Ease of repair would be ideal if the user is able to improve the product at a low cost or event without cost and without taking too long.

### 7. Model

The model describes how far a product looks and pleasing to the consumer.

Models provide excellence characterize the specificity of the product that is difficult to replicate.

In establishing the product design, the company should define their product design strategy firstly. According Tjiptono (2008) there are three product design strategies. These strategies relate to the level of product standardization. The company has three options strategies, namely standard products, customized product (product customized to the needs and desires of specific customers), and standard product with modifications. The goal of each strategy these are:

## 1. Standard products

To improve the company's economies of scale through mass production.

#### 2. Customized Product

To compete with the mass production manufacturers through product design flexibility.

3. Modified Standard Products to combine the benefits of two strategies above

According to Priyatno (2010), there are three aspects of the design that must be fulfilled if a product design wants to be successful, namely:

The product design must have a security aspect (safety).
 Security aspects of a product design means the product do not harm users.

## 2. Comfortable (ergonomic)

Ergonomic aspects, meaning the proportion of a product design fitting when it is used, the shoes for example, consumers feel comfortable while using the shoes.

#### 3. Aesthetics

Aspects of beauty means a product design should be a pretty sight. Aesthetics product is the aspect of design and technology which most closely pertains to art and design, and issues of colour, form, texture, contrast, shape, balance, cultural references and emotional response are common to both areas (D & T, 2013). Visually, the shape and colours of shoes should be an interesting sight. This scenario is closely related to the aesthetic. Aesthetic is essential in product design, Aesthetic response is most frequently stimulated by visual information, largely because the vision system provides data more immediately and at higher rates than do the other senses (Ulrich, 2006).

Aesthetics is essential aspect in product design, without aesthetic, design is seen only limited information but do not have the impression. Good design will always pay attention to the aesthetic value of the environment in which the design work was.

Aesthetics discusses issues of beauty. How beauty can be created and how people can feel it and give an assessment of the beauty. The philosophy of aesthetics will always be associated with good and bad, beautiful and ugly.

The aesthetic value of a product can be seen from the aspect of form, colour, decoration, and function. In terms of form, aesthetic presented diverse forms according to its function. Aspects form of aesthetic conformity to the function and based on the proportion, composition, balance and rules of product creation. In terms of colour, the aesthetics of a product can be seen in many colour choices either as supporting beauty, until the colour of the symbol. In terms of function, aesthetics can be seen from the functions that are served by a product produced

According to Widagdo (2008) aesthetic in design, distinguish existence of three Perfections, namely:

- 1. Truth, is the perfection which can be captured through the ratio
- 2. Goodness, a perfection which captured through moral or conscience
- 3. The beauty, the perfection which captured by the senses

Several empirical studies (Enrico, 2009Pradana, 2010) founded that the design of a product has an influence on consumer purchase intentions. Especially for young consumers, they look at design as one of the factors to be considered when purchase a product.

One of Research on the design of products is done Enrico AR (2009), which examines the "Analysis of Factors Affecting Purchase of Fashion Products (Case study Droof District Side recons Clothing in Semarang)". The variables studied were the price, product, product design, and promotional. The research shows that the designs have a significant influence on consumer purchase

Another research about product design is done by Pradana (2010), which examines the impact analysis of price, quality, design and promotion of their product purchasing decisions on Toyota cars. In his research he gets the fact that the design of the product has a positive relationship with consumer purchases.

### 2.8 Generation Y

Generation has the traits and characteristics of each. There are similarities or differences within them that can be used as an overview on how they behave. Of course, this is very important for marketers to know their target market more seriously. One of the most conspicuous generation, it is Generation Y or commonly known as "Echo Boomers" or "Millennial (Solomon, 2009). In the term of characteristic, generation Y are the generation which have great optimistic and ambition toward the future (Ebenkam and Mraciniak, 2002), they are also an environmental friendly generation, open to boredom.

Although several authors differ when Generation Y either begins or ends (Smola & Sutton, 2002; Kupperschmidt, 2000), prevalent literature agrees on Generation Y begins in 1980 (Smola & Sutton, 2002; Weingarten, 2009; Crumpacker & Crumpacker, 2007; Essinger, 2006) and ending in 97 (Clark, 2007). Even several researchers who consider the generation Y was born from 1978 to 1985 (Bartlet, 2004; Dalton, 2003)

In general, this generation is expected as the generation with the highest levels of education, of course, with the level of income that will follow. Most of the "Echo Boomers" have entered college or the working world most of employees in organization nowadays consist of generation Y populations.

In term of market segmentation, generation Y is also one of the highest market segment. The generation Y market not only large and attractive, but also it is dynamics. Generation Y market is an attractive market for two criteria's. First, preferences and tastes which formed during the teenage period can influence the purchase from time to time. Second, they are willing to spend lots of money to buy a product that they want. Nowadays the youngest is able to spend more than USD 16.5 trillion per year for personal consumption (Hawkins and Mothersbaugh, 2010). Most of the earning money is spent on the feel-good products or products that can provide comfortable thing for them, such as cosmetics, apparel, posters, and fast food (Solomon, 2009).

In addition, the dynamic market is also able to provide challenges and opportunities for marketers to catch up generation Y markets. The existence of coverage transformation needs of teenagers to adult was nice enough to raise these dynamics. Therefore, the Generation Y market is also a growing market that is suitable for automotive and apparel (Hawkins and Mothersbaugh, 2010).

## 2.9 Research Framework and Hypotheses

#### 2.9.1 Research Framework

Research Framework is a guideline to determine the relationship between variable dependent and independent. In research framework we can determine the kind of relationship between independent and dependent variable.

Herek (1995) wrote that the theoretical framework strengthens the researcher's research in several ways:

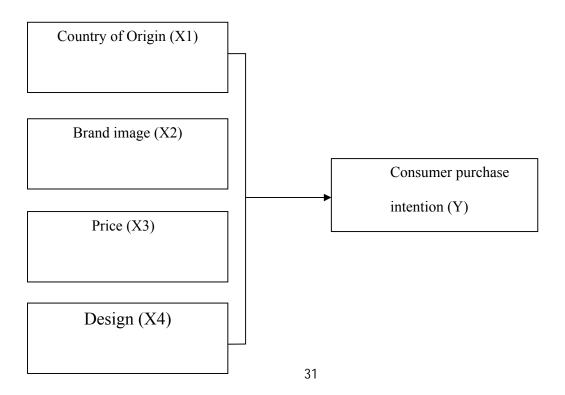
 An explicit statement of the theoretical assumptions permits them to be evaluated critically.

- The theoretical framework connects the researcher to existing knowledge.
   Guided by a relevant theory, researchers have a basis for their hypotheses and choice of research methods.
- 3. Articulating the theoretical assumptions of a research study forces the researcher to address questions of why and how. It permits researchers to move from simply describing a phenomenon observed to generalizing about various aspects of that phenomenon.
- 4. Having a theory helps to identify the limits to those generalizations. A theoretical framework specifies which key variables influence a phenomenon of interest. It lets the researcher to examine how those key variables might differ in varied populations.

Research frame work of this research is as figure bellows.

Figure 2.1

Research Framework



### 2.9.2 Hypotheses

A hypothesis is a conjecture or statement expressed as a declarative to answer a problem. The statement is formulated in terms of variables that can be tested empirically. Hypothesis for this research are:

- H1: Country of origin has a significant effect on the purchase intention of consumers toward foreign and localproduct.
- 2. H2: Price has a significant effect on the purchase intention of consumers toward foreign and local product.
- 3. H3: Brand Image has a significant effect on the purchase intention of consumers toward foreign and local product.
- 4. H4: Product design has a significant effect on the purchase intention of consumers toward foreign and local product.
- 5. H5: Price plays the most important role in determining the purchase intention foreign and local sport footwear.

## 2.10 Chapter Summary

This chapter explains the literature search to examine the relationship and the effect of COO, price, brand image, and product design to consumer purchased intention. Besides defining the four major variables that affect consumer purchased intention, this chapter has used former research and relevant literature review to understand and study theoretical model that affects consumer purchased intention. After reviewing all literature, it may assist us to understand and apply the theoretical concept accordingly to review the actual phenomenon in the current situation.

#### **CHAPTER THREE**

#### RESEARCH METHODOLOGY

### 3.1 Introduction

This Chapter will describe the methodology of research, and will begin with the research design, population and sample, type and source of data, data collection procedure, instrumentation, and technique of data analysis, and classical data assumption test

## 3.2 Research Design

Type of research used in this study is the causative research, which is research that aims to determine the causal relationship between two variables or more. This study aims to identify significant relationship independent variable to the dependent variable. This study attempts to explain the significant effect of country of origin (X1), price (X2), brand image (X3), and design (X4)to consumer purchase intention (Y).

## 3.3 Population and Sample

### 3.3.1 Population

According Arikunto (2006) population is all the elements in the research. In this research, population is Padang Society age between 15-35 years old. Total Population of this Research is around 250.000 people

#### **3.3.2 Samples**

The sampling technique in this study is using a non probability technique by using the convenience sampling method. In this study the researcherchooses a population-based sample for which data elements are easy to obtain by researchers (Cooper, 2008:397). An element of population selected as sample in this study is limited by age between 15-35 years old. So it makes easier for the researcher to do a research.

The sample of this study consists of 260 respondents; with the total of 238 have completed questionnaire.

The provisions of the samples in this study are Respondents who have known well about sport footwear product, whether local and foreign brand, and Respondents domiciled in the city of Padang

## 3.4 Types and Sources of Data

This study uses two data sources are:

## 1. Primary Data

In this study the primary data obtained directly from respondents by giving self administered questionnaires.

## 2. Secondary Data

Secondary data used in this study including books, magazines, Internet media and other sources that are relevant and can be used as a reference in the study.

### 3.5 Data Collection Procedure

In this study data was collected by distributing a questionnaire to collect primary data, data collection is done through distributing questionnaires. Questionnaires given to respondent in order to be filled in an objective which the questionnaire has been equipped with the most appropriate alternative the answer to the experiences and circumstances on the ground. Questionnaires contain about factor that affect consumer purchase intention which consist of country of origin, Price, Brand Image, product Design and consumer purchase intention.

#### 3.6 Research Instruments

Research instrument is a collection of data. The shape of the primary data collection instrument is to use a questionnaire by using a Likert scale questionnaire. The measurement technique employed is based on ranking or ranking in question, whereas respondents can select only one of five alternatives provided, which were marked as shown in Table 3.1:

Table 3.1

Research Instruments

No	Measurement	Mark
1	Strongly Agree	5
2	Agree	4
3	Less Agree	3
4	Disagree	2
5	Strongly Disagree	1

In this study, questionnaire consists of two sections as follow:

 The first section, consist of research information which cover on four independent variables and a dependent variable. Questionnaire used five Likert scale as mention earlier. All items of statements in the questionnaire are adapted from various studies as listed on table 3.2.

Table 3.2
Origin of Construct

Variables	Authors
Country of Origin	Gharleghi (2013), Gustina (2011)
Price	Kumar et all (2009);Jaafar,Lalp, Naba (2012); Edward (2010); Cay (2002), Habeahan (2008)
Brand image	Gharleghi (2013); Tam (2007), NUrmiyati (2009)
Product design	Wiratama (2010):Edward (2010)
Purchase intention	Fandos & Flavian,2006; Jaafar,Lalp, Naba (2012), Gharleghi (2013), Gustina (2011)

2. Second section consisted of demographic profile, including gender, age, income, and others.

## 3.7 Validity and Reliability Test

After the data is collected and then tested the instrument to ensure that the instrument used is a measure of accurate and reliable. The study will use twotypes of testing, namely:

## 1. Validity Test

According Ghozali (2001:41), "validity test used to measure legitimacy or validation of questionnaires. A questionnaire is valid when the question that use could reveal

something that will be measured by the questionnaire ". Validity test is needed to determine whether a measurement tool or instruments used in this study are correct.

Validity Test in this study using Corrected Item-Total Correlation. If r calculated > r table or less than 0.312 (for n = 40, r table = 0.312) and is positive then the point of questions or the indicator is valid.

Validity of test results conducted on 40 respondents. Based on test instrument of research obtained results that from 31 items statement, for country of origin (X1) there are 7 items of statement, price (X2) consist of 7 items of statement, brand image (X3) consist of 6 item of statement, product design(X4) statements consist of 6 items, and for consumer purchased intention (Y) statements' consist of 6 items. From the validity test, it can be identified that all of the items used in the questionnaire(both of statement for foreign and local sport footwear) were valid and can be used in this study (for more detail please refer to Appendix 3).

### 2. Reliability Test

Reliability according to Ghozali (2001:41) "Tools for measuring a questionnaire which is an indicator of the variable. A reliable or reliable questionnaire said if someone answers to questions are a constant or stable over time ". Reliability test is done to testing internal consistency of each of the variables measured in this study In this study, the reliability tests using Cronbach Alpha ( $\alpha$ ). A variable could be said reliable if the value for Cronbach's alpha is > 0.6.

