UNIVERSITAS INDONESIA

A STUDY ON CONSUMERS' VALUES, NEEDS, AND BEHAVIORAL INTENTIONS: COMPARISON OF INDONESIA AND KOREA

BACHELOR'S THESIS

Proposed as one of the requirements to obtain the Sarjana Ekonomi degree

KIM TAE YOUNG
1106105341

FACULTAS OF ECONOMICS AND BUSINESS
INTERNATIONAL UNDERGRADUATE PROGRAM
INTERNATIONAL BUSINESS MANAGEMENT
DEPOK
JUNE 2015

STATEMENT OF ORIGINALITY

This bachelor's thesis represents my own effort, any idea or excerpt from other writers in this paper, either in form of publication or in order form of publication, if any, have been acknowledged in this paper in accordance to academic standard or reference procedures

Name	**: Kim Tae Young**
Student Number (NPM)	**:1106105341**
Signature	**:**
Date	**: June 15, 2015**

LETTER OF APPROVAL

This Bachelor's Thesis is proposed by

Name	: Kim Tae Young
Student Number (NPM)	: 1106105341
Study Program	: International Undergraduate Program
Bachelor's Thesis Title	: A Study on Consumers' Values, Needs, and Behavioral Intentions: Comparison of Indonesia and Korea

This Bachelor's Thesis was successfully defended in front of the Board of Examiners and was accepted as part of the requirements to obtain the *Sarjana Ekonomi* in the International Undergraduate Program, Faculty of Economics and Business, Universitas Indonesia.

BOARD OF EXAMINERS

Counselor	: Sri Rahayu Hijrah Hati, S.E., M,Si	( )
Examiner	: Arga Hananto, S.E., M.Bus	( )
Examiner	: Elevita Yuliati, S.E., M.SM	( )

Established in : Depok

Date : June 15, 2015

STATEMENT OF AKNOWLEDGEMENT

I would like to express my gratitude to all those who gave me the possibility to complete this thesis. I would never have been able to finish it without the guidance of my professor, help and support from my friends. Specifically, I would like to express my gratitude and thank you the following people:

1. Mrs. Sri Rahayu Hijrah Hati, S.E., M,Si who was my bachelor's thesis advisor who was willing to spare her time to share her thoughts and guide me in developing this paper despite her hectic schedule as she is in the process of completing her dissertation for her doctoral degree. I would like to express my deepest gratitude for her supervision and constant support. Her invaluable help of constructive comments and suggestions throughout the thesis process have contributed to the success of this research.
2. Mr. Arga Hananto, S.E., M.Bus and Mrs. Elevita Yuliati, S.E., M.Si who acted as the Chairman and Examiner of the Board of Examiners, respectively. I would like to express my gratitude and appreciation for the feedbacks and critics that you have expressed that allowed me to improve upon this paper.
3. Mr. Isfandiary Djafaar, S.E., M.Soc.Sc who was my academic advisor and also currently the head of the International Undergraduate Program in FEUI. I would like to express my gratitude and appreciation for creating the Single Degree Program and guiding as well as supporting me important academic advice.
4. All of the lecturers in FEUI, especially ones that were my lecturers for giving priceless knowledge during classes.

5. The International Undergraduate Program's Secretariat for support and helps to overcome the administrative hurdles in regards to transferring for the study abroad program.
6. My Father, Kim Han Soo, My Mother, Heo Sung Sook, and especially my sister Kim Min Gyeong for helping me with collecting Indonesian questionnaires from her Indonesian classmates. I would like to thank my beloved family's supporting and encouraging me with their best wishes, cheering me up and standing by me though the good and bad times.
7. Miss Anya Safira, S.E. who helped me to me to interpret the results of SPSS and SEM and Aina Marulisya, S.Hum. who helped me to edit the Indonesian version of the questionnaire and abstract.
8. Everyone who indirectly contributed in this research. Your kindness means a lot to me.

To conclude, I would like to say again 'Thank you very much everyone!'

Depok, June 15, 2015

Kim Tae Young

TABLE OF CONTENT

LIST OF FIGURES

LIST OF TABLES

LIST OF APPENDICES

STATEMENT FOR ACCEPTING THE FINAL ASSIGNMENT TO BE PUBLISHED FOR ACADEMIC PURPOSE

As part of Universitas Indonesia's academic community, I:

Name	: Kim Tae Young
Student Number (NPM)	: 1106105341
Study Program	: International Undergraduate Program
Department	: Management
Faculty	: Economics and Business
Final Assignment Type	: Bachelor's Thesis

accept to give Universitas Indonesia for the purpose of academic development **Non-exclusive Royalty-Free Right** for my scholarly paper titled:

"A Study on Consumers' Values, Needs, and Behavioral Intentions: Comparison of Indonesia and Korea"

as well as any additional equipment (if necessary). With the Non-exclusive Royalty Free Right, Universitas Indonesia has the right to store, re-format or format, maintain in the form of a database, treat and publish my final assignment as long as my name is credited as the author/creator and as the copyright holder.

Therefore I make this solemn declaration conscientiously.

Created in: Depok
Date: June 15, 2015

The Declarer

(Kim Tae Young)

ABSTRACT

Name: Kim Tae Young
Study Program: Management/ International Undergraduate Program
Title: A Study on Consumers' Values, Needs, and Behavioral Intentions: Comparison of Indonesia and Korea

The purpose of this study is to recognize how the consumers' values, needs, and behavioral intentions impact to the both Indonesian consumers and South Korean consumers who buy a new smartphone. The data were collected using convenience sampling and residents of the Greater Jakarta (JaBoDeTaBek) are used as the samples for this research. The hypotheses are tested using SPSS and structural equation modeling (SEM) using LISREL 8.5. This research used Indonesian and Korean consumers who buy a new smartphone as the research object. As both countries economy is growing rapidly, Indonesian and Korean smartphone users are increasing continuously. The results show that the self-directed values positively influence experiential needs; experiential needs positively influence intention of WOM; social needs positively influence willingness to pay and functional needs positively influence to behavioral intentions in Korea. Otherwise, experiential needs positively influence repurchase intention; functional needs positively influence repurchase intention and functional needs positively influence willingness to pay in Indonesia. The findings in this research are useful for further research in this topic and also benefit smartphone companies that use consumers' values, needs, and behavioral intentions as a marketing tool for their products.

Key Words: Consumers' Values, Consumers' Needs, Consumers' Behavioral Intentions, Smartphone, Indonesia, Korea.

ABSTRAK

Nama: Kim Tae Young
Program Studi: Manajemen/ Kelas Khusus Internasional
Judul: *A Study on Consumers' Values, Needs, and Behavioral Intentions: Comparison of Indonesia and Korea*

Penelitian ini bertujuan untuk mengetahui bagaimana pengaruh *Consumers' value*, *Needs*, dan *Behavioral intentions* terhadap konsumen di Indonesia dan Korea Selatan yang membeli *Smartphone* baru. Pengambilan Data menggunakan teknik *convenience sampling*, dan responden yang berasal dari wilayah JaBoDeTaBek. Hipotesis diuji dengan menggunakan SPSS dan *Structural Equation Modelling* (SEM) berupa LISREL 8.5. Objek Penelitian ini adalah konsumen dari Indonesia dan Korea Selatan yang membeli *Smartphone* baru. Dikarenakan keadaan ekonomi di kedua negara ini yang sedang mengalami perkembangan pesat, menyebabkan jumlah pengguna *Smartphone* di Korea dan Indonesia juga semakin meningkat. Hasil dari penelitian ini menunjukkan bahwa *self-directed values* secara signifikan mempengaruhi *experiential need*; *experiential need* secara signifikan mempengaruhi *intention of WOM*; *social needs* secara signifikan mempengaruhi *willingness to pay* dan *functional needs* secara signifikan mempengaruhi *willingness to pay* di Indonesia. Temuan dalam penelitian ini dapat digunakan sebagai acuan untuk penelitian selanjutnya pada topik yang sama dan juga dapat memberikan keuntungan bagi perusahaan produsen *Smartphone* yang menggunakan *consumer's values*, *need*, dan *behavioral intention* sebagai *marketing tool* bagi produk mereka.

Kata Kunci: *Consumers' Values, Consumers' Needs, Consumers' Behavioral Intentions, Smartphone,* Indonesia, Korea.

CHAPTER 1

INTRODUCTION

1.1 Background

Smartphones are beginning to transform how we engage in our everyday lives. Only a few years ago, there were still the minority of mobile phones around the globe, but already they are beginning to transform how we engage in our everyday lives. Today, they have a much more dominant presence. Apparently, the most of smartphone owners use their smartphones before they have even got out of bed. According to the Statista (2015), 37.8 percent of population in worldwide using smartphone, 24.1 percent of population which is 61.2 million people in Indonesia using smartphone. Especially, South Korea which is the top smartphone penetration market in the world has 81 percent of population; 39.7 million people using smartphone.

According to The Boston Consulting Group (2013), Indonesia's economy is growing rapidly, and a large portion of the population is entering the middle-class and affluent consumer (MAC) socioeconomic category. Demographic trends show the size of the opportunity. There are currently about 74 million MACs in Indonesia, and this number will double by 2020, to roughly 141 million people. During that period, some 8 million to 9 million people will enter the middle class each year.

According to Mckinsey&Company (2013), Indonesian consumers are extremely family oriented, and as they move from lower and aspirant classes into the middle and affluent classes, they initially focus their spending on improving living conditions for

their families rather than splurging on themselves. They trust traditional media and tend to believe marketing messages, advertisements, and advice from salespeople. These consumers are extremely connected through digital technology. Regardless of their wealth level, they enjoy hunting for bargains. And they are value conscious; when buying large-ticket items, they like to think they are buying tangible benefits, such as greater functionality, in order to justify their purchases. Chinese businessmen already catch this Indonesians' consumer behavior and took action.

As reported in an article titled *Chinese smartphone makers strengthen foothold in RI market* that a number of Chinese cell phone makers are intensifying their campaigns in the Indonesian smartphone market, despite the growing popularity of South Korean mobile devices from Samsung and American premium brand Apple. Lenovo, Huawei, and Xiaomi are among the Chinese brands that are boosting their presence in Indonesia's smartphone market (Jakarta Post, 2014).

According to an article titled *Indonesians spend most time on smartphones in the world* that Indonesians ranked as the world's most addicted smartphone using population, spending on average more than three hours a day on the devices, according to a recent study by Millward Brown AdReaction. The study showed that Indonesians with smartphones spend on average 181 minutes using them a day compare to Filipinos and Chinese came in second and third respectively, using their smartphones on average 174 minutes and 170 minutes a day. Indonesian Cellular Phone Provider Association (ATSI) chairman Alexander Rusli said he was up beat the country's telecommunications operators would see an increase in both revenue growth and customers by the end of June this year after seeing a slowdown in the first quarter. Most of businesspeople

who engage in smartphone industries will know that Indonesia has huge potential market because of its population and increasing MACs in Indonesia. Thus, there are many smartphone manufacturers want to build their factories in Indonesia. However, they face a problem because of Indonesia's new smartphone law (Jakarta Post, 2014).

According to an article titled *U.S. raises concerns over 'made in Indonesia' smartphone law* that the regulation, which would come into force on Jan. 1, 2017, requires companies that sell smartphones and tablets in the fast-growing economy of 250 million people to preduce 40 percent of their content locally. The office of the U.S. Trade Representative (USTR), America's chief trade negotiator, said it was raising the issue with the Indonesian authorities and in multinational forums. Apple and Samsung did not immediately respond to requests to comment on the local-content rule. Indonesia's Communications Minister Rudiantara, who is working on the regulation that is due to be finalized by March, could not reach for comment. Rudiantara said that the regulation would help Indonesia get a share of the roughly $4 billion in annual domestic smartphone sales and support President Joko Widodo's pledge to switch the country from an economy that mainly consumes products, to one that produce them (Reuters, 2015).

Moreover, according to the article, *New Smartphone Regulation may Boost Smuggling* that the government's plan to require smartphone manufacturers to use local components may help the local cell phone industry, but trade observers warn that the restriction will also encourage smuggling. Ali Cendrawa, the chairman of the Indonesian Cell Phone Dealers and Importers Association (Aspiteg), said that his association fully supported the government's move as it would help the local component industry

grow (Jakarta Post, 2015).

On the other hand, smartphone market in South Korea is quite different. In the 1950s, South Korea was as poor as India. But from the early 1960s to the late 1990s, it was one of the world's fastest-growing economies. Today, South Korea ranks as Asia's fourth-largest economy, and it boasts GDP per capita of about $32,000. The country's wealthy, urbanized population has made it a highly attractive market for domestic and international retailers alike by L.E.K Consulting (2013). South Korea, home to popular phone manufacturer Samsung, leads in both overall mobile ownership (99 percent) and smartphone owenership (67 percent). Among developed markets, smartphone ownership is lowest in the U.S. based on data collected during the first two quarters of 2012, but has steadily increased over the last few years, reaching 61 percent by December 2012 by Nielsen (2013).

In addition, South Korea is world famous for the fastest internet technology. According to the Business Insider (2013) in article *Ultra-Wired South Korea Is Battling Smartphone Addiction* that the South Korea has promoted Internet technology as a key driver of growth, and the capital Seoul is often referred to as the "most wired" city on the planet. However, the growth of Korean smartphone market is estimated to turn negative this year due to market saturation quoted by Business Korea (2013). According to the U.S. market researcher Strategy Analytics (2013), this year's domestic smartphone market is expected to decline 14 percent from last year's 30.7 million units to around 26.3 million, making this year the first time for negative growth since 2007.

According to the L.E.K Consulting (2013) titled *Spotlight on South Korea: Understanding the South Korean Consumer* that South

Korean consumers are typically well-educated and well-informed. The national literacy rate is 98 percent. Consumers tend to be tech-savvy, and this has strongly influenced the way they shop. Many use social media to search for information about potential purchases and to share their own product reviews. These technology-minded consumers are well-positioned to judge the value of products, and also to find the best prices for the best product. Another important trend in South Korea is the steady rise of single-person households. The proportion of Koreans living alone rose from 16 percent in 2000 to 24 percent in 2010, and it is expected to reach 30 percent by 2020. These consumers place a premium on convenience and efficiency. In general, more and more South Koreans are now loath to shop in inefficient and time-consuming ways. Neighborhood convenience stores are increasingly popular because they offer quick and easy access to busy shoppers. Online commerce is also growing at breakneck speed since it allows consumers to save both time and money.

As a result, it can be seen that Indonesia and South Korea's smartphone market have different characteristics. Simply, Indonesian smartphone market tends to expending itself but, on the other hand, Korean smartphone market is already saturated and it tends to sell its products such as Samsung and LG to the other countries. Besides, the consumer behavior of both countries is also different. While Indonesian consumers are extremely family oriented, Korean consumers are individual oriented. Therefore, the intent of this research is to find out whether the consumers' values, needs, and behavioral intentions of Indonesia and South Korea will positively influence on buying new smartphone.

1.2 Problem Formulation

Based on the studies conducted by Mozgovaia (2012) titled "*A Study on Consumers' Values, Needs, and Behavioral Intentions: Comparison of Russia and Korea*", it is shown that examining according to the relationship of consumers' values, needs, and behavioral intentions in two countries digital camera markets, Russia and Korea. Furthermore, consumers' values, needs, and behavioral intentions tend to be affected by their different cultures. Therefore, the studies of the consumers' values, needs, behavioral intentions, and culture have been a popular study in the fields of Consumer Behavior. As the studies of consumers' values are popular, in previous researches contrasting definitions of consumer's value.

According to Rokeach (1973), values are both a powerful explanation of and influence on human behavior. However, according to Malhorta (1993), values can help to explain the differences in behavior amongst people from different cultures and these values tend to persist over time. Some researchers mentioned the definition of combining value and culture to develop the cultural values (Clark, 1990; Ken & Sweierczek, 1991). Besides, some researchers such as Tse D., et. al. (1988) mentioned definition of combining value and cross-country study. Research regarding the consumers' needs is well explained in Yau's book on consumer behavior in China (1994) that it is important for global marketers to identify prevalent types and to understand how these needs affect purchase behaviors. Identifying types of needs in selecting international consumer markets can aid in developing effective marketing strategies appealing to the specific needs of those markets. Behavioral intention is characterized as purchase intention where consumers purchase more in future and recommend products they used to others (Brady, Cronin & Brand, 2002; Sirohi,

McLaughlin & Wittink, 1998).

However, according to Yau's (1994) little research has examined how consumer values in different country markets influence the shaping of consumer needs to be met via particular products or brands and how these consumers' needs affect subsequent purchase behavior. Therefore, based on this information, the research questions are as follows:

1. Do consumers' values and needs have positively and significantly related to producing behavioral intentions when buying smartphones?

2. Do consumers' values and needs positive and significantly influent to behavioral intentions in two different markets: Indonesian and Korean?

3. Are there the differences in term of consumers' values, needs, and behavioral intentions in Indonesia and South Korea?

1.3 Research Objectives

The objectives of this research are to address these following problems:

1. To examine the relationship of the impact on consumers' values and needs in producing behavioral intentions when buying smartphones.

2. To examine whether consumers' values and needs positively influence behavioral intentions in two different markets: Indonesian and Korean.

3. To investigate the differences among consumers' values, needs, and behavioral intentions in Indonesia and South Korea.

1.4 Research Contributions

This research is expected to give benefits for researchers, practitioners and the academic society.

1.4.1 Practical Contribution

Not only smartphone companies but also any other companies could take the benefits of using both Indonesian and South Korean consumers' values, needs, and behavioral intentions into their own businesses.