The formula for estimating the reliability coefficient of the instrument, using Cronbach Alpha is as follows:

$$? = \frac{?}{? - 1}?1 - \frac{\sum \sigma ?^2}{\sigma^2}?$$

Description:

r = reliability coefficient

k = number of items of questions

 $\sigma$ ?<sup>2</sup> = variance of items question

 $\sigma^2$  = variance of test score

Based on the SPSS 17 analysis result, for **foreign sport footwear items**, the country of origin has cronbach's alpha of 0.765. It implies that a country origin statement was reliable and system suggested no items was removed. Second, variable price has cronbachs alpha 0.762, which mean for these variable statements was also reliable and no items removed. Third, variable brand image has cronbachs alpha 0.723 andthe data suggested that no items need to removed. Fourth, variable product design has cronbach alpha 0.804 and suggested that no suggested items removed. Fifth, for consumer purchase intention variable has cronbach alpha of 0.792. the analysis data on foreign sport footwear statements, it can be conclude that all of items used for this study were reliable.

In term of **local sport footwear**, it founded that for first variable country of origin has cronbach alpha of 0.763, then country of origin was reliable. For second, variable price has cronbach alpha value of 0.797 and no suggested items deleted, then it can be concluded that variable price was reliable. Third, for variable brand image obtained cronbach alpha of 0.788 and no suggested items deleted, it can said that this variable was reliable. Fourth, product design variable has cronbach alpha of 0.820, so it means that product design variable was reliable. Lastly, consumer purchase intention variable has cronbach alpha of 0.712 and there are no suggested

items deleted. From data analysis it can founded that all of variable items used in this study are reliable and can be used to measure the dependent and independent variable (for more detail please refers to Appendix 3).

# 3.8 Data Collection Technique Analysis

Collections of data in this research will analysis using multiple regressing analyses. Regression analysis used in this study was multiple linear regression analysis. Multiple linear regression aims to estimate the magnitude of the effect of two or more independent variables to predict one or more dependent variables by applying two or more independent variables. The criteria that must be fulfilled for the multiple linear regression, is: the independent variable and dependent variable must be an interval scale.

Multiple linear regression formula:

$$Y = a + bX1 + bX2 + bX3 + bX4 + e$$

a =constant

b = regression slope

X1 = COO

X2 = Price

X3 = Brand Image

X4 = Design

E = error

### 3.9 Regression Analysis

#### 3.9.1 F test

F test is performed to determine the overall effect of independent variables on the dependent variable. To test this hypothesis can be done through application of SPSS by looking at the ANOVA table or can be known through the formula:

$$F = \frac{?^{2}/?}{(1-?^{2})/(?-?-1)}$$

k = number of independent variable

n = number of sample

R<sup>2</sup> coefficient correlation of regression

If the calculated  $F \ge F$  tables, Ho is rejected and Ha accepted

If the calculated F < F table, Ho is accepted Ha rejected

### 3.9.2 t test

T test can be used to test the partial effect of independent variables with the dependent variable. Here is the formula used to calculate it:

$$? = \frac{??}{???}$$

?? = coefficient regression of each variable

 $S\beta i = standard error of each variable$ 

If calculated  $t \ge t$  table, so Ho rejected Ha accepted

If calculated t < t table, so Ho accepted Ha rejected

To test this hypothesis may also be performed through application of SPSS by looking at the ANOVA table, if the sign value> 0.05 then Ho accepted.

# 3.10 Assumption Test

## 3.10.1 Normality Test

One assumption is the regression model is the residuals that have a normal distribution. In this study also conducted a test of normality with Kolmogorov-Smirnov method, where data can be said to be normally distributed if the p-value> 0.05.

Normality of data also can be seen on p-plot figure, if the data spread across the diagonal line, it can identify data are normal.

### 3.10.2 Multicollinearity Test

Multicollinearity (multicollenearity) is a perfect linear relationship between the independent variables in multiple regressions (Duw, 2009). Before the data analyzed with multiple regressions, we need to t conduct a multicollinearity test. This analysis is obtained by using SPSS, usefulness this is to see if in the process of regression was found a correlation between independent variables, if there is a correlation so there is a problem called multicolianearity (Santoso, 2001:203). To see whether there is multicolinearity can be done by looking at the value of VIF (Variable Inflation Factor).

In this study, a technique to detect the presence of multicollinearity in the regression model by viewing the value of Varience Inflation Factor (VIF) and the value of tolerance, if tolerance values close to 1 or not less than 0:10, and the VIF values around the 1 and no more of 10, it can be concluded does not occurred multicollinearity between independent variables in the regression model.

### 3.10.3 Heteroscedascity Test

Heteroscedasticity means inconstantly variant variable. Heteroscedaticity problem of appears in cross section in time series data. To detect heteroscedasticity problem can be viewed from the Scatter Plot graph model. If the points in the graph does not form a specific pattern or scattered, it was concluded in that regression, does not occur heteroscedasticity problem. And conversely, if the points in the graph form a particular rule, it can be concluded the regression is impaired heteroscedasticity.

## 3.11 Chapter Summary

As an overview the methodology had described precisely along the research process and how it applied in this research. This chapter also explains on how research design, research instrument developed through various approaches and theory in realizing this research in achieved the research objectives.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND RESULTS**

# 4.1 An Overviews of Respondent Profile

### **4.1.1 Gender**

Table 4.1 shows that there are 238 respondents who completed the questionnaire with total of 152 (63.9%) were male respondents and 87 (36.1%) were female respondents.

Table 4.1
Gender

Gender	Frequency	Percentage
Male	152	63.9%
Female	86	36.1%
Total	238	100%

Source, processed primary data, 2013

# 4.1.2 Age

Table 4.2 indicates that from 238 respondent's, majority of respondent aged range of 21 to 25 years with 98 (41.2%) respondents, 57 (23.9%) respondents aged between 15 - 20 years, 52 (21.8%) respondents aged between 26 to 30 years, and 31 (13%) respondents aged between 31 - 35 years old.

Table 4.2

Age	Frequency	Percentage
15 to 20 years old	57	23.9
21 s/d 25 years old	98	41.2
26 s/d 30 years old	52	21.8
31 s/d 35 years old	31	13.0
Total	238	100.0

Source: processed primary data, 2013

# 4.1.3 Educational Background

In the term educational background, 6 (2.5%) respondents were SMP/junior high school, 54(22.7%) respondents were SMA/ Senior high School, 43 (18.1%) respondents were the Academy, and majority of educational background were University with 135 (56.7%) respondent.

Table 4.3

Educational Background

Education	Frequency	Percentage
SD /equal	0	0
SMP/ equal	6	2.5
SMA/ equal	54	22.7
Academy	43	18.1
University	135	56.7
Total	238	100.0

Source, processed primary data, 2013

## 4.1.4 Occupation of Respondent

Table 4.4 indicates that majority of respondents are Students with total number 103 (43.3%) respondents. 68 (28.6%) respondents are private employees, 31(3.75%) respondents work as civil servant, 13 (5.5%) respondents as entrepreneur, 10 (4.2%) respondents are house wives, 9 (3.8) respondents are soldier/police, and 4 (1.7%) respondents have others occupation.

Table 4.4
Occupation

Occupation	Frequency	Percentage %
Civil Servant	31	13.0
Private Employees	68	28.6
Soldier/police	9	3.8
Entrepreneurship	13	5.5
Housewife	10	4.2
Student	103	43.3
Etc	4	1.7
Total	238	100

Source, processed primary data, 2013

## 4.1.5 Income per Month

In term of monthly income 20 (8.4%) respondents had monthly income of less than IDR 500,000, 87(36.6) respondents had monthly income IDR 500,000 to IDR 1,500,000, 50 (21%) respondents had monthly income IDR 1,501,000 - IDR 2,50,000, 47 (19.7%) respondents had monthly income IDR 2,501,000 - IDR 3,500,000, and 34 (14.3%) respondents had income more than IDR 3,500,000 per month.

Table 4.5
Income Per Month

Monthly Income	Frequency	Percentage (%)
Less than IDR 500,000	20	8.4
IDR 500.000 to IDR 1,500,000	87	36.6
IDR 1,501,000 to IDR 2,500,000	50	21.0
IDR 2,501,000 to IDR 3,500,000	47	19.7
More than IDR 3,500,000	34	14.3
Total	238	100.0

# 4.1.6 Sport Activity Frequently Performed

Forthesport activity frequently preformedresultsareobtainedmost of respondents are frequently performed Futsal with total 78 (32.8%) respondent, 43 (18.1%) respondents performed jogging, 35 (14.7%) respondents performed badminton, 23 (9.7%) respondent performed football, 23 (9.7%) respondents performed fitness, 16 (6.7%) respondents preformed basketball, 8(3.4%) respondents performed volley ball, tennis usually performed by 1 respondents (0.4%), and 11 (4.6%) respondents performed other sport activity such as calisthenics, aerobic, and others.

Table 4.6

Sport Activity Frequently Performed

Sport exercising types	Frequency	Percentages
football	23	9.7
futsal	78	32.8
badminton	35	14.7
volleyball	8	3.4
basketball	16	6.7
fitness	23	9.7
jogging	43	18.1
tennis	1	0.4
Etc	11	4.6
Total	238	100.0

Source, processed primary data, 2013

# 4.1.7 Frequency Buying Sport Footwear

Table 4.7 shows that Characteristics of respondents by frequency to buy sport footwear obtained results 26 (10.9%) respondents purchase sport footwear once a month, 87 (36.6%) respondents purchased sport footwear yearly, and majority of respondents with 125(52.5%) respondents stated others as a frequency to buy sport footwear product.

Table 4.7
Frequency Buying Sport Footwear

Frequency to Buy	Frequency	Percentage%
monthly	26	10.9
yearly	87	36.6
others	125	52.5
Total	238	100.0

Source, processed primary data, 2013

# 4.1.8 Number of Sport Footwear Owned (Pair)

Most of respondents have a pair of foreign sport footwear with 98 (41.2%) respondents, 48 (20.2%) respondents have 2 pairs foreign sport footwear, 25 (10.5%) respondents have 3 pairs foreign sport footwear, 8(3.4%) respondents have 4 pairs sport footwear, 5 (2.1%) respondents have 5 pairs of sport footwear, 1 person have 6(0.4%) pairs of foreign sport footwear, and 53(22.2%) respondents stated that they doesn't have any foreign sport footwear.

Meanwhile in term of owned local sport footwear, most of respondents also stated that they have at least pair of local sport footwear with 100 (42.0 %) respondents, 58 (22.4%) respondents have 2 pairs of sport footwear 20 (8.4%) respondents have 3 pairs local sport footwear 6 (2.4%) respondents have 4 pairs local sport footwear 2 (0.8%) respondents have 5 pairs local sport footwear, and 52 (21.8%) respondent doesn't have any local sport footwear.

Table 4.8

Number of Sport Footwear Owned

	Foreign sport footwear		Local of sport footwear	
sport footwear owned (Pair)	Frequency	Percentage	Frequency	Percentage
0	53	22.3	52	21.8
1	98	41.2	100	42.0
2	48	20.2	58	24.4
3	25	10.5	20	8.4
4	8	3.4	6	2.4
5	5	2.1	2	0.8
6	1	0.4	0	0

Source: primary processed data,2013

# 4.1.9 Money Spend Buying Sport footwear per Year

Regarding money spend to buy sport footwear per year a total of 149 (62.6%) respondents spend their money range of IDR 200,000 to IDR 500,000 to purchase sport footwear in a year, 76 (31.9%) respondents have spend range of IDR 501,000-IDR 800,000 per year and 13 (5.5%) respondent spend more than IDR 800,000 in purchasing sport footwear. A composition of how much money they spend per year to buy sport footwear product stated in Table 4.9:

Table 4.9

Money Spend Buying Sport Footwear Per Year

Money to Spend	Frequency	Percentage
IDR 200,000 - IDR 500,000	149	62.6
IDR 501,000 - IDR 800,000	76	31.9
more than IDR 800,000	13	5.5
Total	238	100.0

Source: primary processed data, 2013

# 4.1.10 Place to Buy Sport Footwear

Based on place to purchase sport footwear, form 238 respondent (refer to table 4.10), most of them stated that they prefer to buy at sport store 173 (72.7%) respondents, 46 (19.3%) respondent usually buying sport footwear at apparel stores, and 19 (0.8%) respondents usually buying sport footwear at supermarket/mall. sport footwear.

Table 4.10

Place to Buy Sport Footwear

Place	Frequency	Percentage
Supermarket/Mall	19	8.0
Apparel Stores	46	19.3
Sport Stores	173	72.7
Total	238	100.0

Source: primary data processed, 2013

## 4.2 Descriptive Analysis

A total of 260 questionnaires were distributed to respondents in this study. Therefore, only 238 questionnaires are using in data analysis due to 22 questionnaires returned had an excessive number of missing and uncompleted data. Variables studied in this research consist of the independent namely country of origin (COO), price, brand image, product design, as well as the dependent variable is consumer purchase intention. Presentation of data each variable is in the form of frequency distribution in which each respondent provide an assessment in accordance with actual circumstances. Respondent will indicate their perception on the statement in the questionnaires, using 5 point Likert scale, the scale range between 1=strongly disagree, to 5= strongly agree. Based on above mentioned scale for each statement, author has founded average score (mean) of each variable. The interpretation of that average score stated of Table 4.11 below:

Table 4.11
Interpretation of Average Score

Score	Interpretation
1.00-1.79	Very not good/very low
1.70-2.59	Not good/low
2.60-3.39	Good/moderates
3.40-4.19	Good/strong
4.20-5.00	Very good/very strong

#### 4.2.1 Foreign and Local Country of Origin Sports Footwear

Table 4.12 indicates that the mean of respondents' response on **country of origin** variable of foreign sport footwear is 3.59; it can be conclude that respondents gave a good/strong interpretation toward foreign country of origin sport footwear. From 7 items in country of origin variables, the highest score of mean is item no 4 that is "Country of Origin determines the quality of product" with mean 0f 3.81. Whereas, the lowest average score is in item no 3 that is "refusing to purchase a product without knowing its country of origin" with score of mean is 3.44.

Meanwhile, for the responses of respondents toward **country of origin on local sport footwear** have mean of 3.65, it means that respondents gave good/strong perception on country of origin on local sport footwear. From the 7 items in country on origin, the highest score also found on item no 4 that is" Country of Origin determines the quality of product "with a mean of 3.89. Whereas, the lowest score founded on items no 3 and 7 that are "refusing to purchase a product without knowing its country of origin and foreign sport footwear are more comfortable and stylish" with value of mean of 3.55.

Table 4.12 and 4.13 indicates that respondents' gave strong / good perceptions of country of origin on foreign and local sports footwear, although the average value of foreign sport footwear below the average value perception of the country of origin a local sports footwear. This founding suggest that the respondents agree that the important of country of origin of product or brand.

Table 4.12

Country of Origin of Foreign Sport Footwear

	T.	S	D		D		N	1	A	9	SA	T. ( )	Mean
no	Items	f	<b>%</b>	f	%	f	<b>%</b>	f	%	f	<b>%</b>	Total	Mean
1	Country of origin is the important factor for purchasing	10	4.2	20	8.4	51	21.4	123	51.7	34	14.3	865	3.63
2	I will look for country of origin information before deciding to buy a product	12	5	29	12.2	56	23.5	98	41.2	43	18.1	845	3.55
3	I refuse to purchase a product without knowing its country of origin.	11	4.6	43	18.1	55	23.1	87	36.6	42	17.6	820	3.44
4	In my opinion Country of Origin determines the quality of product.	5	2.1	18	7.5	55	23.1	98	41.2	62	26.1	907	3.81
5	When I am buying sport footwear, I always first priority to the country of origin for the product.	7	2.9	32	13.4	63	102	42	9	34	14.3	841	3.53
6	Origin of the sport footwear will shown the social status of the purchaser	15	6.3	21	8.8	58	24.4	98	41.2	46	19.3	853	3.57
7	Foreign sport footwear are more comfortable and stylish	11	4.6	27	11.3	49	20.6	94	39.5	57	23.9	873	3.65
	Mean of total items												3.59

Source, processed primary data, 2013

Table 4.13

Country of Origin of Local Sport Footwear

No	Items	S	D		D		N	A	1		SA	Total	Mean
NO	Items	f	%	f	%	f	<b>%</b>	f	<b>%</b>	f	<b>%</b>	Total	Mean
1	Country of origin is the important factor for purchasing	6	2.5	14	5.9	60	25.2	116	48.7	42	17.6	888	3.73
2	I will look for country of origin information before deciding to buy a product	8	3.4	25	10.5	53	22.3	111	46.6	41	17.2	866	3.63
3	I refuse to purchase a product without knowing its country of origin.	11	4.6	29	12.2	61	25.6	92	38.7	45	18.9	845	3.55
4	In my opinion Country of Origin determines the quality of product.	6	2.5	18	7.6	37	15.5	112	47.1	65	27.3	926	3.89
5	When I am buying sport footwear, I always first priority to the country of origin for the	7	2.9	31	13.0	59	24.8	98	41.2	43	18.1	853	3.58

	product.												
6	Origin of the sport footwear will shown the social status of the purchaser	17	7.1	11	4.6	58	24.4	105	44.1	47	19.7	868	3.64
7	Foreign sport footwear are more comfortable and stylish	13	5.5	24	10.1	65	27.3	90	37.8	46	19.3	846	3.55
	Mean of total item												3.65

Source, processed primary data, 2013

### 4.2.2 Price on Foreign and Local Sport Footwear

In overall, from the 238 respondents studied, mean of respondent responses toward **price of foreign sport footwear of** 3.58. Thus, it can be said that the respondent gave a good response to the price of foreign sport footwear. From the 7 items of price on foreign sport footwear, the highest level of respondent responses founded in item no 1 that is "assuring that have enough money before looking for a sport footwear" with a mean of 3.87, while the lowest score of respondents responses founded on item no 7 "which is always buy branded sport footwear even thought if price are high if to be used in more prestige tournament" with a mean of 3.26.

In term of **price on local sport footwear**, the mean of respondent's response toward the price of local sport footwear is 3.72, it means that respondents gave a good perception of price of local sport footwear. The highest score of mean founded on item no 1 that is "assure that have enough money before looking for sport footwear" with mean of 3.90. And the lowest score is on item no 7 "which is always buy branded sport footwear even thought if price are high if to be used in more prestige tournament" with mean of 3.43.

Table below (4.14 and 4.15) show that the respondents had a good response to the price on the foreign and local sports footwear, despite the response to the price of local sports footwear is better than the perception and responses on price of foreign

sports footwear.

Table 4.14

Price of Foreign Sport Footwear

	_	S	D		D		N	1	A	:	SA		
no	Items	f	%	f	%	f	<b>%</b>	f	%	f	%	Total	Mean
1	I will assure that I have enough money before looking for a sport footwear	2	0.8	13	5.5	48	20.2	124	52.1	51	21.4	923	3.87
2	price is the second most important priority before looking for footwear brands	5	2.1	19	8.0	64	26.9	101	42.4	49	20.6	884	3.71
3	Price of sport footwear are affordable	7	2.9	44	18.5	80	33.6	82	34.5	25	10.5	788	3.31
4	The price offered by sport footwear producers are in accordance with the quality of the product	5	2.1	14	5.9	54	23.1	120	50.4	44	18.5	898	3.77
5	Price offered to consumers is competitive for consumer	6	2.5	29	12.2	82	34.5	105	44.1	16	6.7	810	3.40
6	prices offered in accordance with the shoes brand name	7	2.5	17	7.1	44	18.5	121	50.6	50	21.0	906	3.80
7	I always buy branded sport footwear even thought if price are high if to be used in more prestige tournament.	20	8.4	42	17.6	62	26.1	83	34.9	31	13.0	778	3.26
	Mean of items total												3.58

Source, processed primary data, 2013

Table 4.15

Price of Local Sport Footwear

No	Items	S	SD		D	ľ	<b>N</b>	4	A	S	SA	Total	Mean
NO	Items	f	%	f	<b>%</b>	f	%	f	%	f	%	Total	Wican
1	I will assure that I have enough money before looking for a sport footwear	2	0.8	12	5.0	46	19.3	124	52.1	54	22.7	930	3.90
2	price is the second most important priority before looking for footwear brands	5	2.1	18	7.6	56	23.5	111	46.6	48	20.2	893	3.75
3	Price of sport footwear are affordable	8	3.4	23	9.7	64	26.9	105	44.1	38	16.0	856	3.59

4	The price offered by sport footwear producers are in accordance with the quality of the product	1	0.4	13	5.5	56	23.5	118	49.6	50	21.0	917	3.85
5	Price offered to consumers is competitive for consumer	3	1.3	15	6.3	66	27.7	117	49.2	37	15.5	884	3.71
6	prices offered in accordance with the shoes brand name	1	0.4	22	9.2	44	18.5	122	51.3	49	20.6	910	3.82
7	I always buy branded sport footwear even thought if price are high if to be used in more prestige tournament.	18	7.6	28	11.8	57	23.9	103	43.3	32	13.4	817	3.43
	Mean of total items												3.72

Source: processed primary data, 2013

# 4.2.3 Brand Image of Foreign and Local Sport Footwear

Table 4.16 shows that the mean of **brand image of foreign sport footwear** is 3.69, and that shows the total performances of respondents gave good/strong to this variable.

Table 4.16 below illustrates the frequency distribution of the brand image of foreign sport footwear have 6 items statements. From Table 4.16 it pointed that the highest scores of item founded at the statement "The brand image gives me a good impression" with an average of 3.81, while the lowest score founded at the statement of "use sport footwear will express my personality" with a mean of 3.59.

In the term of respondent perception on the brand image of local sport footwear founded that from the 238 respondents surveyed, the variable of the brand image of local sport footwear has a mean of 3.74 which shows that respondents gave a good or a strong response to the brand image local sport footwear. Table 4.17 below indicates that the statement of "brand image gives me a good impression" was the highest score of mean value of 3.95 and the lowest score founded at the

statement"The brand name will determine whether suitable or not for me to make second purchase" with a mean value of 3.59.

It can be concluded that from Tables 4.16 and 4.17 show that the respondents gave a strong or a good interpretation of brand image on foreign and local sport footwear. Specifically, responses of the brand image of local sport footwear are higher than the responses of the brand image of foreign sport footwear.

Table 4.16

Brand Image of Foreign Sport Footwear

NI	There are a second and a second a second and	S	D		D		N	A	<b>L</b>	S	SA	T-4-1	Mean
No	Items	f	%	f	%	f	%	f	%	f	%	Total	Mean
1	The brand image gives me a good impression	5	2.1	15	6.3	40	16.8	138	58.0	40	16.8	907	3.81
2	The values of product give me more confidence using the product	2	0.8	18	7.6	50	21.0	122	51.3	46	19.3	906	3.80
3	Use sport footwear will express my personality	4	1.7	26	10.9	67	28.2	101	42.4	40	16.8	861	3.61
4	Using branded sport footwear will increase my social status	10	4.2	28	11.8	52	21.8	96	40.3	51	21.8	866	3.63
5	Brand image of sport footwear is the main attraction for me to make purchase	3	1.3	18	7.6	56	23.5	118	49.6	43	18.1	894	3.75
6	The brand name will determines whether suitable or not for me to make second purchase	3	1.3	30	12.6	67	28.2	105	44.1	33	13.9	849	3.56
	Mean of total items												3.69

Source, processed primary data, 2013

Table 4.17

Brand Image of Local Sport Footwear

No	Items	5	SD		D		N	l A	A		SA	Total	Mean
No	Items	f	<b>%</b>	f	%	f	%	f	<b>%</b>	f	%	Total	Mean
2	The brand image gives me a good impression	1	0.4	9	3.8	35	14.7	147	61.8	46	19.3	942	3.95
2	The values of product give me more confidence using the product	2	0.8	13	5.5	60	25.2	119	50.0	44	18.5	904	3.79
3	Use sport footwear will express my personality	4	1.7	22	9.2	62	26.1	110	46.2	40	16.8	874	3.67
4	Using branded sport footwear will increase my social status	6	2.5	25	10.5	57	23.9	112	47.1	38	16.0	865	3.63
5	Brand image of sport footwear is the main attraction for me to make purchase	2	0.8	15	6.3	58	24.4	115	48.3	48	20.2	906	3.80
6	The brand name will determines whether suitable or not for me to make second purchase	3	1.3	30	12.6	67	28.2	105	44.1	33	13.9	850	3.57
	Mean of total items												3.74

Source, processed primary data, 2013

## 4.2.4 Product Design of Foreign and Local Sport Footwear

For the interpretation of product design, Table 4.18 below states that the **product** design of foreign sport footwear have a good response from the respondents with mean of 3.90. Therefore, it can be concluded that the consumer have a very good responses toward the design of foreign sport footwear.

Table 4.18 states that" Interesting color combination will show the suitability of users" has the highest score with mean of 4.02, and Attractive design is the main factor before price and brand image has the lowest with mean 3.75.

On the other hand for response to **local sport footwear**, the product designs of local sport footwear respondents gave a good response by the respondents with a mean of

3.94. Table 4.19 indicates that respondent gave the highest responses to statement "I do agree that good product design to be the primary reason in selecting sport footwear" with mean of 4.09, while, the lowest responses gave by respondents pointed in statement "Fashionable design of sport footwear usually using famous sportsman/sportswoman to advertise their product" with mean value of 3.85.

Tables 4.18 and 4.19 pointed that the respondent holds a positive/good perception toward product design of foreign and local sport footwear. Even though, specifically respondents had better perception toward product design of local sport footwear compare with responses of product design of foreign sport footwear.