1.4.2 Theoretical Contribution

This research can help other researchers in the future as an additional reference for further study in this topic and give information in the issue of consumers' values, needs, and behavioral intentions particularly regarding Indonesia and South Korea. This research will present arguments of findings that can be considered for future research on consumers' values, needs, and behavioral intentions.

1.5 Research Outline

The outline of this research is as follows:

Chapter 1: Introduction

This chapter explains the background of the theme of the research, the main problem that would be the question of the research, the significance of the research for academic and practical researches as well as the purpose of the research and the systematic of the research.

Chapter 2: Literature Review

This chapter would discuss the relevant literature review for the research gathered from secondary sources about the research variables, which are consumers' values, needs, and behavioral intentions to purchase smartphones in both Indonesia and South Korea. The literature obtained in this chapter will be used as the basis of the research.

Chapter 3: Research Methodology

This chapter shows how the research would be conducted. The main components in this chapter are the research design, scope of research, research data, research model, research hypothesis, explanations of research variables and the systematic of the questionnaire.

Chapter 4: Analysis and Discussion

This chapter will consist of the analysis of the results or founding of the research that will further be discussed to find the answer for the problems of the research as stipulated in Chapter 1.

Chapter 5: Conclusion and Recommendations

This chapter consists of a short statement that states the answer towards the problems the research addresses. Furthermore, the researcher will give a suggestion for the relevant parties in order for them to receive the benefits from this research.

CHAPTER 2

LITERATURE REVIEW

2.1 Consumers' Values

A significant number of researchers recommended that values influence a variety of characteristics of consumption and behaviors (Vinson et al., 1977; Becker and Connor, 1982; Prakash and Munson, 1985; Valencia, 1989; Donthu and Cherian, 1994; Wedel et al., 1998; Shim and Eastlick, 1998; Kamakura & Novak, 1992; Kim et al., 2002; Chryssohidis & Krystallis, 2005). Whereas Kahle (1980) argued that values have an indirect effect on consumer behavior through less abstract mediating factors such as domain specific attitudes and needs.

Therefore, all the individuals have some stated goals and ends towards which they strives and the selection and maintenance of these goals and ends is the responsibility of the values as well as regulating the processes in which in struggle has been take place (Vinson, Scott, & Lamont, 1977; Kims et al., 2002). Thus values, explicit or implicit, function as grounds for behavioral decisions in general and consumption behaviors in particular (e.g., Carman, 1977; Williams, 1979; Allen, 2001). The values help people adjust the situation for the achievements of their goals by directing both their effort and resources. Other researchers have also attempted to understand consumer behavior through needs (Tse et al., 1989; Homer and Kahle, 1988; Kim et al., 2002; Hollywood et al., 2007).

Besides, according to the Rokeach (1973), the pervasive role of values in all aspects of human life has motivated empirical investigation in a number of social science disciplines. Values are

both powerful explanation of and influence on human behavior. These researchers conclude that individual needs and behavior are strongly and positively correlated and consumer values and needs remain an important predicator of consumer behavior.

2.1.1 The List Of Values (LOV)

List Of Values (LOV) is commonly used in research on values because of its ease of management and high reliability. It is considered to be well-organized, assessable sets of variables that are less various, more centrally seized and more closely associated to stimulus than demographic and psychographics measures. The LOV has also proven its effectiveness in cross-cultural applications (Beatty, Kahle, & Homer, 1991; Goldsmith, Freiden, & Kilsheimer, 1993). Commonly used method of value measurement was developed by researchers at the University of Michigan (Veroff et al., 1981; Kahle, 1983). According to Beatty L., et. al. (1954), the instrument called the LOV was developed from a theoretical base proposed by Feather (1984), Maslow (1954) hierarchy of needs, Rokeach (1973) terminal values, and other generation in value research. The LOV typology is related to social distinction theory (Wedel et al., 1998). As a result, values are the most abstract elements of social cognition, which reflects the most basic characteristics of adaption. The abstraction in a sense provides a prototype from which behaviors are manufactured (Kahle & Timmer, 1983).

The nine LOV items were derived by collecting the values from the below sources of values. These include security, self-respect, being well respected, sense of belonging, warm relationships with others, sense of accomplishment, self-fulfillment, fun and enjoyment in life, and excitement.

Table 2.1 Brief description of the items of the List Of Values

Values	Descriptions
Security	A deficit value, endorsed by people who lack economic and psychological security. It is associated with purchasing for self-indulgence and with a desire for quality.
Self-Respect	The most frequently selected in the United States, it is selected by the least distinctive consumers. People who endorse self-respect as most important engage in social identity purchasing and display high levels of health consciousness.
Being Well Respected	These people pose and interesting contrast to those representing contrast to those representing self-respect. Self-respect requires the cooperation of others, whereas being well respected can be achieved alone. Consumers who value this segment are associated with a strong desire for quality, company reputation, patriotism, social identity, health consciousness, and brand loyalty, and in surveys of mental health, are much better adjusted.
Sense of Belonging	This value requires the help of others. Similar to warm relationships with others, it is a social value, valued more by women than men. However, sense of belonging is less reciprocal than warm relationships, and seems to result in greater conformity and dependency. Consumers who value sense of belonging believe that "you get what you pay for", they admire voluntary simplicity, purchasing for company reputation, patriotism, nostalgia, brand consciousness, brand loyalty, deal proneness , and health consciousness. This is a home and family oriental value.
Warm Relationships with Others	An excess value endorsed especially by women consumers who have a lot of friends and who are themselves friendly. People who value warm relationships are characterized by purchasing for patriotism, deal proneness, and the belief that "ads are informative".
Sense of Accomplishment	These are mostly male consumers who endorse this value have made significant accomplishments in their lives. This value is associated with conspicuous consumption, purchasing for sex appeal, self-indulgence, and convenience.
Self-Fulfillment	These consumers are relatively fulfilled economically, educationally, and emotionally. They are typically young professionals and tend to make purchases that emphasize quality, self-indulgence, convenience, patriotism, entertainment, conspicuous consumption, and brand loyalty.

Table 2.1 Brief description of the items of the List Of Values (Continued)

Fun and Enjoyment in Life	This value has been increasing in popularity, especially among young people. Rather than the hedonistic attitude one might associate with this value, consumers who specify fun and enjoyment in life believe in living life on life's term, a "stop and smell the roses" philosophy. These people respond most favorably to survey questions designed to measure involvement with leisure-time activities. This value is associated with purchasing for elegance, convenience, nostalgia, patriotism, authenticity, and brand consciousness. *Note: Include subsumes the value of Excitement

Source: Kahle (1996); Kahle et al. (2001)

The following categories provide a personality-like description (see Table 2-1) of how individuals identify with each value and adapt to their environments. The category of excitement, for the most part, was folded into the value of fun and enjoyment because excitement has seldom been selected as first choice for the majority of subjects (Kahle & Kennedy, 1989). Kahle (1996) indicated that the LOV not only has established itself as a reliable value measurement instrument through thousand of correlates with ratings and rankings of the items in the LOV (Kahle, 1983, 1994; Kahle & Kennedy, 1989), but also provide a personality-like description of how individuals identify with each value and adapt to their environments.

The previous studies conducted by Kahle (1983), Homer & Kahle (1988), and Kahle, Beatty & Homer (1955) proposed that the findings of several researches have supported the idea that nine items of the LOV can be grouped into internal and external values. In addition, the findings of several researches have supported the idea that nine items of the LOV can be categorized by Homer & Kahle (1988) and Chryssohoidis & Krystallis (2005). First of all, the values of security, sense of belonging, and being well respected are related to a person’s link with the rest of the society. Secondly,

the values of fun and enjoyment in life and warm relationship with others are representing an internal/ a personal value factor. The remaining four values which are self-respect, self-fulfillment, sense of accomplishment, and excitement are related to an internal/ a personal value factor.

In order to distinguish between internal and external values, Rotter, Seeman, and Liverant (1962) stated the concept of two values. Internal-oriented values include self-respect, self-fulfillment, warm relationships with others, fun and enjoyment, excitement, and sense of accomplishment, whereas external-oriented values include sense of belonging, being well- respected, and security. Besides, Kahle (1983) indicated that individuals with strong internal-oriented values tend to depend on their inner strength to wrestle with life's problems, and believe that they have the power of influence and control outcome. On the other hand, individuals with strong external-oriented values rely more on fate and luck to overcome problems in life, but not on their ability. Therefore, due to the different factors incorporated in internal and external values, these terms can be distinguished from each other.

2.2 Consumers' Needs

Meeting consumers' needs is the fundamental goal of marketers. Consumer products are generally marketed to appeal to three basic types of consumers' needs which are functional, social or symbolic, and experiential (Park et al., 1986; Keller, 1993). These needs are considered fairly low-level motivators that encouraging customers to focus on advantages of the product. According to Park et al. (1986), functional needs are defined as those that motivate the search for products that solve consumption-related problems such as solve a current problem, resolve conflict,

and restructure a frustrating situation. Social or Symbolic needs are defined as desires for products that fulfill internally generated needs for self-enhancement, role position, group membership, or ego identification. Experiential needs are defined as desires for products that provide sensory pleasure, variety, and/or cognitive stimulation. According to Bhat and Reddy (1998) found the successful brand Nike to be perceived as functional, symbolic and experiential among respondents.

Consumers' needs are also affected by the system of the society or culture. Markets with low individualism would value products to fulfill social or functional needs to reinforce group membership and affiliation or reduce the risk of not being accepted. On the other hand, consumers in markets with high individualism would value products that appeal to their experiential needs (Roth, 1995). Thus, it is anticipated that values considered to be important in each country market will be related to the consumer needs to be met though purchasing smartphones. In addition, according to Hawkins, Best, & Coney (1992), the proposition of individual needs being a representation of self-identified groups may provide additional opportunities to understand the purchase behavior of various sub-cultures and their influence on product consumption. Therefore, effective needs segmentation can allow marketers to adapt their programs to the specific needs and values of individual sub-culture, thus providing positioning opportunities around individual consumers who identify with various needs-satisfaction groups.

2.3 Behavioral Intention

Behavior intention is characterized as purchase intention where consumers purchase more in future and recommend products

they used to others (Brady, Cronin & Brand, 2002). In addition, behavior intention originates from learning theory and assuming that behavior toward a particular object is approximated by an intention to perform that behavior. Intention represents a person's conscious plan to exert effort to carry out a behavior (Eagly & Chaiken, 1993). Besides, behavioral intention has constructed factors such as repurchase intention, positive word-of-mouth, and willingness to pay. These are also being adopted wildly in consumer loyalty research (Dick & Basu, 1994; Lance, 1997).

2.3.1 Repurchase Intention

Repurchase intention is defined as the individual's judgement about buying again a designated service from the same company, taking into account his or her current situation and likely circumstances (Hellier, Philip K., Geursen, Gus M., Carr, Rodney A. and Rickard, John A., 2003). Meanwhile, Czepiel & Gilmore (1987) defines repurchase intention indicated that if consumer is going to buy products from same seller or not based upon previous purchase experience and expectation in future. According to Jones & Suh (2000), repurchase intention as the consumer's possibility to buy the next time the same product or service (s)he already bought and used.

Fornell (1992) found that high customer satisfaction will result in increased loyalty for the firm and that customers will be less prone to overtures from competition. This view was also shared by Anton (1996) who stated that satisfaction is positively associated with repurchase intentions, likelihood of recommending a product or service, loyalty and profitability. Loyal customers would purchase from the firm over an extended time (Evans & Lindsay, 1996). Guiltinan, Paul and Madden (1997) also examined that

satisfied customers are more likely to be repeat and even become loyal customers and don't think to switch to other service providers.

A popular model to show that the incorporation of customer perceptions of equity and value and customer brand preference into an integrated repurchase intention analysis which is called customer repurchase intention, developed by Hellier, Geursen, Carr, and Rickard (2003) and shown in figure 2-1 below. This model describes the extent to which customer repurchase intention is influenced by seven important factors which are service quality, equity and value, customer satisfaction, past loyalty, expected switching cost, and brand preference. The analysis finds that although perceived quality does not directly affect customer satisfaction, it does so indirectly via customer equity and value perceptions. The study also finds that past purchase loyalty is not directly related to customer satisfaction or current brand preference and that brand preference is an intervening factor between customer satisfactions and repurchase intention. The main factor influencing brand preference was perceived value with customer satisfaction and expected switching cost having less influence.

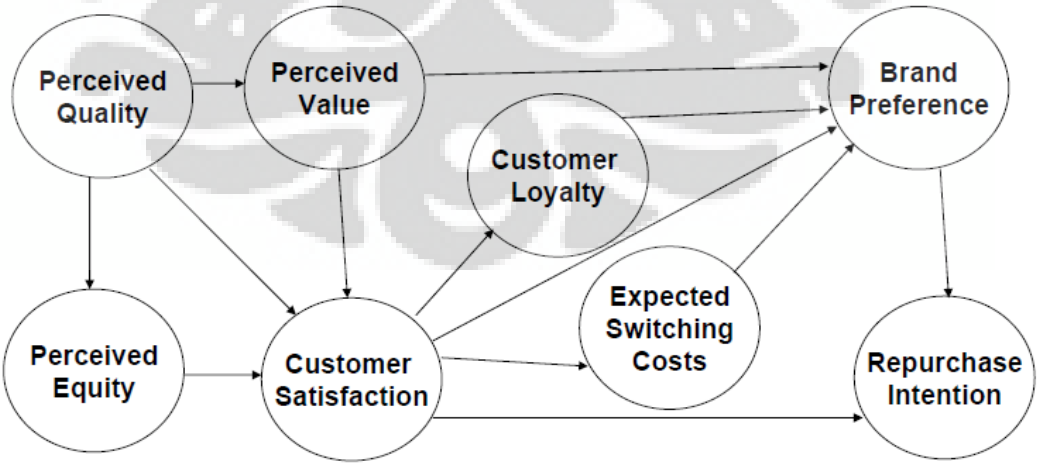


Figure 2.1 Customer Repurchase Intention

Source: Hellier, Geursen, Carr, and Rickard (2003)

2.3.2 Intention of Word-of-Mouth

Marsden & Kirby (2006) defines that word-of-mouth is an oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, concerning a brand, and a product or a service. Word-of-mouth refers to shared evaluation information of products and services via private communication among peoples, developed by Dichter (1966), Fornell & Bookstein (1982), and Westbrook (1987). Furthermore, according to Marsden and Kirby (2006), the word-of-mouth phenomenon is an academic fact, consumer do talk about products, brands, marketing campaigns and advertisement campaigns, it is a part of their daily life. Although, Marsden and Kirby (2006) emphasize that word-of-mouth is not always a positive thing, it can also communicate negative issues. Whereas, Lovelock (2001) claims that word-of-mouth is a form of marketing communication; however, it is not advertising, because customers provide it voluntarily. These definitions highlight the power of word-of-mouth as to influence customers' perception and to shape their expectation.

Due to the rapid growth of the Internet, there has been a drastic shift in word-of-mouth communication (Cheung & Lee, 2012). Besides, because of digitalization, there has been an important shift from word-of-mouth to electronic word-of-mouth (Prendergast, et al., 2010). According to Hennig-Thurau et al. (2004), electronic word-of-mouth is defined as any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to multitude of people and institutions via the Internet. Also, in electronic word-of-mouth, information can originate from an unknown person in contrast to traditional word-of-mouth, in which information is

exchanged in a more personal way (Park & Lee, 2009). Electronic word-of-mouth is an important factor to be analyzed by marketing researchers and managers, if we consider all the special characteristics of the Internet, such as the ability to be available to the general public for indefinite time (Hennig-Thurau et al., 2004).

The effectiveness of word-of-mouth has been widely discussed for a long period of time. Brooks (1957) highlighted word-of-mouth as of great importance to marketing products and maximizing their sales. Other researchers also emphasized that word-of-mouth had the strongest influence on consumers' evaluation on high risk-perceived products and that it has the ability to shape and mold other consumers' opinions (Dichter, 1966; Arndt, 1967). On the other hand, Hennig-Thurau et al. (2004) argue how important it is for marketers to pay attention to electronic word-of-mouth, since it is available to a wide span of individuals for an unlimited period of time. Also, because now they can reach a wider audience at a lower cost (Dellarocas, 2003), and electronic word-of-mouth is extremely popular, and thus, if electronic word-of-mouth is managed well, it has a huge potential to transcend a product from a small market to a much larger one (Park & Kim, 2007).

2.3.3 Willingness to Pay

According to Gold, Siegel, and Russel, the preferred method of valuation is to stimulate the market by estimating the willingness to pay. Willingness to pay reflects the maximum monetary amount that an individual would pay to obtain a good. This provides a purchase price relevant for valuing the proposed gain of a good. Willingness to pay for a little more service is a reflection of the value placed by consumers on a increment of that service. The amount consumers are willing to pay depends to a large extent on

the level of income available to them, so usually by averaging across income groups. Whereas, Freeman (2003) is defined willingness to pay as the maximum price a buyer accepts to pay for a given quantity of goods or services.

In an empirical study Lankoski (2000) found that there were three distinct sources for customer willingness to pay for environmental performance. The willingness to pay could be ethics-based, benefit-based, or pressure-based. Building on this finding, he developed three types of customer willingness to pay: altruistic, instrumental, and induced willingness to pay.

These distinctions help to differentiate among three willingness pay types (see Table 2-2 for examples of each in the context). First of all, willingness to pay is altruistic when the customer's purchasing decision is affected by a desire to contribute towards sustainability in the form of a cleaner environment, just compensation for producers ("I am willing to pay because I care"). The customer's motivation is ethically based and the willingness to pay is directed towards providing the social benefits present in the offering (Lankoski, 2000). By contrast, when the customer's purchasing decision is affected by a desire to secure the private benefits associated with using the product, the willingness to pay is instrumental ("I am willing to pay because I will benefit"). The private benefits can relate to added value in the product or reduced use costs of the product (Lankoski, 2000). Finally, when the customer's purchasing decision is affected by the fact that the customer feels a pressure to select the sustainable alternative, the willingness to pay can be called as induced ("I am willing to pay because I am expected to"). Such pressure can originate from the customer's own stakeholders or from social norms, from regulations affecting the customer, or from voluntary initiatives that the

customer is committed to (Lankoski, 2000).

Induced willingness to pay resembles instrumental willingness to pay that product has value only as an instrumental for obtaining private benefits such as reputational gains rather than as an end in itself. Besides, it resembles altruistic willingness to pay that the customer gets no direct benefits from using a product with the sustainable attribute. While induced willingness to pay may thus sometimes be easily confused with the other two types, it is nevertheless a distinct concept (Lankoski, 2000).

Table 2.2 Three Types of Willingness to Pay

WTP Types	Examples
Altruistic WTP: "Because I care"	A consumer boycotts meat from intensive production because he or she thinks that the production cuases suffering to animals and that this is not right. A consumer is willing to pay a price premium for fair trade labelled coffee because he or she thinks that it is right that coffee growers in developing countries obtain a fair compensation for their product.
Instrumental WTP: "Because I will benefit"	A consumer willing to pay a price premium for organically grown vegetables because he or she believes that they are healthier for him/her to eat than conventionally produced ones. A supermarket chain prefers to buy the food product that comes with a light and recyclable packaging because it is bound by regulation to take back from its customers the packaging used in the products it sells and to carry the costs of disposing of the packaging.
Induced WTP: "Because I am expected to"	A restaurant will not purchase an ethically controversial product such as goose liver because serving such a dish would anger its ethically conscious clientele. A retail store is willing to pay a price premium for dolphin-safe tuna because it has made a public commitment to stock only such tuna products on its shelves.

Source: Lankoski (2000)

2.4 Previous Studies

Mozgovaia (2012) conducted a study similar to this research and her study was used as the main reference for this research. The title of her study investigated a study on consumers' values, needs, and behavioral intentions comparison of Russia and Korea. Therefore, what differentiates this study and her study is the population of the research and the part of the study which analyzed the influence of attitude of buying new smartphone in Indonesia and Korea. Mozgovaia (2012) stated that the effect of the consumers values and needs on the behavioral intentions in two countries Russia and South Korea. However, they concluded that there is a positive relationship between consumers' values and needs in Russia and Korea. Furthermore, consumers' needs have a strong influence on behavioral intentions in both countries. It has been learned that because of the different cultures consumers' values influence consumers' needs in a different way in two countries. Moreover, it has been proven that consumers' needs affect behavioral intentions differently in Russian and Korea. Though the relationship pattern is similar, there is a difference in the magnitude of the influence.

Other studies by Humayun & Hasnu (2009) have acknowledged that an analysis of consumer values, needs, and behavior. In this study examines the relationship of consumer values, needs and behavior in order to efficiently and effectively position and target the market. The purpose of their study is to identify those motivational factors and variables that influence the consumer to make the purchase decision and types of personal values, motives, emotions and moods directing them. The empirical research is based on a survey with a sample of consumers from Hazara Division using questionnaire and interviews. The findings indicate that personal and interpersonal values are found to be the

main motivators behind the purchase of milk products. Among the three types of needs identified to be satisfied through milk products, in order of importance, are health, taste consciousness and environmental needs. The results of Humayun & Hasnu (2009) found out that consumer trying to satisfy particular type of needs through personal values as expressed in milk purchases. Different values might be achieved through consumption of different products or services. Consumers' general purchase behavior reflects how consumers generally utilize and prioritize their needs to be satisfied from brand loyal behavior usually buy the same brands of milk, this reflects the behavior of consumers who wanted to fulfill all three types of needs through milk purchase decisions (Kim, et. al., 2002).

At the time of this writing, there is a probable study that were conducted with Korean respondents that specifically studied the effect of consumers' values, needs, and behavior on specific product. However, there are many samples that related to services. The researcher found that prior studies tend to look at effect of consumers value, needs, and behavioral intentions toward services such as the effect of consumers' buying behavior according to the attitude of department store employees and so on. However, prior research on the effect of consumers' values, needs, and behavioral intentions has different perception and purpose to visit department store in Indonesia and Korea. Therefore, the researcher decides to choose specific product which is new smartphone in order to compare the consumers' values, needs, and behavioral intentions for both countries.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Conclusive Research

According to Malhotra (2007), descriptive research is a type of conclusive research with a main objective of describing something, such as market characteristics or functions. The design of descriptive research that is conducted in this research is the cross-sectional design. A research using the cross-sectional design collects information from the population sample only once. To collect the information from the sample, a questionnaire survey for the pre-test will be distributed to the respondents.

3.2 Scope of Research

3.2.1 Unit of Analysis

Consumers that are over 18 years old and living in the Jakarta, Bogor, Depok, Tangerang, Bekasi (JaBoDeTaBek) area will be the unit of analysis in this research. The total sample size will be 280 people responding to the survey for values, needs, and behavioral intention of new smarphone, with 140 people are Indonesian people and the other 140 people are Korean people. The sample size was determined based on the theory explained by Hair et al. (2006) in Wijanto (2008) that states the minimum number of samples required for an analysis using Structural Equation Modeling (SEM) is the number of items in a questionnaire multiplied by 5. In this questionnaire, there will be 27 items, thus the minimum required samples is 135 people in each.

3.2.2 Geographic Scope

The geographical scope of this research will be the Greater Jakarta (JaBoDeTaBek) region, which includes the cities of Jakarta, Bogor, Depok, Tangerang, and Bekasi. This region was chosen as the researcher is based in this area.

3.2.3 Research Period

The development of the questionnaire and collecting the secondary data will be done from February 2015 to March 2015. The questionnaire will be distributed from March 2015 to April 2015 and the coding as well the analysis of the data will be conducted on May 2015. The thesis will be predicted to finish and submitted in June 2015.

3.3 Research Data

Malhotra (2007) classified marketing research data into two types, which are primary data and secondary data. Primary data is the data that is obtained by the researcher that aims to answer specifically the problem at hand while secondary data is the data that have been collected for purposes other than the problem at hand.

3.3.1 Primary Data

Primary data is collected through research in the form of distribution the questionnaire as a traditional method. Both Indonesian and Korean who are currently living in Indonesia and over 17 years old are eligible of becoming a respondent. After the survey is distributed, the researcher will give a timeframe of seven weeks in order for all responses to be completed. When collecting

the primary data through the distribution of the questionnaire, the researcher uses the structured question design in designing the questionnaire as stated by Malhotra (2007). The questions in a structured question design give the respondents alternative choices or answers and scaled response questions are the type of question used. In the questionnaire all scale items will use the five-point Likert scale. Peabody (1962) claims that Likert scales are meant to primarily capture direction, either positive or negative, as well as the degree intensity, which is the level of disagreement or agreement. A five-point Likert scale has a midpoint, thus the possibility of respondents filling out the midpoint in the scale, or also known as central tendency, exists and may not be reliable to capture the direction and level of agreement of the respondent towards a statement.

3.3.2 Sampling Methods

The sampling method that is used in this research is non-probability sampling. According to Malhotra (2007), non-probability sampling is a sampling technique that does not use chance selection procedures but rather rely on the personal judgment of the researcher. Non-probability sampling techniques include convenience sampling, judgmental sampling, quota sampling, and snowball sampling. The non-probability sampling method technique used in this research is convenience sampling. Convenience sampling was chosen because it is suitable for this research scope. Malhotra (2007) claim several advantages of using this sampling method. Convenience sampling is a technique that is cheaper compared to other sampling methods and the time required is shorter compared to other sampling methods. According to Malhotra (2007), there are errors that may occur that has to be anticipated by the researcher, especially non-sampling errors. Non-

sampling errors that may occur are:

1. Non-response errors

   Non-response errors could occur if the potential respondents are not willing to be respondents. The researcher could anticipate this and minimize the chance of this error occurring by giving a detailed description of the identity of the researcher, the aim of the research, ensuring confidentiality of personal data of the respondents, and giving a souvenir as a sign of appreciation for the willingness to participate in answering the questionnaire.

2. Response errors

   Response errors happen when respondents give inaccurate answers as a result of a limited understanding of the terms mentioned in the questionnaire. In addition, response errors could also occur when respondents incompletely filled out the questionnaire. The occurrence of response errors could be minimized by developing questions with clear terms, short statements and giving an explanation or description if a respondent does not understand a term.

3.3.3 Data Collecting Method

In this research, the researcher uses multiple-cross sectional design that included Indonesian and Korean, thus the questionnaire that is distributed to the sample will be given once in the data collecting period. The researcher will distribute the questionnaire personally near to the campus. The questionnaire that is distributed will be a self-administered questionnaire.

3.4 Pre-Test Method

Before the researcher collects the primary data using a questionnaire, the researcher will first conduct a pre-test. A pre-test questionnaire has the aim to test the reliability and validity of the questionnaire. Both reliability and validity are important issues when doing an academic research. In the pre-test phase, the questionnaire will be distributed to 20 students in the Universitas Indonesia's Faculty of Economics and Business and 40 students in the main library in Universitas Indonesia. This pre-test questionnaire will see whether the respondents understand the terms mentioned in the questionnaire and to find mistakes as well as double-sided questions (Malhotra, 2007). To process the pre-test results, the researcher will use SPSS Version 17.

According to Malhotra (2007), reliability can be defined as the extent to which a scale produces consistent results if repeated measurements are made. A form of reliability is the internal consistency reliability and Cronbach's Alpha is one of the tests that can be used to measure internal consistency reliability and will be used in this research. Malhotra (2007) define internal consistency reliability as the approach for assessing the internal consistency of a set of items, where several items are summated in order to form a total score for the scale. On the other hand, Cronbach's Alpha is defined by Malhotra (2007) as a measure of internal consistency reliability that is the average of all possible split-half coefficients resulting from different splitting of the scale items and the coefficient varies in a scale of 0 to 1, with a value of less than 0.6 usually indicate unsatisfactory internal consistency reliability. Moreover, according to Malhotra (2007), internal consistency should not be measured by computing across dimensions, as the

different dimensions of a concept are independent, thus internal consistency should be computed for each dimension.

Additionally, reliability refers to the ability to replicate the findings of the study. Reliability test also refers to the operations of the study, and if/ when repeating them, the findings will remain the same (Yin, 2009). If the results are the same when another researcher would repeat the research project, the reliability can be seen high if the results, clams and interpretations would stay the same after the repetition (Silverman, 2006). That is why it is important to write down the detailed operational steps of the process.

The validity of the research refers also to the findings of the study and if the findings make sense. Validity also indicates if the findings are credible for people interviewed and to the readers and if the findings can be transferred into larger content (Miles & Huberman, 1994). According to Saunders, Lewis, and Thornhill (2000), validity is concerned with whether the findings are really about what they appear to be about. In order to assure validity, the research methodology and frame of reference for this study were adhered to.

Malhotra (2007) defines validity as the extent to which a measurement represents characteristics that exist in the phenomenon under investigation. Factor validity is a way to measure construct validity. Construct validity is the degree to which the constructs of theoretical interests have been successfully operationalized (Gebotys, 1999). Factor validity can be conducted through a factor analysis, which is a term that represents a large number of different mathematical procedures for analyzing the interrelationships among a set of variables and is explained in terms of a reduced number of

variables, which are called factors. To conduct factor validity, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy must first be conducted and considered. High values of the KMO, which are between 0.5 and 1.0, indicate that factor analysis is appropriate and valid. On the other hand, values below 0.5 shows that factor analysis may be inappropriate and invalid. However, to conclude the validity of a construct, the KMO cannot be solely used. In addition to the KMO, the results in the component matrix also must be considered and values in the component matrix must be above 0.5.

3.5 Research Model

This research will test to what extent the effect of consumers' values, needs, and behavioral intentions on buying new smartphone in Indonesia and Korea. The research model that will be used will be adapted from the studies done by Mozgovaia (2012). This model can be used to evaluate the validity of buying new smartphone in Indonesia and Korea that has relatively been uncharted. The researcher has modified the original model by changing the object from buying digital camera to buying new smartphone in order to change the research scope. This is due to the intention of the researcher to compare the consumer behavior towards Indonesian and Korean who willing to purchase new smartphone. The research model of this research is as follows:

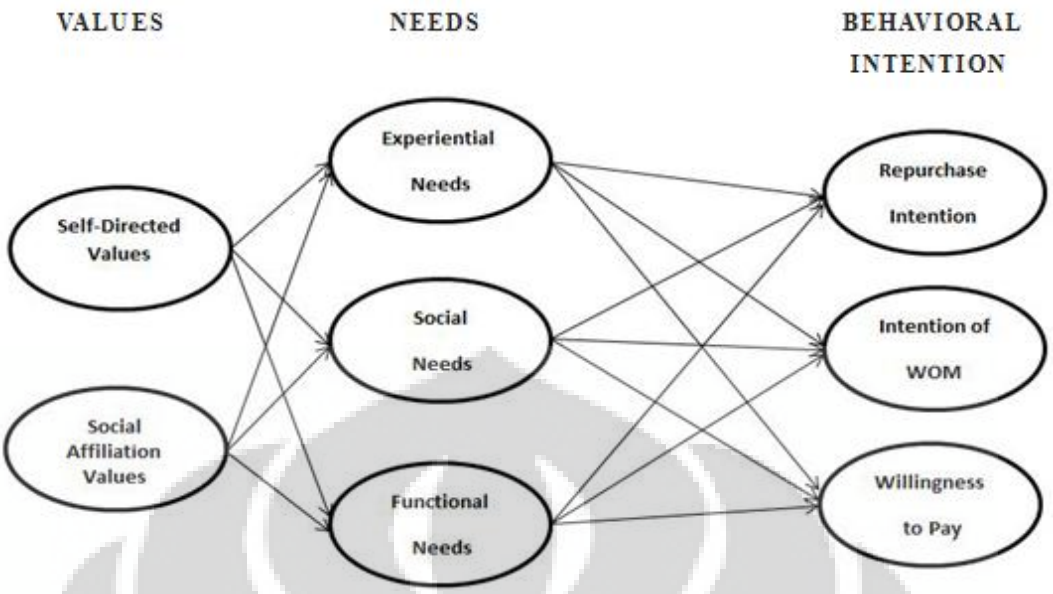


Figure 3.1 Research Framework

Source: Mozgovaia (2012)

3.6 Research Hypothesis

The purpose of this study is to confirm the relationship between consumers' values, needs, and behavioral intentions, and to find out the difference between the relations in the two countries Indonesia and Korea. Based on the relationships of all variables in previous literature review, figure 3-1 shows the relationship between consumers' values, needs, and behavioral intentions. Based on the review of the literature, the conceptual model guiding this research is presented in the above figure and we propose the following hypothesis to examine the relationship of consumers' values-needs-behavioral intentions.

3.6.1 Consumers' Values has Correlation with Consumers' Needs

Values help people adapt to their circumstances by directing

both their effort and resources toward achieving desirable goals (Kahle, 1983). Thus, values have been identified as a powerful force in shaping consumer product choice and therefore in prioritizing needs to be fulfilled (Homer & Kahle, 1988). Personal values have been assumed to influence behavioral and consumption decisions through attitudes (e.g. Carman, 1977), thus creating desires, influence needs to be satisfied, and driving consumers to select products that fulfill specific needs. Personal values have been found to be the underlying determinants of various aspects of consumer attitude and behavior (Homer & Kahle, 1988). Therefore, values may be regarded as one of the most influential factors that affect the type of needs consumers try to satisfy through purchases and consumption behaviors. In other words, consumers` needs and desires are shaped by their values which are influenced by the society they belong to. Hence, the following hypothesis can be proposed:

H1: There is a positive relationship between Consumers' Values and Consumers' Needs.

H1-1: There is a positive relationship between self-directed values and experiential needs.

H1-2: There is a positive relationship between self-directed values and social needs.

H1-3: There is a positive relationship between self-directed values and functional needs.

H1-4: There is a positive relationship between social affiliation values and experiential needs.

H1-5: There is a positive relationship between social affiliation values and social needs.

H1-6: There is a positive relationship between social affiliation values and functional needs.

3.6.2 Consumers' Needs has Correlation with Consumers' Behavioral Intentions

Kahle (1983) suggested that once consumers' needs recognition being activated, their need recognition will correspond to their values because values are enduring, desirable end-state which provide a basis for behavior. On the other hand, Kahle (1996) stated that since personal values have an enduring nature and serve as a guide for people's behavior, consumers' need recognition may also be activated by personal values. Hence, the following hypothesis can be proposed:

H2: There is a positive relationship between Consumers' Needs and Consumers' Behavioral Intentions.

H2-1: There is a positive relationship between experiential needs and repurchase intention.

H2-2: There is a positive relationship between experiential needs and intention of WOM.

H2-3: There is a positive relationship between experiential needs and willingness to pay.

H2-4: There is a positive relationship between social needs and repurchase intention.

H2-5: There is a positive relationship between social needs and intention of WOM.

H2-6: There is a positive relationship between social needs and willingness to pay.

H2-7: There is a positive relationship between functional needs and repurchase intention.

H2-8: There is a positive relationship between functional needs and intention of WOM.

H2-9: There is a positive relationship between functional needs and willingness to pay.