Table 4.18

Product Design of Foreign Sport Footwear

	*	S	D		D		N	1	A		SA	m . 1	
No	Items	f	<b>%</b>	f	%	f	<b>%</b>	f	<b>%</b>	f	%	Total	Mean
1	Attractive design is the main factor before price and brand image	3	1.3	13	5.5.	62	26.1	121	50.8	39	16.4	894	3.75
2	Interesting color combination will show the suitability of users	4	1.7	4	1.7	43	18.1	119	50.0	68	28.6	957	4.02
3	Design of sport footwear always follow contemporary trends	3	1.3	9	3.8	52	21.8	110	46.2	64	26.9	937	3.93
4	Fashionable design of sport footwear usually using famous sportsman/sportswoman to advertise their product	4	1.7	10	4.2	48	20.2	106	44.5	70	29.4	942	3.95
5	I do agree that good product design to be the primary reason in selecting sport footwear	5	2.1	13	5.5.	39	16.4	101	42.4	80	33.6	952	4.00
6	Aesthetic impression of product is one of the main attractions in buying process.	7	2.9	12	5.0	60	25.2	108	45.4	51	21.4	898	3.77
	Mean of total items												3.90

Source, processed primary data, 2013

Table 4.19

Product Design of Local Sport Footwear

No	Items	S	D	]	D		N		A		SA	T-4-1	Man
No	Items	f	%	f	<b>%</b>	f	<b>%</b>	f	<b>%</b>	f	%	Total	Mean
1	attractive design is the main factor before price and brand image	1	0.4	12	5.0	47	19.7	134	56.3	44	18.5	922	3.87
2	Interesting color combination will show the suitability of users	1	0.4	9	3.8	38	16.0	132	55.5	58	24.4	951	3.99
3	Design of sport footwear always follow contemporary trends	2	0.8	8	3.4	59	24.8	116	48.7	53	22.3	924	3.88
4	Fashionable design of sport footwear usually using famous sportsman/sportswoman to advertise their product	1	0.4	10	4.2	62	26.1	115	48.3	50	21.0	917	3.85
5	I do agree that good product design to be the primary reason in selecting sport footwear	2	0.8	6	2.5	31	13.0	128	53.8	71	29.8	974	4.09
6	Aesthetic impression of product is one of the main attractions in buying process.	3	1.3	7	2.9	45	18.9	127	53.4	56	23.5	940	3.94
	Mean of total items												3.94

Source, processed primary data, 2013

## 4.2.5 Consumer Purchase Intention of Foreign and Local Sport Footwear

Form 238 respondents surveyed, it can conclude that the respondent has a positive/good responses and intent to buy foreign sport footwear with mean of 3.54 (refer to Table 4.20).

The statement "I think I will buy sport footwear brand suit well with my feet and comfort ability" have the highest score with a mean of 3.91, meanwhile lowest scores contained in the statement "I intend to purchase local brand in the near future" with a mean of 3.29.

In the term of intention to buy **local sport footwear**, Table 4.21 shows that respondent also have good responses to intent purchase local sport footwear with a mean of 3.68.

Highest score of items on consumer purchase intention of local sport footwear founded at statement "I think I will buy sport footwear brand suit well with my feet and comfort ability" with a mean of 3.91. In other hand, the lowest mean value of items on consumer purchase intention toward local product founded at statement no 1 that is "if given option I will consider purchasing the foreign footwear brands" with mean of 3.36, it may cause of the statement is consider to buy foreign product.

In conclusion, the Tables 4.20 and 4.21 indicate that respondents have a better perception toward consumer purchase intention toward local product rather than intention to buy foreign sport footwear which shown by the higher average compare than average foreign sport footwear.

Table 4.20

Consumer Purchase Intention of Foreign Sport Footwear

NO	Ti-	S	SD		D		N		A		SA	Total	Mean
NO	Items	f	<b>%</b>	f	<b>%</b>	f	<b>%</b>	f	%	f	%	Total	Mean
1	If given option, I will consider to purchase the foreign footwear brands	12	5.0	29	12.2	73	30.7	95	39.9	29	12.2	814	3.42
2	I intend to purchase local brand in the near future	14	5.9	29	12.2	94	39.5	74	31.1	27	11.3	785	3.29
3	I would buy sport footwear in order to save money	15	6.3	32	13.4	87	36.6	79	33.2	25	10.5	781	3.28
4	I think I will buy sport footwear brand suit well with my feet and comfort ability	9	3.6	7	2.9	38	16.0	126	52.9	58	24.4	931	3.91
5	In my opinion, the using of suitable sport footwear will enhance the user health activities.	1	0.4	16	6.7	60	25.2	107	45.0	54	22.7	911	3.82
	Mean of total items												3.54

Source, processed primary data, 2013

Table 4.21

Consumer Purchase Intention of Local Sport Footwear

No	Items	S	SD .		D		N	-	A	8	SA	total	mean
		f	%	f	%	f	%	f	%	f	%		
1	If given option, I will consider to purchase the foreign footwear brands	16	6.7	28	11.8	67	28.3	106	44.5	21	8.8	802	3.36
2	I intend to purchase local brand in the near future	7	2.9	22	9.2	70	29.4	100	42.2	39	16.4	856	3.59
3	I would buy sport footwear in order to save money	11	4.6	18	7.6	64	26.9	103	43.3	42	17.6	861	3.61
4	I think I will buy sport footwear brand suit well with my feet and comfort ability	5	2.1	11	4.6	34	14.3	122	51.3	66	27.7	947	3.97
5	In my opinion, the using of suitable sport footwear will enhance the user health activities.	3	1.3	7	2.9	70	29.4	99	41.6	59	24.8	918	3.85
	Mean of total items												3.68

Source, processed primary data, 2013

## 4.3 Assumption Test

## 4.3.1 Normality Test

The normality test is a test used to determine whether the distribution of research data of variables is normally distributed. In this study measurements for normality using the Kolmogorov-Smirnov technique using residual. Data is normally distributed if the p-value (significant value) > 0.05 (Idris, 2008). The purpose of this normality test is to determine whether the distribution of variable in the study had spread normally.

Based on the table 4.22 one Sample Kolmogorov Smirnov test showed that the probability values > 0.05 that is 0.826, figure 4.1 also shows the data spread around the diagonal line and follow the diagonal line, it can be conclude that regression model of **foreign sport footwear** was normally distributed.

In other hand, for **local sport footwear**, data were also normally distributed. Table 4.23 indicates that probability value is 0.838 (0.838 > 0.05). Moreover, it can be seen also in Figure 4.2 by using probability-P plots graphs, where the value of the PP plot is located around the diagonal line and do not stray far. So, it can be concluded that the data were normally distributed.

Table 4.22
Normality TestForeign Sport footwear

		Unstandardized Residual
N	-	238
Normal Parameters <sup>a,,b</sup>	Mean	.0000
	Std. Deviation	2.52053
Most Extreme Differences	Absolute	.041
	Positive	.041
	Negative	029
Kolmogorov-Smirnov Z		.628
Asymp. Sig. (2-tailed)		.826

Source: primary data proceed, 2013

Table 4.23

Normality Test Local Sport footwear

		Unstandardized Residual
N	-	238
Normal Parameters <sup>a,,b</sup>	Mean	.0000
	Std. Deviation	2.31768
Most Extreme Differences	Absolute	.040
	Positive	.026
	Negative	040
Kolmogorov-Smirnov Z		.619
Asymp. Sig. (2-tailed)		.838

Source: primary data processed,2013

Figure 4.1
P-Plot Foreign Sport Footwear

Normal P-P Plot of Regression Standardized Residual

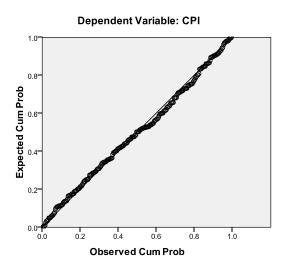
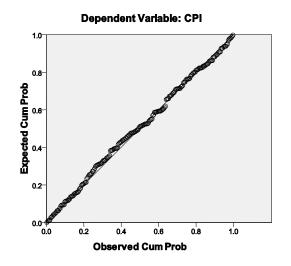


Figure 4.2
P-Plot Local Sport Footwear



## 4.3.2 Multicollinearity test

Multicollinearity test useful to see if in the process of regression found a correlation between independent variables, if there is a correlation so there is a problem called multicollianearity (Santoso, 2001).

To see whether there is multicollinearity, done with the formula VIF (Variable Inflation Factor) and the value of tolerance, where tolerance values close to 1 or not less than 0.10, and VIF values around the value 1 and not more than 10, it can be concluded there are no multicollinearityhappens between independent variables in the regression model (for more detail please refer to Appendix 4).

From Table 4.24 shows that VIF values are around the point 1 and not more than 10 and tolerance values close to 1 or not smaller than 0.10 which means that there is no multicollinearity happens between the independent variables on foreign sport footwear.

In term of **local sport footwear**, Table 4.24 shows that VIF values are also around the point 1 and not more than 10 and tolerance values close to 1 or not smaller than 0.10 too. It can be concluded that there is no multicolinerity between the independent variables on foreign sport footwear.

Table 4.24

Multicollinearity Test for Foreign and Local Sport Footwear

¥7	Fore	ign	Local			
Variables	Tolerance	VIF	Tolerance	VIF		
Country of Origin	.528	1.895	.619	1.615		
Price	.570	1.755	.619	1.617		
Brand Image	.598	1.672	.627	1.595		
Product Design	.600	1.667	.717	1.394		

Source, processed primary data, 2013

## 4.3.3 Heteroscedasticity Test

Heteroscedasticity is situation when residual variance of all observations are varies in the regression model (Priyatno,2012). This study tests a heterocedasticity problem using Gletser Test. Gletser test conducted by regressing the independent variables with the residual absolute value. If the value of significance between the independent variables with the absolute residuals of more than 0.05, mean that there is no heteroscedasticity problems.

Table 4.25 figured all of significant value of independent variable more than 0.05. it means that there are no heterocedasticity problem among independent variable on **foreign sport footwear**.

Meanwhile, **for local sport footwear** side Table 4.25 shows that the significant value of the four independent variables, more than 0.05. It can be concluded that

there is no problem of heteroscedasticity in the regression model on local sport footwear.

Table 4.25

Heteroscedasticity Test Foreign and Local Sport Footwear

Variable	Significance for foreign	Significance for Local					
(Constant)	.003	.033					
Country of Origin	.789	.427					
Price	.775	.087					
Brand Image	.894	.686					
Product Design	.537	.182					
Dependent Variable: ABS_Res							

## 4.4 Variance Analysis

## **4.4.1** Significance Test ( F test)

This test is conducted to determine whether there is effect the independent variables in simultaneously. Effect of independent variables on the dependent variables were tested with confidence interval 95% or  $\alpha = 5\%$ .

Table 4.26 indicates that significant value of foreign sport footwear is 0.000 (> 0.05), and it can be concluded that there is simultaneously a significant effect of country of origin, price, brand image, product design on consumer purchase intention.

Table 4.26
Significance Test of Foreign Sport Footwear

Mod	lel	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	671.687	4	167.922	25.985	.000ª
	Residual	1505.679	233	6.462		
	Total	2177.366	237			

a. Predictors: (Constant), DESIGN, BRAND IMAGE, PRICE, COO

b. Dependent Variable: CPI

In term of **Local sport footwear**, table 4.27 also shows that there is significant effect of country of origin, price, brand image, and product design on consumer purchase intention in simultaneously

Table 4.27 Significance Test of Local Sport Footwear

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	592.902	4	148.225	27.128	.000ª
	Residual	1273.081	233	5.464		
	Total	1865.983	237			

a. Predictors: (Constant), DESIGN, PRICE, BRAND, COO

b. Dependent Variable: CPI

4.5 Multiple correlation and coefficient of determination (R)

This analysis is used to determine the relationship between two or more independent variables to the dependent variable simultaneously. R values range from 0 to 1, the value closer to 1 means that the relationship is getting stronger; otherwise the value is getting close to 0 the relationship is getting weaker.

Sugiyono (2007) provide guidelines for the interpretation of the correlation coefficient as follows:

- 1. 0 0.199 = very low
- 2. 0.20 to 0.399 = low
- 3. 0.40 to 0.599 = moderate
- 4. 0.60-0.799 = strong
- 5. 0.80 to 1.000 = very strong

Result states on table 4.28 pointed the correlation coefficient of **foreign sport footwear** (R) of 0.555. This data indicates that there is a slightly of moderates relationship between country of origin, price, brand image, and product design with consumer purchase intention on foreign sport footwear.

In the term of **foreign sport footwear**, the coefficient of determination of 30.8% indicates that the contribution of country of origin, price, brand image, product design on consumer purchase intention by 30.8 % while the remaining 69.2 % is contributed by other variables besides country of origin, price, brand image, and product design.

In other hand for Local sport footwear, table 4.31 shows the correlation coefficient of local sport footwear (R) of 0.564. It indicates that there is a slightly of moderates relationship between country of origin, price, brand image, and product design with consumer purchase intention on local sport footwear.

**For local sport footwear**, the coefficient of determination of 31.8% indicates that the contribution of country of origin, price, brand image, product design on consumer purchase intention by 31.8 % while the remaining 68.2 % is contributed by other variables besides country of origin, price, brand image, and product design (for more detail SPSS result please refer to appendix).

Table 4.28

Multiple Correlation Analysis Foreign and Local Sport
Footwear

Model	Foreign S <sub>1</sub>	ort Footwear	Local Sport Footwear			
Model	R	R Square	R	R Square		
1	.555ª	.308	.564 <sup>a</sup>	.318		

a. Predictors: (Constant), DESIGN, BRAND IMAGE,

PRICE, COO

b. Dependent Variable: CPI

## 4.6 Regression Analysis

## 4.6.1 Hypothesis Testing

## 1. Foreign sport footwear

In term of foreign sport footwear Table 4.29(for more detail SPSS result please refers to appendix 4) shows that from 4 independent variables, there are three variables (country of origin, brand image, and product design) which have significant effect on consumer purchase intention toward foreign sport footwear.

T value of country of origin of 3.523 with a significance level of 0.035, sign value of 0.035 < 0.05, country of origin have a positive and substantial effect on the consumer purchase intention foreign sport footwear. **Therefore, hypothesis 1 (H1) accepted.** 

Price have significance level of 0.398, where 0.398> 0.05). Therefore, that it can be concluded price has no significant effect on consumer purchase intention on foreign sport footwear among generation Y in Padang, Indonesia. Therefore, **hypothesis 2** (H2) rejected.

Brand image has significance level of 0.027 (0.027 <0.05). It means that partially, brand image has significant on consumer purchase intention on foreign sport footwear among generation Y in Padang, Indonesia. **Therefore, hypothesis 3 ( H3) accepted.** 

Whereas a significance level of product design is 0.000, where 0.000>(0.05). Therefore, that it can be concluded Product design has a significant effect on the consumer purchase intention toward foreign sport footwear among generation Y in Padang, Indonesia. **Therefore, hypothesis 4 (H4) accepted.** 

To determine which factor is the most important /priority factor in determining the highest value of beta is the most important factor in determining purchase intention purchase intention use standardized coefficients beta. Due to SPSS 17 result (for more detail please refer to appendix 5) shows that for **foreign sport footwear** product design has the highest value of coefficient regression that is 0.296. Data indicates that product design is most important factor in determining consumer purchased intention. **Therefore, hypothesis 5 (H5)** which stated that "**Price plays the most important role in determining the purchase intention" was rejected.** 

#### 2. Local sport footwear

In term of Local Sport Footwear, table 4.29 (for more detail SPSS result please refers to appendix 4) pointed that in partially, from 4 variables only 3 independents variable (country of origin, price, and Product design) have significant effect on consumer purchase intention on Local sport footwear among generation Y in Padang, Indonesia.

The significant value of country of origin is 0.009 (0.009<0.05). Mean that country of origin has a significant effect on consumer purchase intention on Local sport footwear among generation Y in Padang, Indonesia. **Therefore, hypothesis 1 (H1)** accepted.

Table 4.32 shows that the significance of Price of 0.039 and smaller than 0.05. Means that price is a predictor and have a significant effect on consumer purchase intention Local sport footwear among generation Y in Padang, Indonesia. **Therefore, hypothesis 2 (H2) accepted.** 

In other hand Brand Image has no significant effect on consumer purchase intention local sport footwear among generation Y in Padang Indonesia, with significant value 0.338 (0.338 > 0.05). So, hypothesis 3 (H3) rejected.

Product design has significant value 0.000 (0.000< 0.05). It can be concluded that product design is one of the consumer purchase intention predictor and have a significant effect on consumer purchase intention local sport footwear among generation Y in Padang, Indonesia. Hence, **hypothesis 4 (H4) Accepted.** 

To determine the most important variable was used standardized coefficient beta, the highest value is the most important factor. Due to SPSS 17 Result, the highest value of standardized coefficient regression value founded on product design variable with a value of 0.331(for more detail please refer to appendix 5), means that product design has to play more important role in influencing consumer purchase intention Local sport footwear. Therefore, **hypothesis 5 (H5)** which states "**Price plays the most important role in determining the purchase intention" was rejected.** 

Table 4.29

Coefficient Regression foreign and Local Sport Footwear

Model		Significant value for Local					
(Constant)	.001	.006					
Country of Origin	.035	.009					
Price	.398	.039					
Brand Image	.027	.338					
Product Design	.000	.000					
Dependent Variable: Consumer Purchase Intention							

## 4.6.2 Analysis Multiple Regression

## 4.6.2.1 Multiple Regression Analysis Foreign Sport Footwear

The formula shown below pointed the multiple regression equation for foreign sport footwear.

$$? = 4.694 + 0.108? 1 + 0.050? 2 + 0.133? 3 + 0.262? 4$$

X1 = country of origin

X2 = price

X3 = brand image

X4 = product design

Y = Consumer Purchase Intention

4.694 is constant value for purchase intention. Coefficients regression for country of origin is positive, implying that if the other independent variables fixed value and country of origin has increased 1%, it would increase purchases intentions for foreign sport footwear of 0.108.

The Coefficient Regression for Pricewas 0.05 and positive value. Meansthat the increased of price of IDR 1it will lead to increased consumer purchased intention for 0.05.

Coefficients Regression for brand image is positive, indicates that a positive relationship between brand image and consumer purchased intention. Increasing Coefficient regression of brand image for 1 % will lead to increased intention to purchase of 0.133.

Coefficients Regression for product design is positive that is 0.262, it indicates the increasing of product design as 1% will lead the increasing of consumer purchased intention foreign sport footwear 0f 0.262.

4.6.2.2 Multiple Regression Analysis Local Sport Footwear

Formula shown below pointed the multiple regression equation for Local sport footwear.

$$? = 4.016 + 0.113?1 + 0.112?2 + 0.057?3 + 0.310?4$$

X1 = country of origin

X2 = price

X3 = brand image

X4 = product design

Y = Consumer Purchase Intention

4.016 is constant value for purchase intention Coefficients regression for country of origin is positive, meaning that if the other independent variables fixed value and country of origin has increased 1%, it would increase purchase intention for foreign sport footwear of 0.113.

The Coefficient Regression for Price was 0.112 and positive value. Means that the increased of price of IDR 1 it will lead to increased consumer purchased intention for 0.112.

Coefficients Regression for brand image is positive, indicates that a positive relationship between brand image and consumer purchased intention. Increasing Coefficient regression of brand image for 1 % will lead to increased intention to purchase of 0.057.

Coefficients Regression for product design is positive that is 0.310, it indicates the increasing of product design as 1% will lead the increasing of consumer purchase intention foreign sport footwear 0f 0.310.

## 4.6.2.2 Analysis Comparative Consumer Purchased Intention Foreign and Local Sport Footwear

Table 4.30 indicates that there are some similarities and difference result of factors that affected consumer purchased intention on Foreign and Local sport footwear. The table below (4.30) shows that from 4 independent used in this study only 2 variables (country of origin and product design) have a significant effect on consumer purchase intention on foreign and local sport footwear.

Whereas, price determining and has significant effect only when consumer deciding to intent buying Local Sport Footwear. And brand image only has significant effect when determining intention to purchase foreign brand.

Table 4.30

Comparative Analysis of Hypotheses Testing

Hypotheses	Outcomes	
	Foreign Sport Footwear	Local Sport Footwear
H1: Country of origin has significant effect on the purchase intention of consumers toward local and foreign product.	Accepted	Accepted
H2: Price has significant effect on the purchase intention of consumers toward local and foreign product.	Rejected	Accepted
H3: Brand Image has significant effect on the purchase intention of consumers toward local and foreign product.	Accepted	Rejected
H4: Product Design has significant effect on the purchase intention of consumers toward local and foreign product.	Accepted	Accepted
H5: Price plays most important role in determining the purchase intention	Rejected	Rejected

## 4.7 Chapter Summary

This Chapter analyses and describes all the data collected was subjected in testing hypothesis. Based on all analysis conducted, for foreign sport footwear only 3 variables affected consumer purchased intention, that are: COO, brand image, product design. Meanwhile in term of local sport footwear also only 3 variables have significant affect on consumer purchased intention namely: COO, price, and product design. Product design was also the priority factor in determining purchased intention.

#### **CHAPTER FIVE**

#### DISCUSION AND CONCLUSION

#### 5.1 Introduction

This chapter will attempt to summarize the finding of this research, and collaborate with other important point such as the hypotheses discussion, conclusion and recommendation.

## 5.2 General Finding

Based on the results of data processing, in term of **Foreign sport footwear** indicates that in simultaneously country of origin (COO), price, brand image, and product design have significant effect on consumer purchased intention foreign sport footwear among generation Y in Padang, Indonesia. Data shows that the significant value was 0.000 and smaller than 0.05, and showed a positive relationship between independent and dependent variables. ItsMeanthatsimultaneously, the increasing of four independent variables (COO, price, brand image, product design) will increase the intention to purchase of consumer on foreign sport footwear. The Contribution of independent variable (COO, price, brand image, product design) in determining intention to purchase foreign sport footwear of 30.8%, while the remaining of 69.2% influenced by other factors.

Whereas, in the term of intention to purchased **local sport footwear**, country of origin, price, brand image, and product design contributed 31.8 % in determining consumer intention to purchase local sport footwear, while 68.2 % contributed by others factors beside COO, price, brand image, and product design.

Resulted of contribution of country of origin, price, brand image, product design on consumer purchased intention on Sport footwear was strengthenwith research by Rezvani et al (2012), and Idoko et al (2013) which stated that consumer purchase intention can be affected by extrinsic(e.g., price, brand name, warranty or packaging) and intrinsic cues (ingredient, design, and etc).

Based on regression result, only countries of origin and product design have significant affect consumer purchased intention both of foreign and local sport footwear. Whereas, price only has a significant effect when consumer decided to purchaselocal sport footwear. Brand image only has a significant effect in determining the consumer purchased intention of foreign sport footwear. The result show that in purchase sport footwear, generation Y have different perception about that factors which influence them in purchase foreign and local sport footwear brand.

#### 5.3 Discussion

The result of this study will discuss about the five hypotheses tested. The resolution explains that from 4 variables only 2 variables have a significant effect on purchase intention both foreign and local sport footwear. In addition, the outcome of this study will be compared and strengthen with previous research to view the similarity and differences between them.

### 5.3.1 Hypothesis One

The objective of the first hypothesis of this study is to examine the effect of country of origin on consumer purchase intention. The hypothesis is:

H1: Country of origin has significant effect on the purchase intention of consumers toward foreign and local product.

**For foreign sport footwear,** resulted of data analysis in indicates that p value is significant (t= 2.20, p<0.05). p value reveals that country of origin has significant effect on consumer purchase intention on foreign sport footwear among generation Y in Padang, Indonesia. From the description of the research found that customers have a strong response on country of origin of foreign sport footwear.

In term of local sport footwear, data analysis shows that p value is s also significant (t= 2.616,p<0.05). That reveals country of origin of the product also have a significant effect on consumer purchased intention on local sport footwear. This result may cause the generation Y in Padang understand that looking the country of origin before deciding to purchase product.

The results of this study are supported and strengthened by previous studies conducted by Piron (2000), Rezvany at all (2010) which indicates that the country of origin or product is important in determining consumer purchase intention. Krisjati (2007) and Ghazali et al (2008) also founded that knowledge of country of origin of a product have significant effect in determining intention to purchase for foreign product in developing country.

From finding, we can conclude that generation Y in Padang Indonesia will look at country of origin of one product before intend to purchase that product, and also emphasized that COO have significant role in the developing country.

## 5.3.2 Hypothesis Two

Another hypothesis that have been constructed in this study is the price will significantly affect consumer purchase intention Sport footwear, the hypothesis is:

H2: Price has significant effect on the purchase intention of consumers toward foreign and local product.

In term of consumer purchase intention on foreign sport footwear, author obtained P value is higher than 0.05 (p >0.05). P value indicates that in term of determining purchase intentionforeign product, price has no significant effect. Based on this result it can conclude that for foreign sport footwear, in determining purchase intention of foreign sports footwear, consumers (generation Y) put price is not considered to be an important factor in buying sports footwear. Although the price is quite expensive for foreign sports shoes, they still have the intention to buy foreign sports footwear. Price for them is not something that needs to be considered when buying foreign sport footwear.

In other hand, for local sport footwear, p value of price is less than 0.05. It means that, pricehas significant effect and role in determining consumer purchase intention on local sport footwear among generation Y in Padang, Indonesia. The cheaper price of local sport footwear is one of consideration factor for consumer in intend to purchase local sport footwear. Consumer put price is one of important factor in determining intention to purchase local sport footwear. Result of price effect on purchase intention on local sport footwear are supported by research byAnnfik (2012) which indicated that price is the one important factor when consumer intended to purchase a product.

## **5.3.3** Hypothesis Three

The third hypothesis for this study is to determine the effect of brand image on consumer purchase intention. The hypothesis is:

H3: Brand Image has significant effect on the purchase intention of toward foreign and local product.

For foreign sport footwear, data analysis reveals p value of brand image on foreign sport footwear is significant (p<0.05) and therefore the hypothesis accepted. It indicates that for foreign sport footwear, brand image play important role on purchase intention. Thus, the good response to foreign brands will enhance the consumer's intention to buy foreign sports footwear, the hypothesis is constructed in this study have the same justification and reinforce previous research, such as research by Huseyin Ruchan Kayaman Arasli (2007), Norjaya Mohd Yasin Mohd Noor and Osman Mohamad Nasser (2007), Franz-Rudolf Esch; Tobias Langner, Bernd H. Patrick Schmitt and Geus (2006) and Keller (1993) which states that the brand image is a critically important element for the consumer in deciding buying a product. Chi, Yeh and Haung (2008) claimed that Brand image is an exclusive design, a reliable surety to ensure the quality and value added services. It can be concluded that for generation Y in Padang image of product is important factor when deciding to purchase of product, it may due to assumption of youngest In Padang which assume used branded product is more precocious.