3.6.3 Effect of Consumers' Values towards Consumers' Needs Differently in Indonesia and Korea

According to Mckinsey & Company (2013), Indonesian people are strongly family-oriented and consider their children's opinions when it comes to making purchasing decisions. They are also risk-averse. They tend to live within their means and avoid borrowing. This makes them late adopters of new products and technology. Difference between segments such as the consuming class and the aspiring class largely arise when people consider their levels of engagement while shopping and their familiarity with digital platforms.

On the other hand in a previous study by Mozgovaia (2012), in South Korea, perhaps due to its relative ethnic homogeneity, a distinct collectivism has evolved, distinguished from the

collectivism in other Asian countries (Kashima et al., 1995; Rhee, Uleman, & Lee, 1996). Although by tradition the culture of South Korea has been quite collectivistic, and many citizens hold quite fast to these values, some segments of society have recently experienced strong pressures to adopt more individualistic cultural values (Y.-S. Park & Kim, 2006). In spite of the changes of values in Korean society, few empirical studies have explored the collectivism and individualism of Korean. Han and Shin (1999) surveyed adults working at large companies across South Korea and reported that 51% could be classified as having individualistic cultural values. Observers note that beginning more than two decades ago, Korean society has become increasingly Westernized and individualized in the economic, social, and political spheres, with increasing emphasis on individual freedom and rights (Han & Shin, 1999). The importance of extended family or clan has decreased. Western operational styles have been adopted in education and business. Hence, the following hypothesis can be proposed:

H3: Consumers' Values influence Consumers' Needs differently in Indonesia and Korea.

H3-1: Self-directed values influence experiential needs differently in Indonesia and Korea.

H3-2: Self-directed values influence social needs differently in Indonesia and Korea.

H3-3: Self-directed values influence functional needs differently in Indonesia and Korea.

H3-4: Social affiliation values influence experiential needs differently in Indonesia and Korea.

H3-5: Social affiliation values influence social needs differently in Indonesia and Korea.

H3-6: Social affiliation values influence functional needs differently in Indonesia and Korea.

3.6.4 Effect of Consumers' Needs towards Consumers' Behavioral Intention Differently in Indonesia and Korea

According to Mckinsey & Company (2013), the broader conclusion, based on our interview with more than 5,500 consumers across 44 cities and rural centers in Indonesia, is that while Indonesians are experimenting with modern retail, purchasing behavior remains fragmented with consumers using multiple channels for every product category.

On the other hand, according to Mozgovaia (2012) behavior is constrained by implicit shared norms in South Korea. The importance of emotional relatedness can be found in the emphasis on cheong (emotional connection) and woori (sense of "we") in interpersonal relationships. Koreans tend to strongly identify with an in-group (Na & Min, 1998) and develop woori toward this group, as well as a sense of out-groups as "others" who are clearly distinguished. Strong emotional bonds and relatedness through networks of extended family relationships increase in-group identification.

H4: Consumers' Needs influence Consumers' Behavioral Intentions differently in Indonesia and Korea.

H4-1: Experiential needs influence repurchase intention differently in Indonesia and Korea.

H4-2: Experiential needs influence intention of WOM differently in Indonesia and Korea.

H4-3: Experiential needs influence willingness to pay differently in Indonesia and Korea.

H4-4: Social needs influence repurchase intention differently in Indonesia and Korea.

H4-5: Social needs influence intention of WOM differently in Indonesia and Korea.

H4-6: Social needs influence willingness to pay differently in Indonesia and Korea.

H4-7: Functional needs influence repurchase intention differently in Indonesia and Korea.

H4-8: Functional needs influence intention of WOM differently in Indonesia and Korea.

H4-9: Functional needs influence willingness to pay differently in Indonesia and Korea.

3.7 Operationalization of Research Variables

3.7.1 Consumers' Values

Mozgovaia (2012) found that up to twenty-seven indicators in two dimensions could be used for the Consumers' Values concept. The two dimensions of consumers' values are self-directed values and social affiliation values. However, quoting Arnold and Reynolds (2003) deleted some indicators that did not meet a certain criteria. Indicators that had factor loadings less than 0.40 cross loadings with other items greater than 0.40 or communalities below 0.30 were deleted and sixteen indicators were left. A five-point Likert scale was used with 1= extremely unimportant and 5= extremely important. The dimensions and indicators are as follows:

For the self-directed values dimension, the indicators are:

- "Self-respect"
- "Self-fulfillment"
- "Warm relationship with others"
- "Fun and enjoyment"
- "Excitement"
- "Sense of accomplishment"

For the social affiliation values dimension, the indicators are:

- "Sense of belonging"
- "Being well respected"
- "Security"

3.7.2 Consumers' Needs

For the Consumers' Needs concept, three dimensions within three indicators each could be used for consumers' needs concept. The three dimensions of consumers' needs are experimental needs, social needs, and functional needs. A five-point Likert scale was used with 1= extremely unimportant and 5= extremely important. The dimensions and indicators are as follows:

For the experimental needs dimension, the indicators are:

- "I stay up-to-date on technology trends in the smartphone industry and want to buy the latest model."
- "I always try to be the first among consumers who buy the latest smartphone."
- "When I purchase a smartphone, I always buy the newest model."

For the social needs dimension, the indicators are:

- "I believe that owning a well-known brand of smartphone provides prestige."
- "I believe that having a particular model of smartphone reflects my social status."
- "I enjoy the feeling of exclusivity when I purchase a new model of smartphone."

For the functional needs dimension, the indicators are:

- "I believe that the functionality of a smartphone is more important than its design."
- "I believe the easier a smartphone is to use, the better."

- "I value the functionality of a smartphone more than its price."

3.7.3 Consumers' Behavioral Intentions

3.7.3.1 Repurchase Intention

While Czepiel and Gilmore (1987) define repurchase intention as customer's willing to use current service provider next time based on past experience and future expectation. In this research repurchase intention refers customer intents to buy new smartphone next time according to their last purchase experience and future expectation. For the Repurchase Intention concept, three indicators and one dimension will be used. A five-point Likert scale was used with 1= extremely unimportant and 5= extremely important. The three indicators are as follows:

- "I would buy the same brand of smartphone again."
- "I usually buy the same brand of smartphones."
- "I will keep buying smartphones of the same brand in future."

3.7.3.2 Positive Intention of Word-of-Mouth

Positive intention of word-of-mouth is defined as how positive what one says or passes information of a product or service to other people (Srinivasan, et. al., 2002). Following this definition positive intention of word-of-mouth means one's positively intention to pass good words on the purchased new smartphone to others in this research. For the positive intention of word-of-mouth concept, three indicators and one dimension will be used. A five-point Likert scale was used with 1= extremely unimportant and 5=

extremely important. The three indicators are as follows:

- "I will say positive information about this smartphone to others."
- "I suggest this smartphone to others who seek for my advice."
- "I will suggest friends to buy the same smartphone."

3.7.3.3 Willingness to Pay

The impact of consumers' needs on behavioral outcomes may differ depending upon the type of behavioral outcomes. Thus, in this research another variable was the how much consumers were willing to pay in total for a new smartphone. It was defined as willingness to pay and this spending on a specified product was used to examine the impact of needs on quantitative purchase behavior. For the willingness to pay concept, three indicators and one dimension will be used. A five-point Likert scale was used with 1= extremely unimportant and 5= extremely important. The three indicators are as follows:

- "When I buy a smartphone, I'm willing to pay an expensive price."
- "I'm willing to pay higher price for the smartphone which I like, than to buy another one."
- "If you need to purchase the new smartphone in future, how much would you be willing to pay for the latest model?"

3.8 Systematic Layout and Design of the Questionnaire

3.8.1 Questionnaire Design

A questionnaire is a data collecting technique that is structured and includes a group of questions that are answered by respondents (Malhotra, 2007). In this research, the questionnaire is developed with the aim of collecting necessary information that is needed for the research, which is information that is related with the behavior of consumers towards buying new smartphone in particular. Respondents will be asked to fill out the questionnaire which is traditional method.

3.8.1.1 Structured Questions (close-ended questions)

Structured questions are questions that give respondents alternative answers with a certain format. Structured questions may be given in the multiple-choice, dichotomous and scale formats (Malhotra, 2007).

1. Multiple-choice questions

   In multiple-choice questions, the researcher provides more than two options for the respondents to answer. In this research, multiple-choice questions are used to ask the level of education of respondents and the respondents' occupation.

2. Dichotomous questions

   Dichotomous questions are questions that only have two answer options, such as "yes" or "no". In this research,

the dichotomous question format is used in the respondents' gender and the respondents' marital status.

3. Scales

Scales are considered as an extension of measurement and involve creating a continuum upon which measured objects are located. It is designed to know the respondents' position or feelings towards the statements in the questionnaire from the respondents' point of view. This research will use a five-point Likert Scale, with the one scale signaling respondents extremely unimportant with the statement and five signaling respondents extremely important. The five-point Likert Scale will be used to measure the respondents' response towards the consumers' values, needs, and behavioral intention on buying new smartphone.

3.8.2 Systematic Layout of the Questionnaire

3.8.2.1 Introduction

This section starts of with a statement that introduces the profile of the researcher to the respondents. The profile of the researcher stated include the name of the researcher and in what semester in which university the researcher is currently enrolled. Moreover, it is stated the main objective of this research, the theme of the research and the request of the researcher towards the respondents to help and participate in this research by filling in this questionnaire

3.8.2.2 Main Section

The main section will be divided into several sections in order not to confuse the respondents based on the variable in which the questions belong to. As stated earlier, the variables in this research are consumers' value, consumers' needs, and consumers' behavioral intentions on buying new smartphone. The breakdown of the main section is as follows:

1. Part Ⅰ: Consumers' Values

   This section includes the dimensions and indicators that are a part of the concept consumers' values. As stated previously, there are two dimensions of consumers' values and total nine indicators.

2. Part Ⅱ: Consumers' Needs

   This section includes the dimensions and indicators that are a part of the concept consumers' needs. As stated previously, there are three dimensions of consumers' needs and total nine indicators.

3. Part Ⅲ: Consumers' Behavioral Intentions

   This section includes the dimensions and indicators that are a part of the concept consumers' behavioral intentions. As stated previously, there are three dimensions of consumers' behavioral intentions and total nine indicators.

3.8.2.3 Respondent Profile

In this part, the researcher will ask the profile of the respondents in the form of demographic data which consist of:

1. Gender

2. Age

3. Marital Status

4. Level of Education

   Respondents' level of education is classified into the following categories: High School, Undergraduate, and Graduate and Higher

5. Occupation

   Respondents' occupation is classified into the following categories: Student, Government Official, Company Employee, Business Owner, House Wife, Retired, None of the Above.

6. Monthly Income

   Respondents' monthly income is classified into the following categories: Below $500, $500-2000, $2000-4000, $4000-6000, and Above $6000

3.9 Data Analysis Methods

3.9.1 Questionnaire Analysis

A required procedure in the early analysis is the checking of the filled questionnaire. This procedure is conducted in order to determine whether the filled questionnaire is usable or not to be processed further. This procedure involves checking all the questions of the questionnaire have been answered. In addition, according to Malhotra (2007), there are several factors that could cause a questionnaire to be deemed unusable, which are:

1. Some parts of the questionnaire have not been completed or not all of the questions have been answered.

2. The answering pattern by the respondents indicates that the respondents either do not understand the questionnaire or not following instructions in the questionnaire.

3. The answers from the respondents are not varied or show central tendency. For example, respondents tend to choose the number 4 in the set of numbers in a seven-point Likert scale.

4. Some parts of the questionnaire will be missing when returned, such as one or more pages are missing.

3.9.2 Frequency Distribution Analysis

3.9.3 Structural Equation Modeling

Structural Equation Modeling (SEM) is a statistical method

that could test various relationships between variables simultaneously (Hair, 2006). There are two variables in SEM, which are the latent variable and the observed variable. The latent variable is usually an abstract concept such as behavior, attitude, and motivation. In this research, the latent variables consist of consumers' values, needs, and behavioral intentions on buying new smartphone. On the other hand, an observed variable is a variable that could be measured empirically and is usually stated as the indicator (Wijanto, 2008). In this research, every question in the questionnaire represents an observed variable.

There are two model types in SEM, which are structural model and the measurement model. The structural model shows the relationships between the latent variables. The relationships are usually linear, even though SEM allows the presence of non-linear relationship. In the measurement model, every latent variable is modeled as a factor that is standardized based on related observed variables.

3.9.3.1 Measurement Model

The measurement model seeks to show the relationships between the latent variables and the observed variables. The relationship is a reflective one, where the observed variables are a reflection of the latent variable. Generally, in SEM, the relationship is con-generic, where one observed variable only measures one latent variable (Wijanto, 2008). In order to determine whether the observed variables reflect the latent variable or the researcher needs to confirm it through relevant literature reviews. Thus, the measurement model aims to confirm whether those latent variables are an appropriate measurement or reflection of the latent variable. Therefore, the analysis of the measurement model is often state as

the Confirmatory Factor Analysis (CFA). The results of the CFA can be obtained through:

1. Validity Analysis of the Measurement Model

   Validity is a measurement to explore and check whether a variable is the appropriate measurement used (Wijanto, 2008). The validity analysis is conducted by checking whether certain criteria are fulfilled. The criteria includes: (a) whether the t-value from the standardized loading factor (λ) from the observed variables in the model ≥ 1.96 because the researcher uses a significance level of 5%. (b) the standardized loading factor (λ) of the observed variable ≥ 0.70 as suggested by Wijanto (2008), or ≥ 0.50 as suggested by Igbaria (1997) in Wijanto (2008).

2. Reliability Analysis of the Measurement Model

   Reliability can be defined as the consistency of a measurement. To measure the reliability of the measurement model, the value of the Construct Reliability (CR) must be calculated first. The following formula can be used to calculate construct reliability:

   Standardized loading can be obtained immediately from the output given by LISREL 8.5 and e_j is the measurement error for every observed variable or indicator (Wijanto, 2008). In addition to CR, the reliability analysis also uses the value of the Variance Extracted (VE). Varuabce Extracted shows the amount of overall variance in the indicator that explains the latent variable and can be calculated using this formula:

In the equation above, N is the amount of observed variables in the measurement model. According to Wijanto (2008), a construct has a good reliability if the value of the Construct Reliability (CR) is ≥ 0.70 and the value of the Variance Extracted (VE) is ≥ 0.50. However, according to Fornell (1981) in Huang et al. (2013), the convergent validity of a construct can also be accepted with a VE of ≥ 0.40 if the CR is 0.60.

3. Goodness of Fit Model Test

The Goodness of Fit Model test is conducted by checking the values of Goodness of Fit Statistics such as the Chi-Square and the p-value, RMSEA, Standardized RMR, GFI, AGFI, NFI, NNFI, and CFI. This test is only conducted on latent variables that have ≥ 4 observed variables. The following is an explanation of the measures of the Goodness of Fit Model test.

However, according to Kenney (2014), not all fit indices are suitable to be use for analysis. A key consideration in a choice of fit index is the penalty it places for complexity that can be measured by how much chi-square needs to change for the fit index not to change. The Normed Fit Index (NFI), for example should not be used as the more parameters added to the model, the larger the index will be. In addition, the Goodness-of-Fit Index (GFI) or the Adjusted Goodness-of-Fit Index (AGFI) should not be used as these measures are affected by sample size. The Standardized Root Mean Square Residual (SRMR) is a positively biased measure and that the bias increases for studies with small N and with low df. Therefore, it will not be used in this study.

Table 3.1 Comparison of Goodness of Fit Measures

Goodness of Fit Measure	Acceptance Level
Absolute-Fit Measures	
Chi-Square	The smaller the results the better.
Non-Centrality Parameter (NCP)	The value is based on the comparison with other models.
Scaled NCP (SNCP)	The lower the value the better.
Goodness-of-Fit Index (GFI)	A higher value indicating better results. GFI ≥ 0.9 is considered *good fit* , 0.8 ≤ GFI ≤ 0.9 is considered *marfinal fit* .
Root Mean Square Resudual (RMR)	Standardized RMR ≤ 0.05 is considered *good fit* .
Root Mean Square Error of Approximation (RMSEA)	RMSEA ≤ 0.08 is considered *good fit* , 0.08 ≤ RMSEA ≤0.10 is considered *marginal fit* , and RMSEA < 0.05 is considered *close fit* .
Incremental Fit Measures	
Tucker-Lewis Index or Non -Formed Fit Index (TLI or NNFI)	A higher value indicating better results. TLI ≥ 0.9 is considered *good fit* , 0.8 ≤ TLI ≤ 0.9 is considered *marfinal fit* .
Normed Fit Index (NFI)	A higher value indicating better results. NFI ≥ 0.9 is considered *good fit* , 0.8 ≤ NFI ≤ 0.9 is considered *marfinal fit* .
Adjusted Goodness of Fit Index (AGFI)	A higher value indicating better results. AGFI ≥ 0.9 is considered *good fit* , 0.8 ≤ AGFI ≤ 0.9 is considered *marfinal fit* .
Relative Fit Index (RFI)	A higher value indicating better results. RFI ≥ 0.9 is considered *good fit* , 0.8 ≤ RFI ≤ 0.9 is considered *marfinal fit* .
Incremental Fit Index (IFI)	A higher value indicating better results. IFI ≥ 0.9 is considered *good fit* , 0.8 ≤ IFI ≤ 0.9 is considered *marfinal fit* .
Comparative Fit Index (CFI)	A higher value indicating better results. CFI ≥ 0.9 is considered *good fit* , 0.8 ≤ CFI ≤ 0.9 is considered *marfinal fit* .