In term of local sport footwear, p value it not significant (p.0.05), therefore hypothesis rejected. Means that brand image play unimportant role in determining intention to buy local sport footwear among generation Y in Padang, Indonesia.consumer in developing country have a hunch that local brand that are not good and have a lower prestige used local brands compare used global brands.

As Authors have stressed that consumers may prefer global brands because of associations of higher prestige (Schuiling & Kapferer, 2004; Shocker, Srivastava, &

Rueckert, 1994; Steenkamp, et. al., 2003). Global brands may have a higher prestige than local brands due to their relative scarcity and higher price. So it can be conclude that when consumer purchase a local brand they assume that brand image is not too important to decided.

## 5.3.4 Hypothesis Four

Another hypothesis that has been created in this study s whether the product design will significantly affect consumer purchased intention. The hypothesis is:

H4: Product Design has significant effect on the purchase intention of consumers toward foreign and local product.

**Based on the analysis on foreign sort footwear,** found that product design has significant effect on consumer purchase intention on sport footwear among generation Y in Padang Indonesia.

Positive value of coefficient regression of product design for foreign sport footwear means that the better the design of sport footwear eventually will increase consumer intend to purchase foreign sport footwear.

In term of Local sport wear, p value is also less than 0.05. It shows that on local sport wear, product design significantly affect generation Y in intend to purchase sport footwear. Cahyoruni and Rusfian (2011) stressed that consumer behaviour in determining buying a product one factor is determined by how good the product design of that brand.

The result of this research whether for foreign and local brand is also in accordance and supported with the research by Eckman and Wagner (1994), they recognize that attractiveness of the design will affect consumer intention and evaluation about product especially for younger consumers. Positive responses from consumer toward

product design of local brand due to several factors such as attractive design and good colour combination, and others.

## 5.3.5 Hypothesis Five

The last hypothesis proposed in this study is whether the price plays the most important role in determining purchase intention. The hypothesis is:

H5: Price plays most important role in determining the purchase intention

Based on data analysis both of foreign and local sport footwear found that the highest coefficient regression value founded on product design variable. Therefore hypothesis rejected. From the analysis of the data result it can be concluded that Price is not the most important factor in determining the consumer's purchase intention in sport footwear among generation Y in Padang Indonesia. Whereas, generation Y in Padang assumed that design of product is the most important factor in determining purchase intention.

Generation Y stated the product design as the priority factor in determining purchase intention it may be caused by several factors including the life style of generation Y. nowadays the generation Y is more trendy, and used the attractive and colourful design showed how trendiest they are. Second, due to the object of this study, as an apparel product, design is important. It can be seen from sport footwear producers that always competing to create attractive and colourful design sport footwear. Consumer offered by various colourful design of sport footwear in the market that caused design it first factor come out in their mind when deciding to purchase sport footwear.

## 5.4 Managerial Implication

In general, this study provides information Generation Y purchase behaviour in Indonesia. This study will beneficial to producers and marketer of foreign and local sport footwear in deciding marketing approaches. Different marketing approaches should be used in selling foreign and local product (Anic, 2010) due to differences factor affected intention to purchase between foreign and local brands.

This study provides valuable insight for local producers and marketer in determining strategy when compete with the foreign sport footwear producers and marketer. The outcome of this study suggests that the contribution of predictors on local sport footwear (COO, price, brand image, and product design) were highest compared that the contribution of predictors on determining purchase intention foreign sports footwear brands. It showed that nowadays, Indonesia consumer specifically generation Y have started concerned and aware to local brands.

This research also provides information that among Generation Y in Indonesia, specifically in Padang product design is the most important role in determining purchase sport footwear. Therefore, it can be valuable for sport footwear manufacturers in order to improve their sport footwear design, because product design can improve their marketability.

## 5.5 Limitation

There are several limitations related to this research. First, this study only covered generation Y in Padang. Thus, the outcome cannot be expected to explain the overall purchase intention among generation Y on sport footwear in Indonesia.

Second, due to limited time, there are only 238 out of 260 respondents can be utilized in this study. Due to limited time, convenience sampling method was used in finds respondents to find information quickly and efficient (Cevana, Delahaye, Sekaran, 2001)

#### 5.6 Conclusion

The result of this study showed that country of origin, price, brand image, product design can be used to predict in purchase intention on sport footwear among generation Y in Padang, Indonesia.

The results also indicate that there are differences and similarities of the factors that influence consumers' purchasing intentions for foreign product/brand and local product / brand.

Based on data analysis founded that from four predictors (country of origin, price, brand image) used in this study only 2 factors can be used as predictors of consumer purchase intention both of foreign and local sport footwear brands, namely: country of origin and product design. The result show that when deciding to purchase sport footwear whether foreign and local sport footwear, consumer, specifically generation Y, always look at the where is origin of product and also look at the design of product.

Meanwhile, *price* only have significant effect when consumer deciding **purchasing local sport footwear.** Whereas, **when deciding purchasing foreign sport footwear** they would not look at the how much the price took by the seller. It can be concluded that consumers specifically generation Y assume that the price is not too influential when buying foreign sports footwear. Consumer tends to spend extra money when buying foreign brands.

Study also founded that *Brand image* only has significant effect on consumer purchase intention on **foreign sport footwear**. Whereas, brand image has no significant effect on consumer **purchased intention on local sport footwear**. Result of this study on brand image, indicates that there are differences assumed of foreign and local sport footwear. On foreign sport wear have significant effect due to prestige when used foreign sport footwear, meanwhile they get nothing when used local sport footwear.

This study emphasized that product design become as the most important factor in determining both of Foreign and local sport footwear. This is because of a lot of sport footwear sold in the market with any unique design and good combination of colour.

#### 5.7 Recommendation for Future Research

Referring to limitation before, although this study has been insight information about what factor affect purchase intention among generation Y on Foreign and Local sport footwear. Further study should covered larger and wider area in the survey, in order to get better results.

Future research may also use other factor that affects consumer purchase intention Generation Y on sport footwear. This study shows that in term of foreign sport footwear between COO, price, brand image, and product design only contribute 30.08% on intention to purchase foreign sort footwear, while 69.2 % contribute b other factors. Whereas for local sport footwear the predictor contribute 31.8 % in determining intention to purchase local sport footwear among generation Y in Padang Indonesia, while 68.2% contribute by others factors. Future research may

also study comparative research about the tendency of generation Y in Indonesia whether to buy foreign or local brands.

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# **APPENDICES**

**Appendix 1: Questionnaire** 

Dear sir/madam,

I am Eddo Nanda Oktarici is a student Master of Sience in International Business at

University Utara Malaysia. Currentlt I am doing a study with title "Consumer

Purchase Intention on Sport Footwear among Generation Yin Padang

**Indonesia**"as a partial fulfillment of MSc in International Business.

I appreciate you could spend 15 minutes to complete the attached questionnaire. All

answers will be strictly treated confidently and will be used for this study only. If

you have any question regarding this research please contact me at detail bellows. I

am really appreciate and thank in advance for your kindly operation

You're sincerely,

Eddo Nanda Oktarici

MSc International Business

College of Law, Government, and International Studies

University Utara Malaysia

623181797900/6049461530

Thank you for participation and cooperation in this study

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### **Section A**

Instruction: Please Tick or circle the number that represents your appropriate answer.

- 1. Strongly disagree
- 2. Disagree
- 3. Neutral
- 4. Agree
- 5. Strongly Agree

The left side is your answer for "Foreign Brand" and the Right side is your answer for "Local Brands".

		Foreig	n Bra	nd (A	Adida	s,Nike	e,Loca	l Bra	nd					
NO	TO Items		reebok,and etc)						(Specs,eagle,League, and etc)					
		SD	D	N	A	SA	SD	D	N	A	SA			
1	Country of origin is the important factor for purchasing	1	2	3	4	5	1	2	3	4	5			
2	I will look for country of origin information before deciding to buy a product.	1	2	3	4	5	1	2	3	4	5			
3	I refuse to purchase a product without knowing its country of origin.	1	2	3	4	5	1	2	3	4	5			
4	In my opinion Country of Origin determines the quality of product.	1	2	3	4	5	1	2	3	4	5			
5	When I am buying sport footwearl, I always first priority to the country of origin for the product.	1	2	3	4	5	1	2	3	4	5			

	Origin of the sport footwear will shown the social status of the purchaser	1	2	3	4	5	1	2	3	4	5
7	Foreign sport footwear are more comfortable and stylish										

PRIC	CE										
NO	Items		ign das,Ni ok,anc	dLocal Brand (Specs,eagle,League, and etc)							
		SD	D	N	A	SA	SD	D	N	A	SA
1	I will assure that I have enough money before looking for a sport footwear										
2	price is the second most important priority before looking for footwear brands	1	2	3	4	5	1	2	3	4	5
3	Price of sport footwear are affordable	1	2	3	4	5	1	2	3	4	5
4	The price offered by sport footwear producers are in accordance with the quality of the product	1	2	3	4	5	1	2	3	4	5
5	Price offered to consumers is competitive for consumer	1	2	3	4	5	1	2	3	4	5
6	prices offered in accordance with the shoes brand name	1	2	3	4	5	1	2	3	4	5
7	I always buy branded sport footwear even thought if price are high if to be used in more prestige tournament.	1	2	3	4	5	1	2	3	4	5

### BRAND IMAGE

		Foreign Brand (Adidas,Nike,					Local Brand						
NO	Items	reebok,a	nd et	c)			(Spec	es,eag	gle,Le	ague,	and etc)		
		SD	D	N	A	SA	SD	D	N	A	SA		
1	The brand image gives me a good impression	1	2	3	4	5	1	2	3	4	5		
	The values of product give me more confidence using the product	1	2	3	4	5	1	2	3	4	5		
3	Use sport footwear will express my personality	1	2	3	4	5	1	2	3	4	5		
	Using branded sport footwear will increase my social status	1	2	3	4	5	1	2	3	4	5		
	Brand image of sport footwear is the main attraction for me to make purchase	1	2	3	4	5	1	2	3	4	5		
_	The brand name will determines whether suitable on not for me to make second purchase	1	2	3	4	5	1	2	3	4	5		

### PRODUCT DESIGN

NO	Items		ign das,N ok,an	ŕ	)	Branc	dLocal Brand (Specs,eagle,League, and etc)					
		SD	D	N	A	SA	SD	D	N	A	SA	
1	attractive design is the main factor before price and brand image	1	2	3	4	5	1	2	3	4	5	
2	Interesting color combination will show the suitability of users	1	2	3	4	5	1	2	3	4	5	
3	Design of sport footwear always follow contemporary trends											

4	Fashionable design of sport footwear usually using famous sportsman/sportswoman to advertise their product		2	3	4	5	1	2	3	4	5
5	I do agree that good product design to be the primary reason in selecting sport footwear	1	2	3	4	5	1	2	3	4	5
6	Aesthetic impression of product is one of the main attractions in buying process.	1	2	3	4	5	1	2	3	4	5

#### PURCHASE INTENTION **BrandLocal Brand** Foreign (Adidas,Nike, (Specs,eagle,League, and etc) Items reebok,and etc) SD Α SA SD SA D N D If given option, I will consider to purchase the foreign footwear brands I intend to purchase local brand in the near future I would buy sport footwear in order to save money I think I will buy sport footwear brand suit well with my feet and comfort ability In my opinion, the using of suitable sport footwear will enhance the user health activities.

### **SECTION B**

## **Questionnaire Guideline**

Please tick (V) on the following answer

1.	Gender
	Male
	Female
2.	age
	15 s/d 20 years old
	21 s/d 25 years old
	26 s/d 30 years old
	31 s/d 35years old
3.	Education background
	SD/ elementary school
	SMP/ junior high school
	SMA/senior high school
	Academy
	University
	Etc (please state)
4.	Occupation
	Civil servant
	Private employees
	TNI/ POLRI
	Entrepreneurship
	Housewife
	Student
	Others (please state)

5.	Monthly expenditure		
	Less than 500.000 IDR		
	500.000 IDR to 1.500.000 IDR		
	1.501.000 IDR to 2.500.000 IDR		
	2.501.000 IDR to 3.500.000 IDR		
	More than 3.500.000 IDR		
6.	type of sport exercise is frequently performed		
	Football		Jogging
	Futsal		Tennis
	Badminton		etc (please state)
	Volleyball		
	Basketball		
	Fitness		
7.	Number of sport footwear owned in pair		
	Foreign Sport Footwear		
	Local Sport Footwear		
	-		
8.	Frequency Purchase Sport Footwear		
Ш	Monthly		
	Yearly		
	Others		
9.	Money Spending in a Year to Purchase Sport Footwear		
	IDR 200.000 – IDR 500.000		
	IDR501.0000 – IDR 800.000		
	More Than IDR 800.000		
10.	Place to purchase sport footwear		
	Supermarket/Mall	Г	Sport Store

### APPENDIX 2: VALIDITY AND RELIABILITY OUTPUT

## 1. Foreign Sport Footwear

## COO

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.765	7

### **Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if	Corrected Item-	Cronbach's Alpha if Item Deleted
COO1	21.15	18.336	.461	.741
COO2	21.18	18.404	.397	.753
COO3	21.43	17.481	.408	.754
COO4	21.00	16.718	.558	.720
COO5	21.25	15.372	.767	.673
COO6	21.13	18.061	.411	.751
CO07	21.08	17.917	.416	.750

## **Price**

### **Reliability Statistics**

Cronbach's	
Alpha	N of Items

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.762	7

### **Item-Total Statistics**

						Cronbac	:h's	
	Scale	Mean if	Scale Variance if	Corrected	Item-	Alpha	if	Item
	Item Del	leted	Item Deleted	Total Corre	lation	Deleted		
P1	21.25		12.090	.559		.717		
P2	21.17		12.302	.506		.728		
P3	21.47		12.563	.521		.726		
P4	21.30		13.087	.374		.754		
P5	21.45		12.151	.542		.720		
P6	21.10		11.938	.495		.730		
P7	21.50		12.564	.388		.755		

# **Reliability Brand Image**

### **Reliability Statistics**

Cronbach's	
Alpha	N of Items
.723	6

				Cronbach's
	Scale Mean if	Scale Variance if	Corrected Item-	Alpha if Item
	Item Deleted	Item Deleted	Total Correlation	Deleted
BI1	17.53	11.333	.444	.689
BI2	17.53	10.769	.503	.672
ВІЗ	17.88	11.599	.402	.701

BI4	17.65	11.054	.416	.697
BI5	17.68	9.558	.576	.645
BI6	18.00	11.026	.404	.701

# **Reliability Design**

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.804	6

### **Item-Total Statistics**

		Scale Variance if Item Deleted		Cronbach's Alpha if Item Deleted
PD1	18.75	12.654	.409	.804
DP2	18.60	10.810	.655	.753
PD3	18.80	10.472	.611	.762
PD4	18.78	9.563	.713	.734
PD5	18.50	11.487	.485	.790
PD6	18.83	11.174	.502	.787

## **Reliability Purchase intention**

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.792	5

### **Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if	Corrected Item-	Cronbach's Alpha if Item Deleted
CIP1	14.33	8.328	.657	.726
CIP2	14.27	8.051	.624	.735
CIP3	14.12	9.138	.575	.754
CIP4	13.70	8.677	.457	.795
CIP5	13.67	8.789	.573	.753

# 2. Local Sport Footwear

## **Reliability COO**

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.763	7

	Scale Mean if Item Deleted	Scale Variance if		Cronbach's Alpha if Item Deleted
COO1	21.73	14.717	.534	.728
COO2	21.70	14.215	.542	.724
COO3	21.88	14.933	.372	.757
COO4	21.65	13.515	.507	.729
COO5	21.88	12.625	.588	.710
COO6	21.65	14.644	.432	.744

### **Item-Total Statistics**

	Scale Mean if Item Deleted	Scale Variance if	Corrected Item- Total Correlation	•
COO1	21.73	14.717	.534	.728
COO2	21.70	14.215	.542	.724
COO3	21.88	14.933	.372	.757
COO4	21.65	13.515	.507	.729
COO5	21.88	12.625	.588	.710
COO6	21.65	14.644	.432	.744
CO07	21.63	14.189	.429	.746

## **Reliability Price**

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.797	7

				Cronbach's
	Scale Mean if	Scale Variance if	Corrected Item-	Alpha if Item
	Item Deleted	Item Deleted	Total Correlation	Deleted
P1	21.65	12.797	.456	.784
P2	21.45	11.587	.589	.759
P3	21.83	12.815	.451	.785
P4	21.50	11.179	.767	.723
P5	21.65	13.669	.425	.788
P6	21.55	12.459	.562	.765
P7	21.88	12.676	.457	.784

## Reliability Brand image

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.788	6

### **Item-Total Statistics**

		Scale Variance if		Cronbach's Alpha if Item Deleted
BI1	17.85	13.156	.483	.768
BI2	18.13	10.779	.693	.713
BI3	18.30	11.703	.558	.751
BI4	18.25	12.756	.446	.778
BI5	17.93	12.225	.507	.763
BI6	18.18	12.661	.553	.754

### **Reliability Product Design**

### **Reliability Statistics**

Cronbach's	
Alpha	N of Items
.820	6

	Scale Mean if	Scale Variance if	Corrected Item-	Cronbach's Alpha if Item
		Item Deleted		Deleted
PD1	19.55	11.126	.530	.802
DP2	19.53	11.076	.491	.810
PD3	19.55	9.792	.659	.774
PD4	19.48	9.487	.669	.772
PD5	19.38	10.343	.572	.794
PD6	19.40	10.759	.590	.790

### **Reliability Purchase Intention**

### **Reliability Statistics**

Cronbach's Alpha	N of Items
.712	5

		Scale Variance if		Cronbach's Alpha if Item Deleted
CIP1	14.95	6.305	.420	.683
CIP2	14.93	5.969	.431	.680
CIP3	14.93	5.661	.548	.632
CIP4	14.63	5.522	.474	.664
CIP5	14.68	5.917	.481	.660

### **APPENDIX 3: DEMOGRAPHIC PROFILE**

#### **Statistics**

		gender	age of respondent	educational background	occupation of respondent
N	Valid	238	238	238	238
	Missing	0	0	0	0
	Mean	1.3613	2.2395	4.2899	3.9580
	Std. Error of Mean	.03120	.06236	.05849	.13431
	Median	1.0000	2.0000	5.0000	4.0000
	Mode	1.00	2.00	5.00	6.00
	Std. Deviation	.48140	.96204	.90240	2.07210
	Variance	.232	.926	.814	4.294
	Skewness	.581	.393	814	153
	Std. Error of Skewness	.158	.158	.158	.158
	Kurtosis	-1.677	765	760	-1.741
	Std. Error of Kurtosis	.314	.314	.314	.314
	Range	1.00	3.00	3.00	6.00
	Minimum	1.00	1.00	2.00	1.00
	Maximum	2.00	4.00	5.00	7.00
	Sum	324.00	533.00	1021.00	942.00
Percentiles	10	1.0000	1.0000	3.0000	1.0000
	20	1.0000	1.0000	3.0000	2.0000
	25	1.0000	2.0000	3.0000	2.0000
	30	1.0000	2.0000	4.0000	2.0000
	40	1.0000	2.0000	4.0000	2.0000
	50	1.0000	2.0000	5.0000	4.0000
	60	1.0000	2.0000	5.0000	6.0000
	70	2.0000	3.0000	5.0000	6.0000
	75	2.0000	3.0000	5.0000	6.0000
	80	2.0000	3.0000	5.0000	6.0000
	90	2.0000	4.0000	5.0000	6.0000

### **Statistics**

Statistics		1		
		monthly income	sport activity frequently preformed	frequency to buy
N	Valid	238	238	238
	Missing	0	0	0
	Mean	2.9496	4.1681	2.4160
	Std. Error of Mean	.07870	.26407	.04412
	Median	3.0000	3.0000	3.0000
	Mode	2.00	2.00	3.00
	Std. Deviation	1.21418	4.07383	.68071
	Variance	1.474	16.596	.463
	Skewness	.297	8.319	744
	Std. Error of Skewness	.158	.158	.158
	Kurtosis	-1.012	102.073	586
	Std. Error of Kurtosis	.314	.314	.314
	Range	4.00	54.00	2.00
	Minimum	1.00	1.00	1.00
	Maximum	5.00	55.00	3.00
	Sum	702.00	992.00	575.00
Percentiles	10	2.0000	1.9000	1.0000
	20	2.0000	2.0000	2.0000
	25	2.0000	2.0000	2.0000
	30	2.0000	2.0000	2.0000
	40	2.0000	2.0000	2.0000
	50	3.0000	3.0000	3.0000
	60	3.0000	4.0000	3.0000
	70	4.0000	6.0000	3.0000
	75	4.0000	6.0000	3.0000
	80	4.0000	7.0000	3.0000
	90	5.0000	7.0000	3.0000

### **Statistics**

money spend to buy	
in a year	place to buy

N	Valid	238	000
IN	valid	238	238
	Missing	0	0
	Mean	1.4286	2.6471
	Std. Error of Mean	.03866	.04046
	Median	1.0000	3.0000
	Mode	1.00	3.00
	Std. Deviation	.59635	.62424
	Variance	.356	.390
	Skewness	1.061	-1.570
	Std. Error of Skewness	.158	.158
	Kurtosis	.123	1.253
	Std. Error of Kurtosis	.314	.314
	Range	2.00	2.00
	Minimum	1.00	1.00
	Maximum	3.00	3.00
	Sum	340.00	630.00
Percentiles	10	1.0000	2.0000
	20	1.0000	2.0000
	25	1.0000	2.0000
	30	1.0000	3.0000
	40	1.0000	3.0000
	50	1.0000	3.0000
	60	1.0000	3.0000
	70	2.0000	3.0000
	75	2.0000	3.0000
	80	2.0000	3.0000
	90	2.0000	3.0000

# Frequency Table

### gender

		Frequency	Percent		Cumulative Percent
Valid	male	152	63.9	63.9	63.9
	female	86	36.1	36.1	100.0
	Total	238	100.0	100.0	

### age of respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	15-20	57	23.9	23.9	23.9
	21-25	98	41.2	41.2	65.1
	26-30	52	21.8	21.8	87.0
	30-35	31	13.0	13.0	100.0
	Total	238	100.0	100.0	

### educational background

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SMP/ junior high school	6	2.5	2.5	2.5
	SMA/senior high school	54	22.7	22.7	25.2
	Academy	43	18.1	18.1	43.3
	University	135	56.7	56.7	100.0
	Total	238	100.0	100.0	

### occupation of respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Civil servant	31	13.0	13.0	13.0
	private employees	68	28.6	28.6	41.6
	TNI/POLRI	9	3.8	3.8	45.4
	Entrepreneurship	13	5.5	5.5	50.8
	Housewife	10	4.2	4.2	55.0
	Student	103	43.3	43.3	98.3
	Etc	4	1.7	1.7	100.0
	Total	238	100.0	100.0	

### monthly income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 500000	20	8.4	8.4	8.4
	500.000 IDR to 1.500.000 IDR	87	36.6	36.6	45.0
	1.501.000 IDR to 2.500.000 IDR	50	21.0	21.0	66.0
	2.501.000 IDR to 3.500.000 IDR	47	19.7	19.7	85.7
	More than 3.500.000 IDR	34	14.3	14.3	100.0
	Total	238	100.0	100.0	

### sport activity frequently preformed

			Cumulative
Frequency	Percent	Valid Percent	Percent

Valid	footbal	23	9.7	9.7	9.7
	futsal	78	32.8	32.8	42.4
	badminton	35	14.7	14.7	57.1
	volleyball	8	3.4	3.4	60.5
	basketball	15	6.3	6.3	66.8
	fitness	23	9.7	9.7	76.5
	jogging	43	18.1	18.1	94.5
	tenniss	1	.4	.4	95.0
	Etc	11	4.6	4.6	99.6
	55.00	1	.4	.4	100.0
	Total	238	100.0	100.0	

### frequency to buy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	monthly	26	10.9	10.9	10.9
	yearly	87	36.6	36.6	47.5
	others	125	52.5	52.5	100.0
	Total	238	100.0	100.0	

### money spend to buy in a year

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	200000-500000	149	62.6	62.6	62.6
	501000-800000	76	31.9	31.9	94.5
	more than 800000	13	5.5	5.5	100.0
	Total	238	100.0	100.0	

113

### place to buy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	supermarket/mall	19	8.0	8.0	8.0
	apparell store	46	19.3	19.3	27.3
	sport store	173	72.7	72.7	100.0
	Total	238	100.0	100.0	

### **APPENDIX 4: ASSUMPTION TEST OUTPUT**

### 1. foreign sport footwear

### Normality

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
	N	238
Normal Parameters <sup>a,,b</sup>	Mean	.0000
	Std. Deviation	2.52053
Most Extreme Differences	Absolute	.041
	Positive	.041
	Negative	029
	Kolmogorov-Smirnov Z	.628
	Asymp. Sig. (2-tailed)	.826

a. Test distribution is Normal.

### Multicolinerity

#### Coefficients

		Collinearity Statistics		
Model		Tolerance	VIF	
1	coo	.528	1.895	
	PRICE	.570	1.755	
	BRANDIMAGE	.598	1.672	
	DESIGN	.600	1.667	

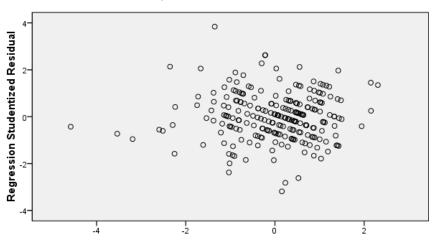
a. Dependent Variable: CPI

b. Calculated from data.