Table 3.1 Comparison of Goodness of Fit Measures (Continued)

Parsimonious Fit Measures	
Parsimonious Goodness of Fit (PGFI)	A higher value shows a higher level of parsimony.
Normed Chi-Square	The ratio of Chi-square divided by degrees of freedom. Suggested values: lower limit: 1.0, upper limit: 2.0 or 3.0, and a more loose limit of 5.0.
Parsimonious Normed Fit Index (PNFI)	A higher value shows better fit, only used for comparison between alternative models.
Akaike Information Criterion (AIC)	Smaller positive value shows better parsimony, used for comparison between models. In a single model, the value of AIC that is closer to the value of the saturated AIC shows *good fit* .
Consistent Akaike Information Criterion (CAIC)	A smaller positive value shows better parsimony, used for comparison between models. In a single model, the value of CAIC that is closer to the value of the saturated CAIC shows *good fit* .
***Other* GOFI**	
Critical "N" (CN)	CN $\geq$ 200 shows an adequate sample size to estimate the model.

Source: Wijanto, 2008

Kenney (2014) suggests the measures that should be used are the Tucker-Lewis Index (TLI) or Non-normed Fit Index (NNFI), Comparative Fit Index (CFI), and Root Mean Square Error of Approximation (RMSEA). In the NNFI, if the chi-square to df ratio does not change, the NNFI does not change. Moreover, for a model, a lower chi-square to df ratio that is not lower than one implies a better fitting model. Thus, the penalty in this case is the chi-square divided by the df. Another suggestion of an index that can be used by Kenney (2014) is the Comparative Fit Index (CFI). The CFI has a penalty of one for every parameter estimated and if the CFI is less than one, the CFI is always greater than the NNFI. The RMSEA according to Kenney (2014) is currently the most popular measure

of model fit and is reported in virtually all papers that use structural equation modeling.

In addition, as Kenney (2014) suggested that two of the most popular fit indices be used, which are the NNFI/ TLI and RMSEA, the measure of fit that will be used is the chi-square to df ratio or x^2/df. For models with 400 or less cases, the chi-square test is a reasonable measure of fit. Although Kenney (2014) states that there are no universally agreed upon standards as to what is a good and bad fitting model when using this test, the NNFI/ TLI and RMSEA are largely based on this ratio. Therefore, the fitting measures suggested by Wijanto (2008) as stated in Table 3-1 will be used.

3.9.3.2 Structural Model

The structural model is a conceptual drawing that shows the relationship between the constructs that have the common structures and is usually shown visually (Wijanto, 2008). After conducting the Confirmatory Factor Analysis (CFA), the researcher can measure the value of each respective latent variable. The structural model analysis consists of:

1. Goodness of Fit Model

   The analysis is conducted to see whether the construct of the model used is relevant or not. To conduct the goodness of fit model analysis, the value of the chi-square and p-value will be looked at. Moreover, the researcher also has to look at the values of other indicators that are a part of the goodness of fit test, for example the RMSEA, Standardized RMR, GFI, AGFI, NFI, NNFI, and CFI.

2. Causal Relationship Analysis

After analyzing the goodness of fit of the model, the next analysis conducted is analyzing the causal relationship of the model by looking at the t-value. Based on the information obtained from the website of the Division of Statistics and Scientific Computation, The University of Texas, if the number of sample used has exceeded 120, the t-distribution can be considered as a normal distribution or it can be counted using the z-distribution. In the z-distribution, the critical value for a one-tailed test with a significance level of 5% is around 1.645. in this research, the sample size is 140 and the one-tailed test with 5 percent significance level will be used. Therefore, the critical value that will be used is 1.645 for the testing of a positive hypothesis. There are two ways to identify causal relationship, which are:

- T-Value and the Structural Equation Coefficient

  Through the t-value the effect between a latent variable and another latent variable can be seen. Based on the t-distribution table, if the t-value $\geq$ 1.645 for testing a hypothesis that has a positive relationship. The structural path coefficient significant and the hypothesis can be accepted.

- Determinant Coefficient (R^2)

  The role of R^2 is to see what extent the independent variables can explain the dependent variables. However, according to Wijanto (2008), R^2 in structural equations

does not give a clear interpretation, thus the interpretation of R^2 is taken from the reduced form equations.

In order to analyze the measurement model, a SIMPLIS program will be made and the SIMPLIS program will be run using the LISREL 8.5 program.

CHAPTER 4

ANALYSIS AND DISCUSSION

4.1 Pre-test Reliability Test

The pre-test was conducted in order to know the reliability and validity of the questionnaire. Twenty students in the Universitas Indonesia's Faculty of Economics and Business and forty students in the main library in Universitas Indonesia will be the pre-test samples, with thirty samples each answering the questionnaire about Indonesian and Korean who buy new smartphone, respectively. Although using students as the sample for the pre-test can threaten the external validity and generalizability of findings due to the non-representativeness and unique characteristics of the population (Wells, 1993), previous research has also shown that it can be an effective sample.

In order to receive immediate feedback from the respondents and to ensure all the pilot survey responses are useable, the researcher will be present when the respondents fill out the pilot survey. If a term in a question is deemed too hard or uncomfortable to be understood by the pilot respondents, some terms will be reworded and definition will be given below the uncomfortable item to ensure clarity. The survey that will be developed will be made English, Indonesian, and Korean. Bilingual experts, in this case, individuals who have citizenship of Republic of Indonesia or Republic of Korea will examine the wording of questions in Indonesian or Korean set of questionnaire respectively to ensure the terms are adequately translated with compatible meaning. After sixty samples have been gathered, the researcher will conduct a reliability and validity test. This test was conducted to ensure that

the questions used in the questionnaire are relevant with the research.

4.1.1 Pre-test Reliability Test (Indonesia)

In order to measure the reliability of the constructs, Cronbach's alpha coefficient will be used. A high value of Cronbach's alpha indicates a higher internal consistency of the construct. Malhotra (2007) claims that if a construct has an alpha of 0.6 or greater, it can be considered reliable.

Table 4.1 Result of Pre-test Reliability Test

Construct	Cronbach's Alpha
Consumers' Values - Self-directed Values	0.773
Consumers' Values - Social Affiliation Values	0.764
Consumers' Needs - Experiential Needs	0.807
Consumers' Needs - Social Needs	0.866
Consumers' Needs - Functional	0.708
Consumers' Behavioral Intentions - Repurchase Intentions	0.882
Consumers' Behavioral Intentions - Intention of WOM	0.822
Consumers' Behavioral Intentions - Willingness to Pay	0.688

Source: SPSS Output Conducted by the Researcher

Based on the results of the reliability about Indonesian respondents using SPSS it can be seen that all of the variables in the construct has Cronbach's Alpha of greater than 0.6. Consumers' values–self-directed values had a Cronbach's alpha of 0.773. Consumers' values–social affiliation values had a Cronbach's alpha

of 0.764, consumers' needs–experiential needs had a Cronbach's alpha of 0.807, consumers' needs–social needs had a Cronbach's alpha of 0.866, consumers' needs–functional needs had a Cronbach's alpha of 0.708, consumers' behavior intentions–repurchase intention had a Cronbach's alpha of 0.882, consumers' behavioral intentions-intention of WOM had a Cronbach's alpha of 0.822, and consumers' behavioral intentions-willingness to pay had a Cronbach's alpha of 0.688. This means that all constructs have exceeded the reliability cutoff point of 0.6 (Malhotra, 2007).

4.1.2 Pre-test Reliability Test (Korea)

Table 4.2 Result of Pre-test Reliability Test

Construct	Cronbach's Alpha
Consumers' Values - Self-directed Values	0.774
Consumers' Values - Social Affiliation Values	0.739
Consumers' Needs - Experiential Needs	0.849
Consumers' Needs - Social Needs	0.901
Consumers' Needs - Functional	0.701
Consumers' Behavioral Intentions - Repurchase Intentions	0.911
Consumers' Behavioral Intentions - Intention of WOM	0.872
Consumers' Behavioral Intentions - Willingness to Pay	0.775

Source: SPSS Output Conducted by the Researcher

Based on the results of the reliability about Korean respondents using SPSS it can be seen that all of the variables in the construct has Cronbach's Alpha of greater than 0.6. Consumers' values–self-directed values had a Cronbach's alpha of 0.774,

consumers' values–social affiliation values had a Cronbach's alpha of 0.739, consumers' needs–experiential needs had a Cronbach's alpha of 0.849, consumers' needs–social needs had a Cronbach's alpha of 0.901, consumers' needs–functional needs had a Cronbach's alpha of 0.701, consumers' behavior intentions–repurchase intention had a Cronbach's alpha of 0.911, consumers' behavioral intentions-intention of WOM had a Cronbach's alpha of 0.872, and consumers' behavioral intentions-willingness to pay had a Cronbach's alpha of 0.775. This means that all constructs have exceeded the reliability cutoff point of 0.6 (Malhotra, 2007).

4.1.3 Pre-test Validity Test

Factor validity is a way to measure construct validity. Construct validity is the degree to which the constructs of theoretical interests have been successfully operationalized (Gebotys, 1999). Factor validity can be conducted through a factor analysis, which is a term that represents a large number of different mathematical procedures for analyzing the interrelationships among a set of variables and is explained in terms of a reduced number of variables, which are called factors. To conduct factor validity, the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy must first be conducted and considered. High values of the KMO, which are between 0.5 and 1.0, indicate that factor analysis is appropriate and valid. On the other hand, values below 0.5 shows that factor analysis may be inappropriate and invalid. However, to conclude the validity of a construct, the KMO cannot be solely used. In addition to the KMO, the results in the component matrix also must be considered and values in the component matrix must be above 0.5.

4.1.3.1 Consumers' Values Pre-test Validity Results (Indonesia)

Based on the results of the validity test, a KMO value of 0.744 was obtained for the self-directed values dimension and a KMO value of 0.680 was obtained for the social affiliation values. Since all dimensions received a KMO value of greater than 0.5, it can be inferred that all of the dimensions satisfy the criteria of the KMO to be considered valid. Furthermore, determine whether the validity of the construct interpreting the component matrix has to be conducted. The result of the component matrix for this variable is shown below.

Table 4.3 Component Matrix for Consumers' Values

	Component
	1
SDV1	.468
SDV2	.673
SDV3	.635
SDV4	.722
SDV5	.798
SDV6	.780

	Component
	1
SAV1	.843
SAV2	.856
SAV3	.776

Source: SPSS Output Conducted by the Researcher

It can be seen that all of the indicators except SDV1 exceed the 0.5 threshold required in the component matrix in order for an indicator to be considered valid. Therefore, the decision is to not use the SDV1 indicator as it is considered invalid.

4.1.3.2 Consumers' Values Pre-test Validity Results (Korea)

Based on the results of the validity test, a KMO value of 0.68 was obtained for the self-directed values dimension and a KMO value of 0.658 was obtained for the social affiliation values. Since all dimensions received a KMO value of greater than 0.5, it can be inferred that all of the dimensions satisfy the criteria of the KMO to be considered valid. Furthermore, determine whether the validity of the construct interpreting the component matrix has to be conducted. The result of the component matrix for this variable is shown below.

Table 4.4 Component Matrix for Consumers' Values

	Component
	1
SDV1	.747
SDV2	.790
SDV3	.458
SDV4	.686
SDV5	.767
SDV6	.634

	Component
	1
SAV1	.856
SAV2	.843
SAV3	.738

Source: SPSS Output Conducted by the Researcher

It can be seen that all of the indicators except SDV3 exceed the 0.5 threshold required in the component matrix in order for an indicator to be considered valid. Therefore, the decision is to not use the SDV3 indicator as it is considered invalid.

4.1.3.3 Consumers' Needs Pre-test Validity Results (Indonesia)

Based on the results of the validity test, a KMO value of 0.714 was obtained for the experiential needs dimension, a KMO value of 0.713 was obtained for the social needs dimension, and a KMO value of 0.676 was obtained for the functional needs dimension. Since all dimensions received a KMO value of greater than 0.5, it can be inferred that all of the dimensions satisfy the criteria of the KMO to be considered valid. Furthermore, determine whether the validity of the construct interpreting the component matrix has to be conducted. The result of the component matrix for this variable is shown below.

Table 4.5 Component Matrix for Consumers' Needs

	Component
	1
EN1	.852
EN2	.840
EN3	.869

	Component
	1
SN1	.884
SN2	.920
SN3	.860

	Component
	1
FN1	.802
FN2	.792
FN3	.790

Source: SPSS Output Conducted by the Researcher

It can be seen that all of the indicators exceed the greater than 0.5 threshold required in the component matrix in order for an indicator to be considered valid. Therefore, as the result of the KMO and the component matrix exceeds 0.5 all of the indicators can be used and processed further.

4.1.3.4 Consumers' Needs Pre-test Validity Results (Korea)

Based on the results of the validity test, a KMO value of 0.714 was obtained for the experiential needs dimension, a KMO value of 0.737 was obtained for the social needs dimension, and a KMO value of 0.6 was obtained for the functional needs dimension. Since all dimensions received a KMO value of greater than 0.5, it can be inferred that all of the dimensions satisfy the criteria of the KMO to be considered valid. Furthermore, determine whether the validity of the construct interpreting the component matrix has to be conducted. The result of the component matrix for this variable is shown below.

It can be seen that all of the indicators exceed the greater than 0.5 threshold required in the component matrix in order for an indicator to be considered valid. Therefore, as the result of the KMO and the component matrix exceeds 0.5 all of the indicators can be used and processed further.

Table 4.6 Component Matrix for Consumers' Needs

	Component
	1
EN1	.868
EN2	.910
EN3	.861

	Component
	1
SN1	.888
SN2	.933
SN3	.919

	Component
	1
FN1	.868
FN2	.634
FN3	.852

Source: SPSS Output Conducted by the Researcher

4.1.3.5 Consumers' Behavioral Intentions Pre-test Validity Results (Indonesia)

Based on the results of the validity test, a KMO value of 0.743 was obtained for the repurchase intention dimension, a KMO value of 0.708 was obtained for the intention of WOM dimension, and a KMO value of 0.564 was obtained for the willingness to pay dimension. Since all dimensions received a KMO value of greater than 0.5, it can be inferred that all of the dimensions satisfy the criteria of the KMO to be considered valid. Furthermore, determine whether the validity of the construct interpreting the component matrix has to be conducted. The result of the component matrix for this variable is shown below.

Table 4.7 Component Matrix for Consumers' Behavioral Intentions

	Component
	1
RN1	.911
RN2	.905
RN3	.887

	Component
	1
IOW1	.872
IOW2	.887
IOW3	.827

	Component
	1
WTP1	.899
WTP2	.856
WTP3	.596

Source: SPSS Output Conducted by the Researcher

It can be seen that all of the indicators exceed the greater than 0.5 threshold required in the component matrix in order for an indicator to be considered valid. Therefore, as the result of the KMO and the component matrix exceeds 0.5 all of the indicators can be used and processed further.

4.1.3.6 Consumers' Behavioral Intentions Pre-test Validity Results (Korea)

Based on the results of the validity test, a KMO value of 0.747 was obtained for the repurchase intention dimension, a KMO value of 0.716 was obtained for the intention of WOM dimension, and a KMO value of 0.69 was obtained for the willingness to pay

dimension. Since all dimensions received a KMO value of greater than 0.5, it can be inferred that all of the dimensions satisfy the criteria of the KMO to be considered valid. Furthermore, determine whether the validity of the construct interpreting the component matrix has to be conducted. The result of the component matrix for this variable is shown below.

Table 4.8 Component Matrix for Consumers' Behavioral Intentions

	Component
	1
RN1	.939
RN2	.907
RN3	.921

	Component
	1
IOW1	.863
IOW2	.926
IOW3	.897

	Component
	1
WTP1	.863
WTP2	.844
WTP3	.795

Source: SPSS Output Conducted by the Researcher

It can be seen that all of the indicators exceed the greater than 0.5 threshold required in the component matrix in order for an indicator to be considered valid. Therefore, as the result of the KMO and the component matrix exceeds 0.5 all of the indicators can be used and processed further.

4.2 Respondents' Profile

4.2.1 Respondents' Profile (Indonesia)

Respondents' profile includes respondents' gender, age, marital status, education, occupation, and monthly income. A breakdown of the results of the respondents' profile is as follows:

Table 4.9 Respondents' Profile Results

Category	Results
Gender	39 respondents (27.9%) were male and 101 (72.1%) were female.
Age	The majority of respondents were aged 17-20 years old (72.9%) and 21-30 years old (24.3%).
Marital Status	135 respondents (96.4%) were single and 5 (3.6%) were married.
Education	The majority of repondents (97.9%) were undergraduate and 2.1% were graduate and higher.
Occupation	The majority of respondents were student (93.6%) and company employee (3.6%).
Monthly Income	The majority of respondent (66.4%) spent below $500 per month and 31.4% spent between $500-2000 per month.

Source: Output by Researcher

The respondents' gender was divided into two categories, which are male and female. The majority of the respondents (72.1%) were female and males comprised of 27.9% of the respondents.

The range of respondents' age was divided into four categories, which are 17-20 years old, 21-30 years old, 31-40 years old, and more than 40 years old. The majority of respondents came from 17-20 years old range, with 102 respondents (72.9%) coming

from that age range. The 21-30 years old age range follows with 34 respondents (24.3%) and the 31-40 years old age range is next with 3 respondents (2.1%). Lastly, more than 40 years old age range is 1 respondent (0.7%).

The respondents' marital status was divided into two categories, which are single and married. The majority of the respondents (96.4%) were single and married comprised of 3.6% of the residents.

The education of respondents was classified into three categories, which are high school, undergraduate, and graduate and higher. Based on the data, the majority of respondents, with 137 respondents (97.9%) are undergraduate program and 3 respondents (2.1%) are graduate and higher. There weren't any respondents whose highest education level was high school.

The respondents' occupation was classified into seven categories, which are student, government official, company employee, business owner, house wife, retired, and none of the above. The majority of the respondents were student within 131 respondents (93.6%). The company employee follows with 5 respondents (3.6%) and none of the above is next with 2 respondents (1.4%). Both the business owner and the house wife is following with 1 respondent (0.7%) each and there weren't any respondent whose job was government official.

The monthly income of respondents was classified into five categories, which are below $500, $500-2000, $2000-4000, $4000-6000, and above $6000. Based on the data, respondents that have a monthly income of below $500 make up the majority of the sample, with 93 respondents (66.4%). Next is the income range of $500-

2000, with 44 respondents (31.4%). This is followed by the $2000-4000 range, with 2 respondents (1.4%) and the next is the income range of $4000-6000, with 1 respondent (0.7%). Meanwhile, there weren't any respondents whose monthly income was above $6000.

4.2.2 Respondents' Profile (Korea)

Respondents' profile includes respondents' gender, age, marital status, education, occupation, and monthly income. A breakdown of the results of the respondents' profile is as follows:

Table 4.10 Respondents' Profile Results

Category	Results
Gender	87 respondents (62.1%) were male and 53 (37.9%) were female.
Age	The majority of respondents were aged 21-30 years old (69.3%) and 17-20 years old (21.4%).
Marital Status	125 respondents (89.3%) were single and 15 (10.7%) were married.
Education	The majority of repondents (70%) were undergraduate and 20% were graduate and higher.
Occupation	The majority of respondents were student (85.7%) and company employee (5.7%).
Monthly Income	The majority of respondent (51.4%) spent between $500-2000 per month and 38.6% spent below $500 per month.

Source: Output by Researcher

The respondents' gender was divided into two categories, which are male and female. The majority of the respondents (62.1%) were female and males comprised of 37.9% of the respondents.

The range of respondents' age was divided into four categories, which are 17-20 years old, 21-30 years old, 31-40 years old, and more than 40 years old. The majority of respondents came from 21-30 years old age range, with 97 respondents (69.3%). The 17-20 years old range follows with 30 respondents (21.4%) and the 31-40 years old age range is next with 8 respondents (5.7%). Lastly, more than 40 years old age range is 5 respondent (3.6%).

The respondents' marital status was divided into two categories, which are single and married. The majority of the respondents (89.3%) were single and married comprised of 10.7% of the residents.

The education of respondents was classified into three categories, which are high school, undergraduate, and graduate and higher. Based on the data, the majority of respondents, with 98 respondents (70%) are undergraduate program and 28 respondents (20%) are graduate and higher. Lastly, there were the respondents whose highest education level was high school, with 14 respondents (10%).

The respondents' occupation was classified into seven categories, which are student, government official, company employee, business owner, house wife, retired, and none of the above. The majority of the respondents were student within 120 respondents (85.7%). The company employee follows with 8 respondents (5.7%) and both the business owner and the house wife is following with 4 respondents (2.9%) each. The respondents who choose that none of the above were 3 respondents (2.1%) and the government official follow with 1 respondent (0.7%).

The monthly income of respondents was classified into five categories, which are below $500, $500-2000, $2000-4000, $4000-6000, and above $6000. Based on the data, respondents that have a monthly income of below $500-2000 make up the majority of the sample, with 72 respondents (51.4%). Next is the income range of below $500, with 54 respondents (38.6%). This is followed by the $2000-4000 range, with 7 respondents (5%) and the next is the income range of above $6000, with 4 respondents (2.9%). The income range of $4000-6000 is followed with 3 respondents (2.1%).

4.3 Descriptive Analysis

The descriptive analysis was conducted in order to show the results of the questions that were answered by the respondents. The descriptive analysis is conducted by categorizing the means of the respondents' answers. There is a method that can be used in order to determine the category for the scores. The method is dividing the difference between the maximum score in the likert scale and the minimum score by the range of scores in the likert scale. For this research, the interval for each category is 0.8 which is found by finding the difference between the maximum score of the likert scale (5) with the minimum score (1) and then dividing by the range of scores in the likert scale (5). Furthermore, the means of the respondents' answers will be confirmed on the category table to determine the meaning of the means of the respondents' answers.

For this research, the researcher classifies the means of the respondents' answers into 5 categories, which are extremely unimportant, unimportant, neutral, important, and extremely important.

Table 4.11 Descriptive Statistics Score Range

Score Range	Interpretation
1.00 - 1.80	Very Poor
1.81 - 2.60	Poor
2.61 - 3.40	Neutral
3.41 - 4.20	Good
4.21 - 5.00	Very Good

Source: Result of Analysis by Researcher

4.3.1 Descriptive Analysis Results

Table 4.12 Descriptive Statistics Results

Variable	N	Min	Max	Total Mean for Indonesia	Total Mean for Korea
CV	140	1	5	4.33	4.42
CN	140	1	5	3.40	3.22
CBI	140	1	5	3.28	3.32

Source: SPSS Output Conducted by the Researcher

It can be seen that the total mean score for the consumer values variable is 4.33 and 4.48 for Indonesia and South Korea respectively. These values are in the very good category which means both countries' respondents have a very good feeling towards the consumers' values. In this research, consumers' values are compromised of 2 dimensions which are Self-directed Values (SDV1, SDV2, SDV3, SDV4, SDV5, SDV6) and Social Affiliation Values (SAV1, SAV2, SAV3).

Meanwhile, the total mean score for consumers' needs variable is 3.40 and 3.22 for Indonesia and South Korea respectively. These values are in the neutral category which means both countries'

respondents have a moderate feeling towards the consumers' needs. Nevertheless, the total mean for the functional needs dimension in both countries is 3.97 and 3.37 respectively. These values are in good category. The interpretation of this value is that based on their feelings, both countries' respondents think in a good way that functional needs are pleasant, friendly, and valuable when they buy a new smartphone. In this research, consumers' needs are comprised of 3 dimensions which are Experiential Needs (EN1, EN2, EN3), Social Needs (SN1, SN2, SN3), and Functional Needs (FN1, FN2, FN3).

Based on a table above, it can be seen that the total mean score for the consumers' behavioral intentions for Indonesia and South Korea variable is 3.28 and 3.32 respectively. These values are in the neutral category, which means both countries' respondents feeling on the consumers' behavioral intentions is moderate. Nevertheless, the total mean for the intention of WOM dimension in Indonesia is 3.54. This value is in good category. The interpretation of this value is that based on their feelings, Indonesian respondents consider that it has a significant effect about word-of-mouth when they buy a new smartphone. In this research, consumers' behavioral intentions are comprised of 3 dimensions which are Repurchase Intention (RN1, RN2, RN3), Intention of WOM (IOW1, IOW2, IOW3), and Willingness to Pay (WTP1, WTP2, WTP3).

4.4 Independent Sample Test

The independent sample t-test or independent t-test compares the mean between two unrelated groups on the same continuous, dependent variable.

Table 4.13 Independent Sample Test

Group Statistics

	NATIONALITY	N	Mean	Std. Deviation	Std. Error Mean
SDV	INDONESIA	140	4.3738	.48965	.04138
	KOREA	140	4.4786	.53264	.04502
SAV	INDONESIA	140	4.2500	.65716	.05554
	KOREA	140	4.3095	.75827	.06409
EN	INDONESIA	140	2.9810	.86200	.07285
	KOREA	140	2.9976	1.16606	.09855
SN	INDONESIA	140	3.2595	.91621	.07743
	KOREA	140	2.9119	1.24504	.10523
FN	INDONESIA	140	3.9667	.67536	.05708
	KOREA	140	3.7381	.77819	.06577
RN	INDONESIA	140	3.2452	.90085	.07614
	KOREA	140	3.3905	1.05632	.08928
IOW	INDONESIA	140	3.5381	.72699	.06144
	KOREA	140	3.3286	.96127	.08124
WTP	INDONESIA	140	3.0667	.77243	.06528
	KOREA	140	3.2714	1.05150	.08887

Source: SPSS Output Conducted by the Researcher

Based on the table above, the respondents of Indonesia and South Korea are 140 people respectively. The mean, standard deviation, and standard error mean values for consumers' values that including two dimensions which are SDV and SAV are interpreted Korean respondents have higher value than Indonesian respondents.

Meanwhile, there are different interpretations for three dimensions in the consumers' needs variable. The mean, standard deviation, and standard error mean values on Korean respondents have higher value than Indonesian respondents in experiential needs' dimension. On the other hand, social needs' dimension on Indonesian respondents has significantly higher mean, standard

deviation, and standard error mean values than Korean respondents. However, the mean value of Indonesian respondents has higher value than Korean respondents in the functional needs dimension. But the standard deviation and standard error mean values on Korean respondents have higher value than Indonesian respondents.

Based on the table above, the mean, standard deviation, and standard error mean values for repurchase intentions dimension and willingness to pay dimension from consumers' behavioral intentions are interpreted Korean respondents have higher value than Indonesian respondents. However, the mean value of Indonesian respondents has higher value than Korean respondents in the intention of WOM dimension. But the standard deviation and standard error mean values on Korean respondents have higher value than Indonesian respondents.

Based on the table below, in the consumers' values variable, the p-value of self-directed values is 0.088 and therefore, the difference between the Indonesian respondents and Korean respondents is not statistically significant different from zero at the 5% level of significant. Also the p-value of social affiliation values is 0.483 so the difference between the Indonesian respondents and Korean respondents is not statistically significant.

In the consumers' needs variable, the p-value of experiential needs is 0.892 thus the difference between the Indonesian respondents and Korean respondents is not statistically significant. The p-value of social needs is 0.008 therefore the difference between the Indonesian respondents and Korean respondents is statistically significant. Besides, the p-value of functional needs is 0.009 therefore the difference between the Indonesian respondents and Korean respondents is statistically significant either.

Table 4.14 Independent Sample Test

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
SDV	Equal variances assumed	5.240	.023	-1.713	278	.088	-.10476	.06115	-.22513	.01561
	Equal variances not assumed			-1.713	276.054	.088	-.10476	.06115	-.22514	.01561
SAV	Equal variances assumed	5.779	.017	-.702	278	.483	-.05952	.08480	-.22646	.10741
	Equal variances not assumed			-.702	272.494	.483	-.05952	.08480	-.22648	.10743
EN	Equal variances assumed	12.457	.000	-.136	278	.892	-.01667	.12255	-.25792	.22459
	Equal variances not assumed			-.136	255.984	.892	-.01667	.12255	-.25801	.22468
SN	Equal variances assumed	20.706	.000	2.661	278	.008	.34762	.13065	.09044	.60480
	Equal variances not assumed			2.661	255.407	.008	.34762	.13065	.09034	.60490
FN	Equal variances assumed	6.288	.013	2.625	278	.009	.22857	.08708	.05715	.40000
	Equal variances not assumed			2.625	272.598	.009	.22857	.08708	.05713	.40001
RN	Equal variances assumed	5.136	.024	-1.238	278	.217	-.14524	.11733	-.37621	.08573
	Equal variances not assumed			-1.238	271.239	.217	-.14524	.11733	-.37623	.08576
IOW	Equal variances assumed	11.323	.001	2.057	278	.041	.20952	.10186	.00901	.41004
	Equal variances not assumed			2.057	258.811	.041	.20952	.10186	.00894	.41010
WTP	Equal variances assumed	14.376	.000	-1.857	278	.064	-.20476	.11027	-.42183	.01231
	Equal variances not assumed			-1.857	255.184	.064	-.20476	.11027	-.42192	.01239

Source: SPSS Output Conducted by the Researcher

Based on the table above, in the consumers' behavioral intentions variable, the p-value of repurchase intentions is 0.217 so the difference between the Indonesian respondents and Korean respondents is not statistically significant. On the other hand, the p-value of intention of WOM is 0.041 therefore the difference between the Indonesian respondents and Korean respondents is

statistically significant. Meanwhile, the p-value of willingness to pay is 0.064 thus the difference between the Indonesian respondents and Korean respondents is not statistically significant.

4.5 Measurement Model

In this stage, an analysis of the validity of the measurement model will be conducted by checking whether the t-value of the standardized loading factor (**λ**) from the observed variables in the model is ≥ 1.96 as the researcher uses a significant level of 5 percent. Moreover, the standardized loading factors (SLF) will be checked on whether they have exceeded the minimum standard of ≥ 0.5. The following sections will analyze further the measurement model for each variable.

4.5.1 Consumers' Values Latent Variable

4.5.1.1 Validity Analysis of the Consumers' Values Latent Variable (Indonesia)

1. Checking the t-value of the standardized loading factor

It can be seen that the t-value of SDV1= 4.39, SDV2= 7.95, SDV3= 6.60, SDV4= 7.70, SDV5= 7.78, SDV6= 10.00, SAV1= 11.18, SAV2= 9.41, and SAV3= 7.15. All of the indicators for consumers' values have a t-value greater than 1.96, thus it can be concluded that the SDV1, SDV2, SDV3, SDV4, SDV5, SDV6, SAV1, SAV2, and SAV3 are valid.

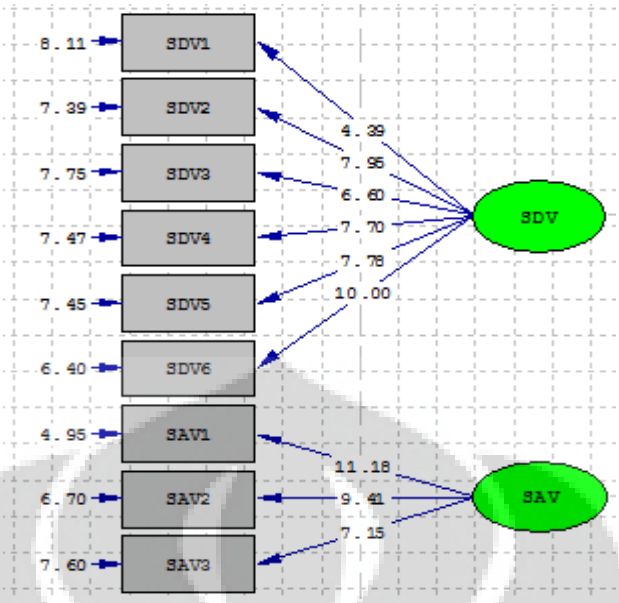


Figure 4.1 Path of the Consumers' Values Latent Variable (t-value)

Source: Output from LISREL 8.5 conducted by researcher

2. Checking the standardized loading factor

It can be seen that the standardized solution of the indicators are SDV2= 0.64, SDV3= 0.55, SDV4= 0.64, SDV5= 0.63, SDV6= 0.76, SAV1= 0.83, SAV2= 0.73, and SAV3= 0.59. All of the indicators of consumers' values have value ≥ 0.5, thus it can be concluded that SDV2, SDV3, SDV4, SDV5, SDV6, SAV1, SAV2, SAV3 of the indicators are valid.

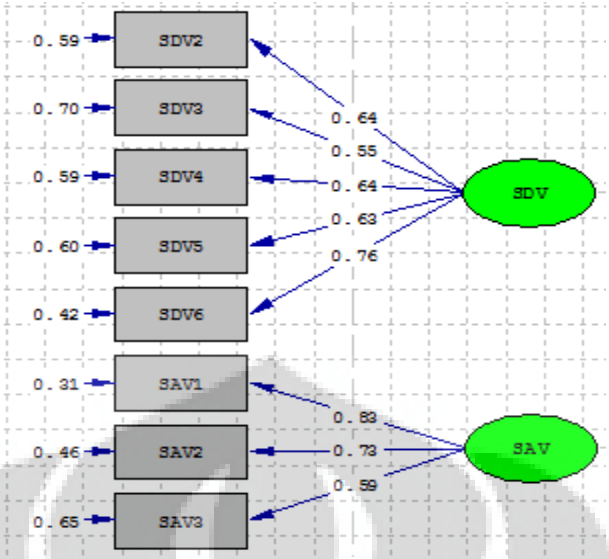


Figure 4.2 Path of the Consumers' Values Latent Variable (standardized solution)

Source: Output from LISREL 8.5 conducted by researcher

4.5.1.2 Reliability Analysis of the Consumers' Values Latent Variable (Indonesia)

Table 4.15 Reliability Test for the Consumers' Values Variable

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
SDV2	0.64	0.59	3.22	10.3684	2.9	0.781436	0.4096	2.0962	2.9	0.419559
SDV3	0.55	0.7					0.3025			
SDV4	0.64	0.59					0.4096			
SDV5	0.63	0.6					0.3969			
SDV6	0.76	0.42					0.5776			
Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
SAV1	0.83	0.31	2.15	4.6225	1.42	0.764998	0.6889	1.5699	1.42	0.525068
SAV2	0.73	0.46					0.5329			
SAV3	0.59	0.65					0.3481			

Source: Result of Data Processing by the Researcher Using Microsoft Excel

The value of construct reliability (CR) for the consumers' values variable is 0.78 from self-directed values dimension and 0.76

from social affiliation values dimension. Besides, the value of variance extract (VE) is 0.42 from self-directed values dimension and 0.53 from social affiliation values dimension. Therefore, it can be concluded that except the VE of self-directed values, the construct for the consumers' values variable is a reliable measurement model, as the CR value is ≥ 0.70 and VE value is ≥ 0.5.