## Heterocedaticity test

### Scatterplot

### Dependent Variable: CPI



Regression Standardized Predicted Value

# Regression

#### Notes

110100		
	Output Created	30-Nov-2013 06:03:56
	Comments	
Input	Data	C:\Users\dx\Downloads\Documents\Doc uments\DATA REGRESI FOREIGN.sav
	Active Dataset	DataSet1
	Filter	<none></none>
	Weight	<none></none>
	Split File	<none></none>

	N of Rows in Working Data	238
	File	230
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.
	Syntax	REGRESSION  /MISSING LISTWISE  /STATISTICS COEFF OUTS R  ANOVA COLLIN TOL  /CRITERIA=PIN(.05) POUT(.10)  /NOORIGIN  /DEPENDENT ABS_Res  /METHOD=ENTER COO PRICE  BRANDIMAGE DESIGN  /SCATTERPLOT=(*SRESID,*ZPRED)  /RESIDUALS NORM(ZRESID)  /SAVE RESID.
Resources	Processor Time	0:00:01.953
	Elapsed Time	0:00:02.324
	Memory Required	2348 bytes
	Additional Memory Required for Residual Plots	544 bytes
Variables Created or Modified	RES_2	Unstandardized Residual

[DataSet1] C:\Users\dx\Downloads\Documents\DATA REGRESI FOREIGN.sav

### Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	DESIGN, BRANDIMAGE, PRICE, COO <sup>a</sup>		Enter

a. All requested variables entered.

### Model Summary<sup>b</sup>

Model	R		,	Std. Error of the Estimate
1	.063 <sup>a</sup>	.004	013	1.62876

a. Predictors: (Constant), DESIGN, BRANDIMAGE, PRICE, COO

b. Dependent Variable: ABS\_Res

### $ANOVA^b$

Мос	del	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.444	4	.611	.230	.921 <sup>a</sup>
	Residual	618.116	233	2.653		
	Total	620.560	237			

a. Predictors: (Constant), DESIGN, BRANDIMAGE, PRICE, COO

b. Dependent Variable: ABS\_Res

### Coefficients<sup>a</sup>

	Unstandardized Coefficients		Standa rdized Coeffici ents		
Model	В	Std. Error	Beta	t	Si g.
(Consta nt)	2.569	.856		3. 0 0 2	.0 0 3
COO	009	.032	024	- .2 6 8	.7 8 9
PRICE	.011	.038	.025	.2 8 6	.7 7 5
BRAND iMAGE	005	.038	011	- .1 3 3	.8 9 4
DESIG N	025	.040	052	- .6 1 9	.5 3 7

a. Dependent Variable: ABS\_Res

Coefficients<sup>a</sup>

	Colline Statisti	
Model	Toler ance	VIF
1 COO	.528	1.89 5
PRICE	.570	1.75 5
BRAND AGE	iM .598	1.67 2
DESIGN	.600	1.66 7

a. Dependent Variable: ABS\_Res

### CollinearityDiagnostics<sup>a</sup>

	Dimensi		Variance Proportions			
Model		Eigenvalue	Condition Index	(Constant)	COO	PRICE
1	1	4.953	1.000	.00	.00	.00
	2	.016	17.742	.42	.49	.00
	3	.012	20.175	.00	.14	.14
	4	.010	22.551	.32	.08	.04
	5	.009	23.031	.25	.29	.82

a. Dependent Variable: ABS\_Res

### CollinearityDiagnostics<sup>a</sup>

Oomincum ty Diagnostios				
	Dimensi	Variance Proportions		
Model	on	BRANDIMAGE	DESIGN	
1	1	.00	.00	
	2	.04	.03	
	3	.91	.03	
	4	.00	.91	
	5	.04	.03	

a. Dependent Variable: ABS\_Res

### 2. Local sport footwear

### **Normality**

### One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
	N	238
Normal Parameters <sup>a,,b</sup>	Mean	.0000
	Std. Deviation	2.31768
Most Extreme Differences	Absolute	.040
	Positive	.026
	Negative	040
	Kolmogorov-Smirnov Z	.619
	Asymp. Sig. (2-tailed)	.838

a. Test distribution is Normal.

### Multicolinerity

### Coefficients<sup>a</sup>

		Collinearity Statistics	
Model		Tolerance	VIF
1	COO	.619	1.615
	PRICE	.619	1.617
	BRAND	.627	1.595
	DESIGN	.717	1.394

a. Dependent Variable: CPI

## Heterocedasticity local

#### Notes

Notes		
	Output Created	30-Nov-2013 04:13:52
	Comments	
Input	Data	C:\Users\dx\Downloads\Documents\Doc uments\DATA REGRESI LOCAL.sav
	Active Dataset	DataSet1
	Filter	<none></none>
	Weight	<none></none>

b. Calculated from data.

1	Split File	<none></none>
	N of Rows in Working Data File	238
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.
	Syntax	REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA COLLIN TOL /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT ABS_Res /METHOD=ENTER COO PRICE BRAND DESIGN.
Resources	Processor Time	0:00:00.047
	Elapsed Time	0:00:00.056
	Memory Required	2332 bytes
	Additional Memory Required for Residual Plots	0 bytes

[DataSet1] C:\Users\dx\Downloads\Documents\Documents\DATA REGRESI

LOCAL.sav

### Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
	DESIGN, PRICE, BRAND, COOª		Enter

a. All requested variables entered.

### **Model Summary**

Model	R		Adjusted R Square	Std. Error of the Estimate
1	.140 <sup>a</sup>	.020	.003	1.45674

a. Predictors: (Constant), DESIGN, PRICE, BRAND, COO

### $\textbf{ANOVA}^{\textbf{b}}$

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.884	4	2.471	1.164	.327 <sup>a</sup>
	Residual	494.446	233	2.122		

Total	504.330	237				
-------	---------	-----	--	--	--	--

a. Predictors: (Constant), DESIGN, PRICE, BRAND, COO

b. Dependent Variable: ABS\_Res

#### Coefficients<sup>a</sup>

				Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	1.914	.895		2.139	.033
	COO	.021	.027	.066	.795	.427
	PRICE	058	.034	142	-1.720	.087
	BRAND	015	.037	033	405	.686
	DESIGN	.050	.037	.103	1.338	.182

a. Dependent Variable: ABS\_Res

0

		Collinearity Statistics			
Model		Tolerance	VIF		
1	COO	.619	1.615		
	PRICE	.619	1.617		
	BRAND	.627	1.595		
	DESIGN	.717	1.394		

a. Dependent Variable: ABS\_Res

CollinearityDiagnostics<sup>a</sup>

	arityDiagi		
	Dimensi		
Model	on	Eigenvalue	Condition Index
1	1	4.956	1.000
	2	.017	17.002
	3	.010	21.871
	4	.010	22.438
	5	.007	26.627

a. Dependent Variable: ABS\_Res

### CollinearityDiagnostics<sup>a</sup>

	Dimensi	Variance Prop	ariance Proportions						
Model	on	(Constant)	coo	PRICE	BRAND	DESIGN			
1	1	.00	.00	.00	.00	.00			
	2	.10	.68	.02	.03	.09			
	3	.25	.02	.28	.58	.03			
	4	.03	.21	.37	.31	.35			
	5	.62	.08	.34	.09	.52			

a. Dependent Variable: ABS\_Res

### PPENDIX 5: VARIANCE/REGRESSION ANALYSIS OUTPUT

### 1. Foreign sport footwear

GET FILE='C:\Users\dx\Downloads\Documents\Documents\DATA REGRESI FOREIGN.sav'. REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA COLLIN TOL /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CPI /METHOD=ENTER COO PRICE BRANDIMAGE DESIGN /SCATTERPLOT=(\*SRESID ,\*ZPRED) /RESIDUALS NORM(ZRESID) /SAVE RESID.

### Regression

[DataSet1] C:\Users\dx\Downloads\Documents\Documents\DATA REGRESI FOREIGN.sav

#### Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	DESIGN, BRANDIMAGE, PRICE, COO <sup>a</sup>		Enter

a. All requested variables entered.

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted Square	R	Std. Error the Estimate	of
1	.555 <sup>a</sup>	.308	.297		2.54207	

a. Predictors: (Constant), DESIGN, BRANDIMAGE, PRICE, COO

#### **ANOVA**<sup>D</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	671.687	4	167.922	25.985	.000 <sup>a</sup>
	Residual	1505.679	233	6.462		
	Total	2177.366	237			

a. Predictors: (Constant), DESIGN, BRANDIMAGE, PRICE, COO

b. Dependent Variable: CPI

b. Dependent Variable: CPI

### Coefficients<sup>a</sup>

	Unstandardized Coefficients		d Coefficients	Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	4.694	1.336		3.513	.001
	COO	.108	.051	.159	2.120	.035
	PRICE	.050	.059	.061	.847	.398
	BRANDIMAGE	.133	.060	.157	2.228	.027
	DESIGN	.262	.062	.296	4.214	.000

a. Dependent Variable: CPI

#### Coefficients<sup>a</sup>

		Collinearity Statistics		
Model		Tolerance	VIF	
1	COO	.528	1.895	
	PRICE	.570	1.755	
	BRANDIMAGE	.598	1.672	
	DESIGN	.600	1.667	

a. Dependent Variable: CPI

### **CollinearityDiagnostics**<sup>a</sup>

, ,						
	Dimen			Variance Pro	portions	
Model	-	Eigenvalue	Condition Index	(Constant)	COO	PRICE
1	1	4.953	1.000	.00	.00	.00
	2	.016	17.742	.42	.49	.00
	3	.012	20.175	.00	.14	.14
	4	.010	22.551	.32	.08	.04
	5	.009	23.031	.25	.29	.82

a. Dependent Variable: CPI

### $Collinearity Diagnostics^a\\$

	Dimen	Variance Proportions		
Mode	el sion	BRANDIMAGE	DESIGN	
1	1	.00	.00	
	2	.04	.03	
	3	.91	.03	
	4	.00	.91	
	5	.04	.03	

a. Dependent Variable: CPI

### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	10.0320	21.6310	17.7437	1.68349	238
Std. Predicted Value	-4.581	2.309	.000	1.000	238

125

Standard Error of Predicted Value	.177	.862	.350	.115	238
Adjusted Predicted Value	10.1450	21.5126	17.7382	1.68581	238
Residual	-8.00533	9.52865	.00000	2.52053	238
Std. Residual	-3.149	3.748	.000	.992	238
Stud. Residual	-3.186	3.840	.001	1.003	238
Deleted Residual	-8.19452	10.00170	.00553	2.57786	238
Stud. Deleted Residual	-3.251	3.959	.001	1.009	238
Mahal. Distance	.151	26.270	3.983	3.699	238
Cook's Distance	.000	.146	.005	.012	238
Centered Leverage Value	.001	.111	.017	.016	238

a. Dependent Variable: CPI

# 2. Local Sport Footwear

# Regression

### Notes

	Output Created	30-Nov-2013 04:06:53		
	Comments			
Input	Data	C:\Users\dx\Downloads\Documents\Documents\DATA REGRESI LOCAL.sav		
	Active Dataset	DataSet1		
	Filter	<none></none>		
	Weight	<none></none>		
	Split File	<none></none>		
	N of Rows in Working Data File	238		
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.		
	Cases Used	Statistics are based on cases with no missing values for any variable used.		
	Syntax	REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA COLLIN TOL /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CPI /METHOD=ENTER COO PRICE BRAND DESIGN.		
Resources	Processor Time	0:00:00.063		
	Elapsed Time	0:00:00.142		
	Memory Required	2308 bytes		
	Additional Memory Required for Residual Plots	0 bytes		

#### Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
1	DESIGN, PRICE, BRAND, COO <sup>a</sup>		Enter

a. All requested variables entered.

### **Model Summary**

Model	R	R Square	Adjusted Square	R	Std. Error the Estimate	of
1	.564 <sup>a</sup>	.318	.306		2.33749	

a. Predictors: (Constant), DESIGN, PRICE, BRAND, COO

### $ANOVA^{b}$

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	592.902	4	148.225	27.128	.000 <sup>a</sup>
	Residual	1273.081	233	5.464		
	Total	1865.983	237			

a. Predictors: (Constant), DESIGN, PRICE, BRAND, COO

#### Coefficients<sup>a</sup>

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	4.016	1.436		2.798	.006
	COO	.113	.043	.180	2.616	.009
	PRICE	.112	.054	.143	2.074	.039
	BRAND	.057	.060	.066	.960	.338
	DESIGN	.310	.060	.331	5.181	.000

a. Dependent Variable: CPI

### Coefficients<sup>a</sup>

		Collinearity	Statistics
Model		Tolerance	VIF
1	COO	.619	1.615
	PRICE	.619	1.617
	BRAND	.627	1.595
	DESIGN	.717	1.394

a. Dependent Variable: CPI

b. Dependent Variable: CPI

### **CollinearityDiagnostics**<sup>a</sup>

	Dimen		
Model sion		Eigenvalue	Condition Index
1	1	4.956	1.000
	2	.017	17.002
	3	.010	21.871
	4	.010	22.438
	5	.007	26.627

a. Dependent Variable: CPI

### **CollinearityDiagnostics**<sup>a</sup>

ı	Dimen	Variance Proportions				
I	Model sion	(Constant)	COO	PRICE	BRAND	DESIGN
ĺ	1 1	.00	.00	.00	.00	.00
	2	.10	.68	.02	.03	.09
	3	.25	.02	.28	.58	.03
	4	.03	.21	.37	.31	.35
	5	.62	.08	.34	.09	.52

a. Dependent Variable: CPI