4.5.1.3 Validity Analysis of the Consumers' Values Latent Variable (Korea)

1. Checking the t-value of the standardized loading factor

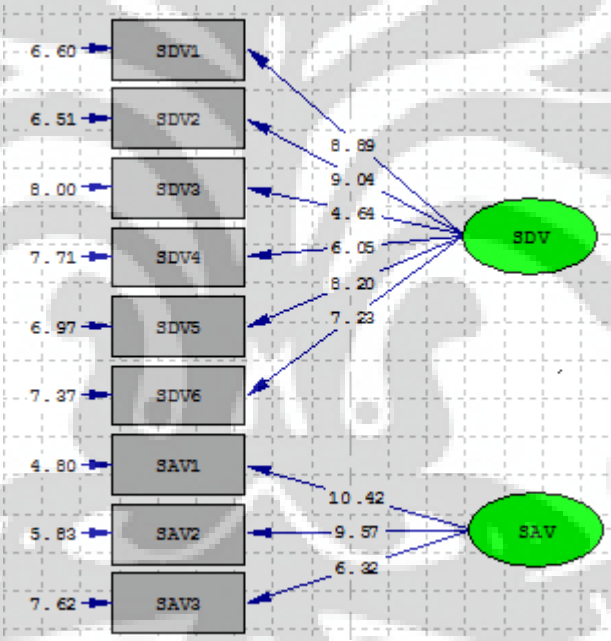


Figure 4.3 Path of the Consumers' Values Latent Variable (t-value)

Source: Output from LISREL 8.5 conducted by researcher

It can be seen that the t-value of SDV1= 8.89, SDV2= 9.04, SDV3= 4.64, SDV4= 6.05, SDV5= 8.20, SDV6= 7.23, SAV1= 10.42, SAV2= 9.57, and SAV3= 6.32. All of the indicators for consumers'

values have a t-value greater than 1.96, thus it can be concluded that the SDV1, SDV2, SDV3, SDV4, SDV5, SDV6, SAV1, SAV2, and SAV3 are valid.

2. Checking the standardized loading factor

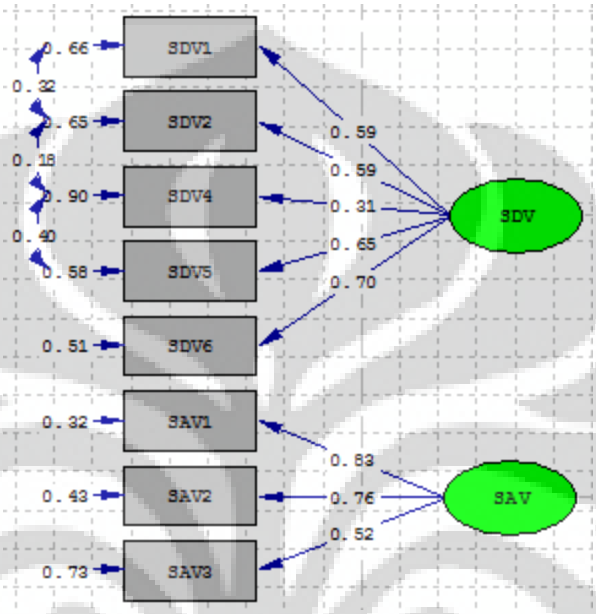


Figure 4.4 Path of the Consumers' Values Latent Variable (standardized solution)

Source: Output from LISREL 8.5 conducted by researcher

It can be seen that the standardized solution of the indicators are SDV1= 0.59, SDV2= 0.59, SDV4= 0.31, SDV5= 0.65, SDV6= 0.70, SAV1= 0.83, SAV2= 0.76, and SAV3= 0.52. Except SDV4, the rest of the indicators of consumers' values have value ≥ 0.5, thus it can be concluded that SDV1, SDV2, SDV5, SDV6, SAV1, SAV2, SAV3 of the indicators are valid.

4.5.1.4 Reliability Analysis of the Consumers' Values Latent Variable (Korea)

The value of construct reliability for the consumers' values variable is 0.71 from self-directed values dimension and 0.75 from social affiliation values dimension. Besides, the value of variance extract is 0.34 from self-directed values dimension and 0.51 from social affiliation values dimension. Therefore, it can be concluded that except the VE of self-directed values, the construct for the consumers' values variable is a reliable measurement model, as the CR value is ≥ 0.70 and VE value is ≥ 0.5.

Table 4.16 Reliability Test for the Consumers' Values Variable

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
SDV1	0.59	0.66	2.84	8.0656	3.3	0.70965	0.3481	1.7048	3.3	0.340633
SDV2	0.59	0.65					0.3481			
SDV4	0.31	0.9					0.0961			
SDV5	0.65	0.58					0.4225			
SDV6	0.7	0.51					0.49			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
SAV1	0.83	0.32	2.11	4.4521	1.48	0.75051	0.6889	1.5369	1.48	0.50943
SAV2	0.76	0.43					0.5776			
SAV3	0.52	0.73					0.2704			

Source: Result of Data Processing by the Researcher Using Microsoft Excel

4.5.2 Consumers' Needs Latent Variable

4.5.2.1 Validity Analysis of the Consumers' Needs Latent Variable (Indonesia)

1. Checking the t-value of the standardized loading factor

It can be seen that the t-value of EN1= 9.56, EN2= 9.47,

EN3= 11.26, SN1= 11.64, SN2= 12.45, SN3= 10.56, FN1= 7.23, FN2= 7.57, and FN3= 6.97. All of the indicators for consumers' values have a t-value greater than 1.96, thus it can be concluded that the EN1, EN2, EN3, SN1, SN2, SN3, FN1, FN2, and FN3 are valid.

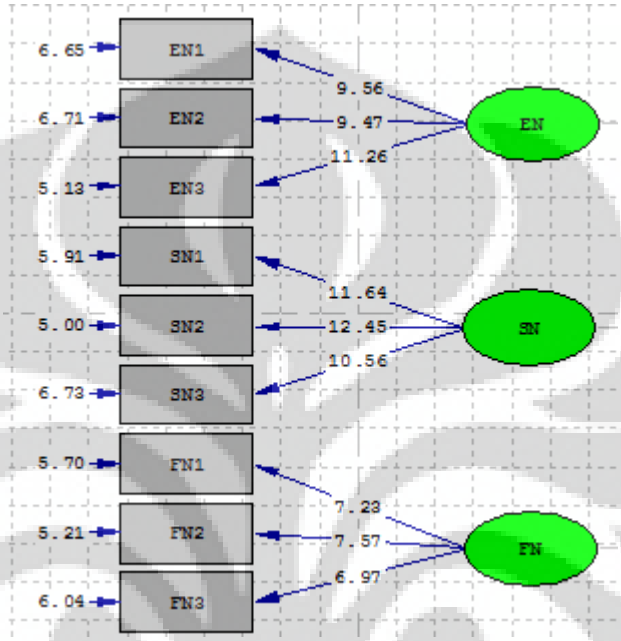


Figure 4.5 Path of the Consumers' Needs Latent Variable (t-value)

Source: Output from LISREL 8.5 conducted by researcher

2. Checking the standardized loading factor

It can be seen that the standardized solution of the indicators are EN1= 0.74, EN2= 0.74, EN3= 0.83, SN1= 0.84, SN2= 0.87, SN3= 0.78, FN1= 0.66, FN2= 0.70, FN3= 0.64. All of the indicators of consumers' values have value ≥ 0.5, thus it can be concluded that all of the indicators are valid.

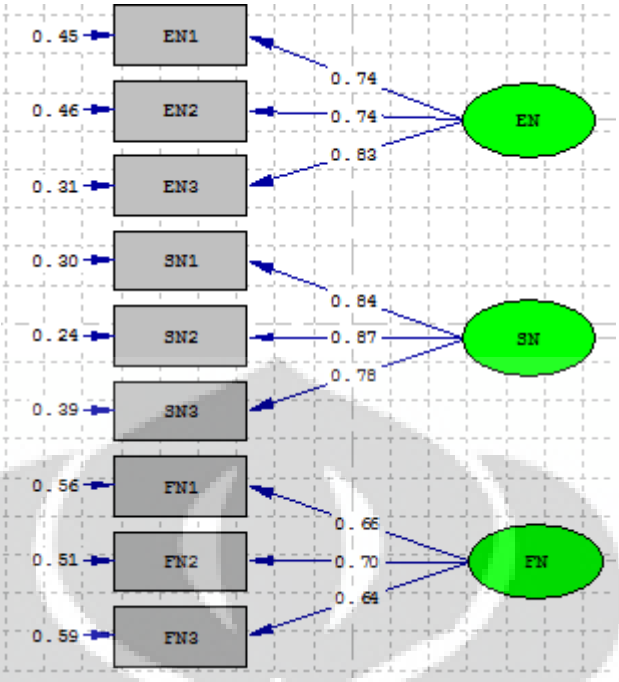


Figure 4.6 Path of the Consumers' Needs Latent Variable (standardized solution)

Source: Output from LISREL 8.5 conducted by researcher

4.5.2.2 Reliability Analysis of the Consumers' Needs Latent Variable (Indonesia)

The value of construct reliability for the consumers' needs variable is 0.81 from experiential needs dimension, 0.87 from social needs dimension, and 0.71 from functional needs dimension. Besides, the value of variance extract is 0.59 from experiential needs dimension, 0.69 from social needs dimension, and 0.45 from functional needs dimension. Therefore, it can be concluded that except the VE of functional needs, the construct for the consumers' values variable is a reliable measurement model, as the CR value is ≥ 0.70 and VE value is ≥ 0.5.

Table 4.17 Reliability Test for the Consumers' Needs Variable

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
EN1	0.74	0.45	2.31	5.3361	1.22	0.813914	0.5476	1.7841	1.22	0.593888
EN2	0.74	0.46					0.5476			
EN3	0.83	0.31					0.6889			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
SN1	0.84	0.3	2.49	6.2001	0.93	0.869567	0.7056	2.0709	0.93	0.690093
SN2	0.87	0.24					0.7569			
SN3	0.78	0.39					0.6084			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
FN1	0.66	0.56	2	4	1.66	0.706714	0.4356	1.3352	1.66	0.44578
FN2	0.7	0.51					0.49			
FN3	0.64	0.59					0.4096			

Source: Result of Data Processing by the Researcher Using Microsoft Excel

4.5.2.3 Validity Analysis of the Consumers' Needs Latent Variable (Korea)

1. Checking the t-value of the standardized loading factor

It can be seen that the t-value of EN1= 9.97, EN2= 12.39, EN3= 11.35, SN1= 11.27, SN2= 13.68, SN3= 13.04, FN1= 9.02, FN2= 4.65, and FN3= 8.27. All of the indicators for consumers' values have a t-value greater than 1.96, thus it can be concluded that the EN1, EN2, EN3, SN1, SN2, SN3, FN1, FN2, and FN3 are valid.

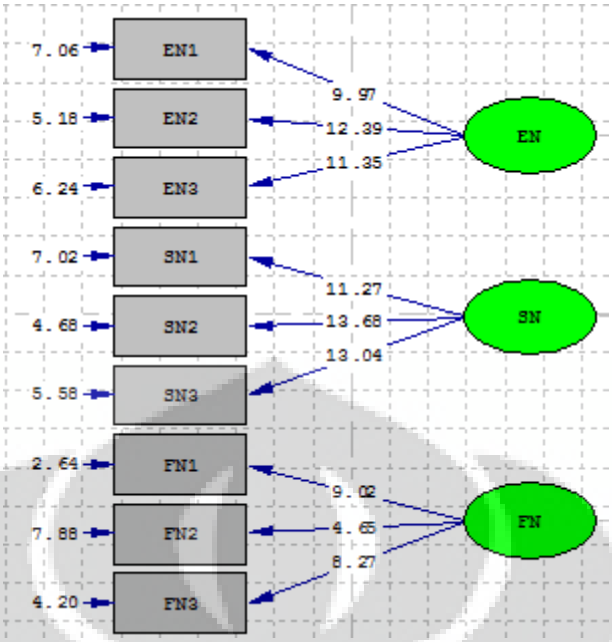


Figure 4.7 Path of the Consumers' Needs Latent Variable (t-value)

Source: Output from LISREL 8.5 conducted by researcher

2. Checking the standardized loading factor

It can be seen that the standardized solution of the indicators are EN1= 0.67, EN2= 0.80, EN3= 0.86, SN1= 0.81, SN2= 0.91, SN3= 0.88, FN1= 0.85, FN3= 0.75. All of the indicators of consumers' values have value ≥ 0.5, thus it can be concluded that EN1, EN2, EN3, SN1, SN2, SN3, FN1, and FN3 are valid.

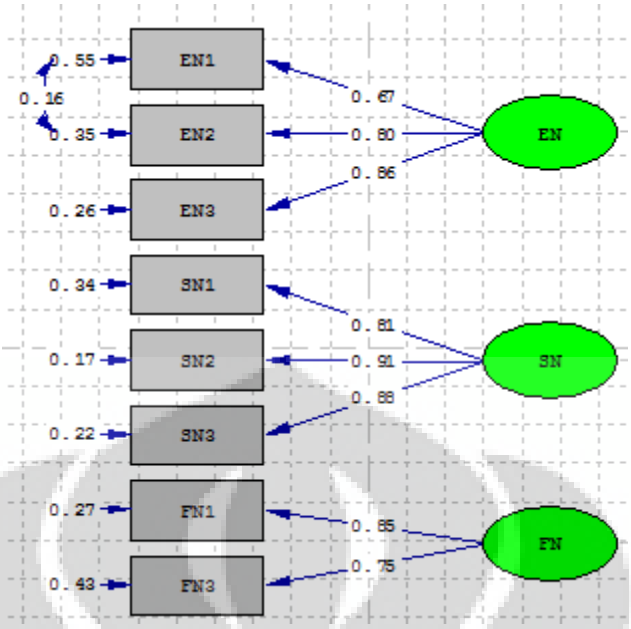


Figure 4.8 Path of the Consumers' Needs Latent Variable (standardized solution)

Source: Output from LISREL 8.5 conducted by researcher

4.5.2.4 Reliability Analysis of the Consumers' Needs Latent Variable (Korea)

Table 4.18 Reliability Test for the Consumers' Needs Variable

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
EN1	0.67	0.55	2.33	5.4289	1.16	0.823946	0.4489	1.8285	1.16	0.611845
EN2	0.8	0.35					0.64			
EN3	0.86	0.26					0.7396			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
SN1	0.81	0.34	2.6	6.76	0.73	0.902537	0.6561	2.2586	0.73	0.755738
SN2	0.91	0.17					0.8281			
SN3	0.88	0.22					0.7744			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
FN1	0.85	0.27	1.6	2.56	0.7	0.785276	0.7225	1.285	0.7	0.647355
FN3	0.75	0.43					0.5625			

Source: Result of Data Processing by the Researcher Using Microsoft Excel

The value of construct reliability for the consumers' needs variable is 0.82 from experiential needs dimension, 0.90 from social needs dimension, and 0.79 from functional needs dimension. Besides, the value of variance extract is 0.61 from experiential needs dimension, 0.76 from social needs dimension, and 0.65 from functional needs dimension. Therefore, it can be concluded that the construct for the consumers' values variable is a reliable measurement model, as the CR value is ≥ 0.70 and VE value is ≥ 0.5.

4.5.3 Consumers' Behavioral Intentions Latent Variable

4.5.3.1 Validity Analysis of the Consumers' Behavioral Intentions Latent Variable (Indonesia)

1. Checking the t-value of the standardized loading factor

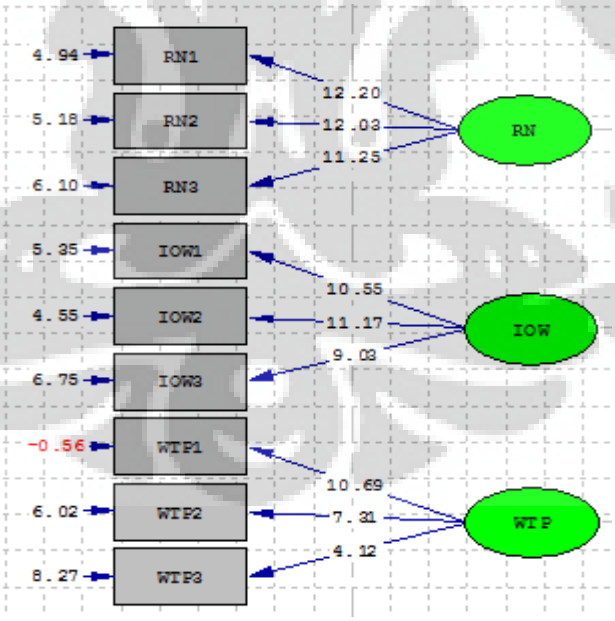


Figure 4.9 Path of the Consumers' Behavioral Intentions Latent Variable (t-value)

Source: Output from LISREL 8.5 conducted by researcher

It can be seen that the t-value of RN1= 12.20, RN2= 12.03, RN3= 11.25, IOW1= 10.55, IOW2= 11.17, IOW3= 9.03, WTP1= 10.69, WTP2= 7.31, and WTP3= 4.12. All of the indicators for consumers' values have a t-value greater than 1.96, thus it can be concluded that the RN1, RN2, RN3, IOW1, IOW2, IOW3, WTP1, WTP2, and WTP3 are valid.

2. Checking the standardized loading factor

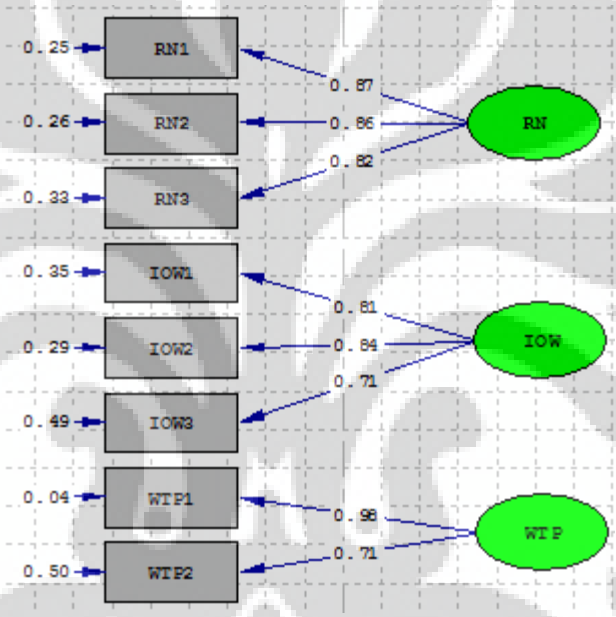


Figure 4.10 Path of the Consumers' Behavioral Intentions Latent Variable (standardized solution)

Source: Output from LISREL 8.5 conducted by researcher

It can be seen that the standardized solution of the indicators are RN1= 0.87, RN2= 0.86, RN3= 0.82, IOW1= 0.81, IOW2= 0.84, IOW3= 0.71, WTP1= 0.98, and WTP2= 0.71. All of the indicators of consumers' values have value ≥ 0.5, thus it can be concluded that all of the indicators are valid.

4.5.3.2 Reliability Analysis of the Consumers' Behavioral Intentions Latent Variable (Indonesia)

Table 4.19 Reliability Test for the Consumers' Behavioral Intentions Variable

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
RN1	0.87	0.25	2.55	6.5025	0.84	0.885598	0.7569	2.1689	0.84	0.720828
RN2	0.86	0.26					0.7396			
RN3	0.82	0.33					0.6724			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
IOW1	0.81	0.35	2.36	5.5696	1.13	0.831333	0.6561	1.8658	1.13	0.622805
IOW2	0.84	0.29					0.7056			
IOW3	0.71	0.49					0.5041			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
WTP1	0.98	0.04	1.69	2.8561	0.54	0.840994	0.9604	1.4645	0.54	0.730606
WTP2	0.71	0.5					0.5041			

Source: Result of Data Processing by the Researcher Using Microsoft Excel

The value of construct reliability for the consumers' behavioral intentions variable is 0.89 from repurchase intentions dimension, 0.83 from intention of WOM dimension, and 0.84 from willingness to pay dimension. Besides, the value of variance extract is 0.72 from repurchase intention dimension, 0.62 from intention of WOM dimension, and 0.73 from willingness to pay dimension. Therefore, it can be concluded that the construct for the consumers' values variable is a reliable measurement model, as the CR value is ≥ 0.70 and VE value is ≥ 0.5.

4.5.3.3 Validity Analysis of the Consumers' Behavioral Intentions Latent Variable (Korea)

1. Checking the t-value of the standardized loading factor

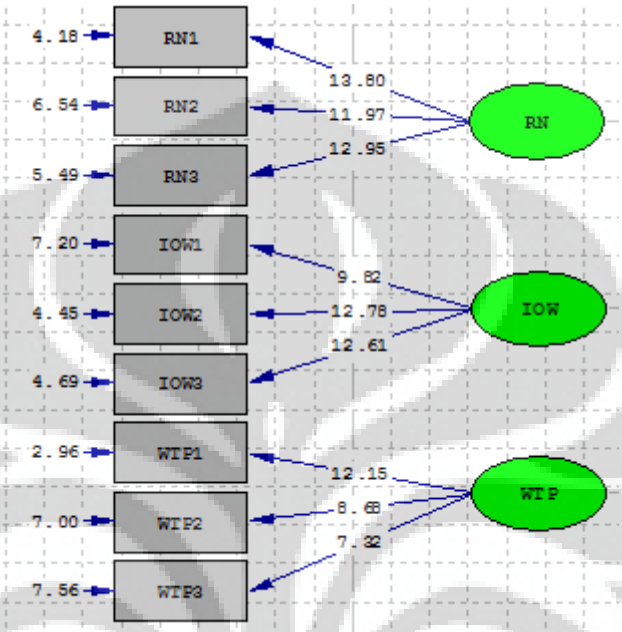


Figure 4.11 Path of the Consumers' Behavioral Intentions Latent Variable (t-value)

Source: Output from LISREL 8.5 conducted by researcher

It can be seen that the t-value of RN1= 13.80, RN2= 11.97, RN3= 12.95, IOW1= 9.82, IOW2= 12.78, IOW3= 12.61, WTP1= 12.15, WTP2= 8.68, and WTP3= 7.32. All of the indicators for consumers' values have a t-value greater than 1.96, thus it can be concluded that the RN1, RN2, RN3, IOW1, IOW2, IOW3, WTP1, WTP2, and WTP3 are valid.

2. Checking the standardized loading factor

It can be seen that the standardized solution of the indicators are RN1= 0.92, RN2= 0.84, RN3= 0.88, IOW1= 0.74, IOW2= 0.89,

IOW3= 0.88, WTP1= 0.90, WTP2= 0.69, and WTP3= 0.60. All of the indicators of consumers' values have value ≥ 0.5, thus it can be concluded that all of the indicators are valid.

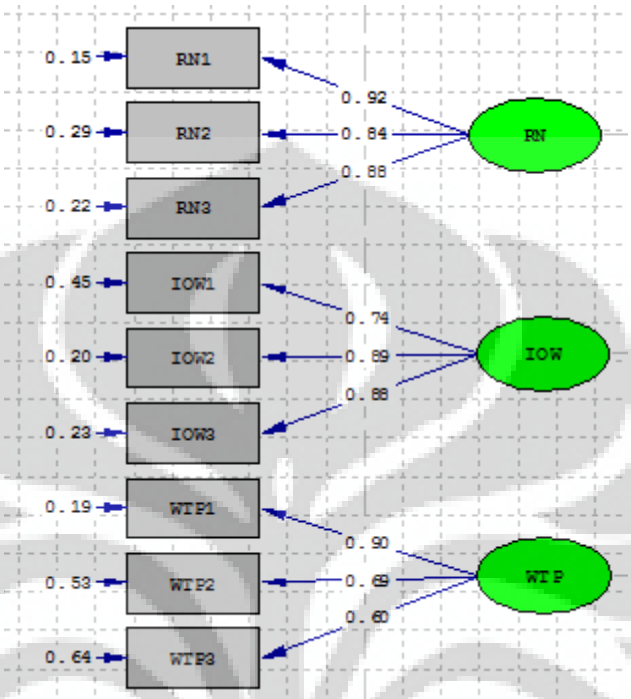


Figure 4.12 Path of the Consumers' Behavioral Intentions Latent Variable (standardized solution)

Source: Output from LISREL 8.5 conducted by researcher

4.5.3.4 Reliability Analysis of the Consumers' Behavioral Intentions Latent Variable (Korea)

The value of construct reliability for the consumers' behavioral intentions variable is 0.91 from repurchase intentions dimension, 0.88 from intention of WOM dimension, and 0.79 from willingness to pay dimension. Besides, the value of variance extract is 0.78 from repurchase intention dimension, 0.71 from intention of WOM dimension, and 0.55 from willingness to pay dimension. Therefore, it can be concluded that the construct for the consumers'

values variable is a reliable measurement model, as the CR value is ≥ 0.70 and VE value is ≥ 0.5.

Table 4.20 Reliability Test for the Consumers' Behavioral Intentions Variable

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
RN1	0.92	0.15	2.64	6.9696	0.66	0.913495	0.8464	2.3264	0.66	0.778998
RN2	0.84	0.29					0.7056			
RN3	0.88	0.22					0.7744			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
IOW1	0.74	0.45	2.51	6.3001	0.88	0.877439	0.5476	2.1141	0.88	0.706089
IOW2	0.89	0.2					0.7921			
IOW3	0.88	0.23					0.7744			

Indicator	SLF	Error	Construct Reliability				Variance Extracted			
			∑SLF	(∑SLF)²	∑error	CR Value	(SLF)²	∑(SLF)²	∑error	VE Value
WTP1	0.9	0.19	2.18	4.7524	1.35	0.778776	0.81	1.6324	1.35	0.547344
WTP2	0.68	0.52					0.4624			
WTP3	0.6	0.64					0.36			

Source: Result of Data Processing by the Researcher Using Microsoft Excel

4.6 Structural Model Analysis

4.6.1 Goodness of Fit Test for the Structural Model (Indonesia)

Table 4.21 Goodness of Fit Test for the Measurement Model

Goodness of Fit Measurement	Value	Description
Normed Chi-Square (X^2/df)	(df= 283) 456.31 X^2/df= 1.61	***Lower Limit***
Root Mean Square Error of Approximation (RMSEA)	0.066	***Good Fit***
Non-normed Fit Index (NNFI)	0.87	***Marginal Fit***
Comparative Fit Index (CFI)	0.88	***Marginal Fit***

Source: Result of Data Processing by the Researcher

Based on the data above, the analysis to test goodness of fit for the variables in the model is as follows:

1. Based on the table above, it can be seen that the Normed Chi-Square (X^2/ df) is within the lower limit stipulated by Wijanto (2008).

2. The RMSEA value of 0.066 shows a good fit. A model can be categorized having a good fit if the RMSEA is lower than 0.08.

3. The value of for the Non-normed Fit Index (NNFI) is 0.87 (marginal fit). A measurement model is deemed a marginal fit if the value of the NNFI is between 0.80 and 0.90.

4. The value of the Comparative Fit Index (CFI) is 0.88 (marginal fit). A measurement model is deemed a marginal fit if the value of the CFI is between 0.80 and 0.90.

4.6.2 Goodness of Fit Test for the Structural Model (Korea)

Table 4.22 Goodness of Fit Test for the Measurement Model

Goodness of Fit Measurement	Value	Description
Normed Chi-Square (X^2/df)	(df= 284) 543.25 X^2/df= 1.91	***Lower Limit***
Root Mean Square Error of Approximation (RMSEA)	0.081	***Marginal Fit***
Non-normed Fit Index (NNFI)	0.81	***Marginal Fit***
Comparative Fit Index (CFI)	0.84	***Marginal Fit***

Source: Result of Data Processing by the Researcher

Based on the data above, the analysis to test goodness of fit for the variables in the model is as follows:

1. Based on the table above, it can be seen that the Normed Chi-Square (X^2/ df) is within the lower limit stipulated by Wijanto (2008).

2. The RMSEA value of 0.081 shows a good fit. A model can be categorized having a marginal fit if the RMSEA is between 0.08 and 0.10.

3. The value of for the Non-normed Fit Index (NNFI) is 0.81 (marginal fit). A measurement model is deemed a marginal fit if the value of the NNFI is between 0.80 and 0.90.

4. The value of the Comparative Fit Index (CFI) is 0.84 (marginal fit). A measurement model is deemed a marginal fit if the value of the CFI is between 0.80 and 0.90.

4.6.3 Causal Relationship Analysis for the Structural Model (Indonesia)

Based on the structural model obtained from the LISREL output below, the researcher can know whether a latent variable has a significant effect on other latent variables by looking at the t-value. If the t-value ≥ 1.645 for a hypothesis that predicts a positive effect, it can be concluded that the relationship between the latent variables is significant and the hypothesis can be accepted (Division of Statistics and Scientific Computation, The University of Texas).

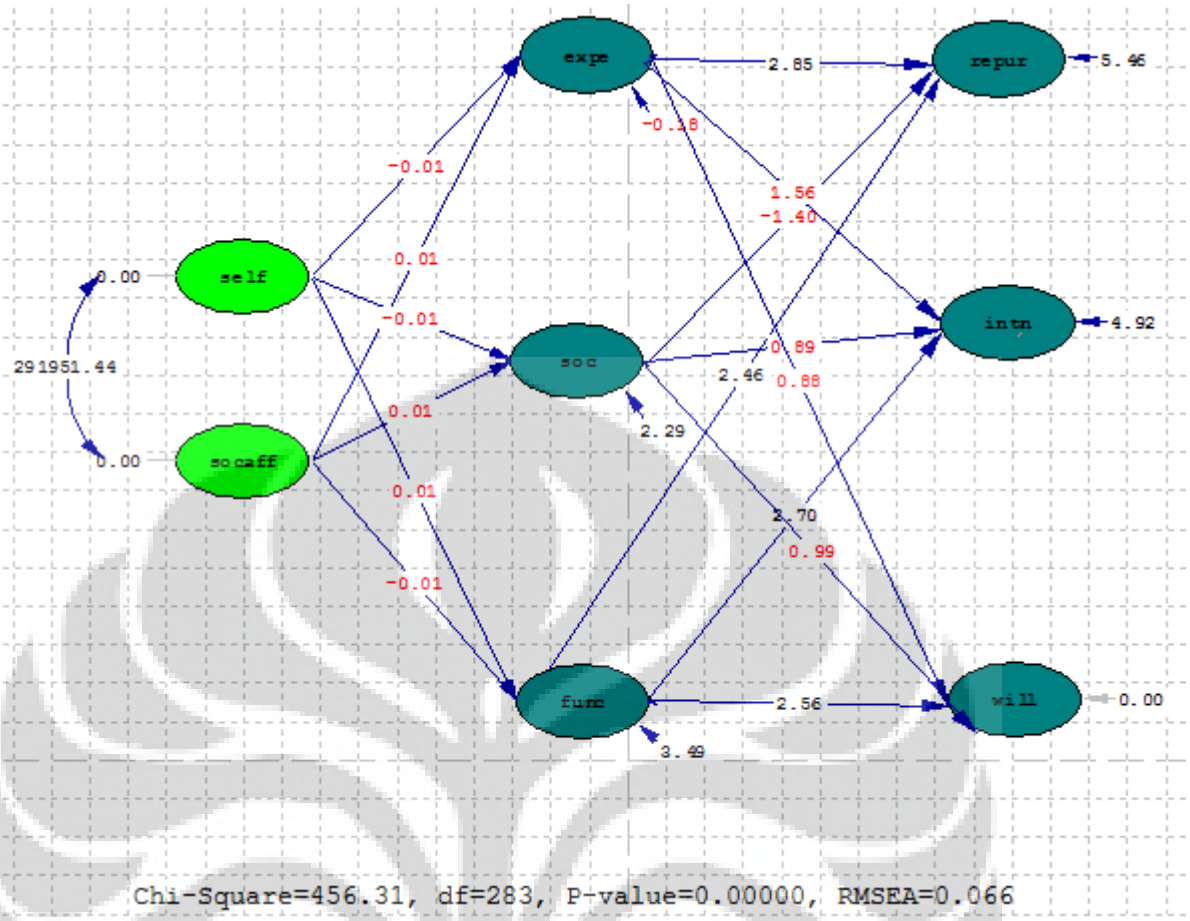


Figure 4.13 Path Diagram and t-value for the Structural Model

Source: Output from LISREL 8.5 Conducted by Researcher

Table 4.23 T-value for the Structural Model

No.	Path	T-value	Description
1-1	Self-directed Values --> Experiential Needs	-0.01	Not Significant
1-2	Self-directed Values --> Social Needs	-0.01	Not Significant
1-3	Self-directed Values --> Functional Needs	0.01	Not Significant
1-4	Social Affiliation Values --> Experiential Needs	0.01	Not Significant
1-5	Social Affiliation Values --> Social Needs	0.01	Not Significant
1-6	Social Affiliation Values --> Fuctional Needs	-0.01	Not Significant
2-1	Experiential Needs --> Repurchase Intentions	2.85	Significant
2-2	Experiential Needs --> Intention of WOM	1.56	Not Significant
2-3	Experiential Needs --> Willingness to Pay	0.88	Not Significant
2-4	Social Needs --> Repurchase Intentions	-1.40	Not Significant
2-5	Social Needs --> Intention of WOM	0.89	Not Significant
2-6	Social Needs --> Willingness to Pay	0.99	Not Significant
2-7	Functional Needs --> Repurchase Intentions	2.46	Significant
2-8	Functional Needs --> Intention of WOM	2.70	Significant
2-9	Functional Needs --> Willingness to Pay	2.56	Significant

Source: LISREL output conducted by the Researcher

It can be seen that the hypothesis 2-1, 2-7, 2-8, and 2-9 were accepted for Indonesian who buy new smartphone questionnaire as the t-value exceeded 1.645. Self-directed values had not significant effect towards experiential needs as the value was -0.01. Self-directed values had not significant effect towards social needs as the value was -0.01. Self-directed values had not significant effect towards functional needs as the value was 0.01. Social affiliation values had not significant effect towards experiential needs as the value was 0.01. Social affiliation values had not significant effect towards social needs as the value was 0.01. Social affiliation values had not significant effect towards functional needs as the value was -0.01.

Experiential needs had significant effect towards repurchase intentions as the value was 2.85. Experiential needs had not significant effect towards intention of WOM as the value was 1.56.

Experiential needs had not significant effect towards willingness to pay as the value was 0.88. Social needs had not significant effect towards repurchase intentions as the value was -1.40. Social needs had not significant effect towards intention of WOM as the value was 0.89. Social needs had not significant effect towards willingness to pay as the value was 0.99. Functional needs had significant effect towards repurchase intentions as the value was 2.46. Functional needs had significant effect towards intention of WOM as the value was 2.70. Functional needs had significant effect towards willingness to pay as the value was 2.56.

4.6.4 Causal Relationship Analysis for the Structural Model (Korea)

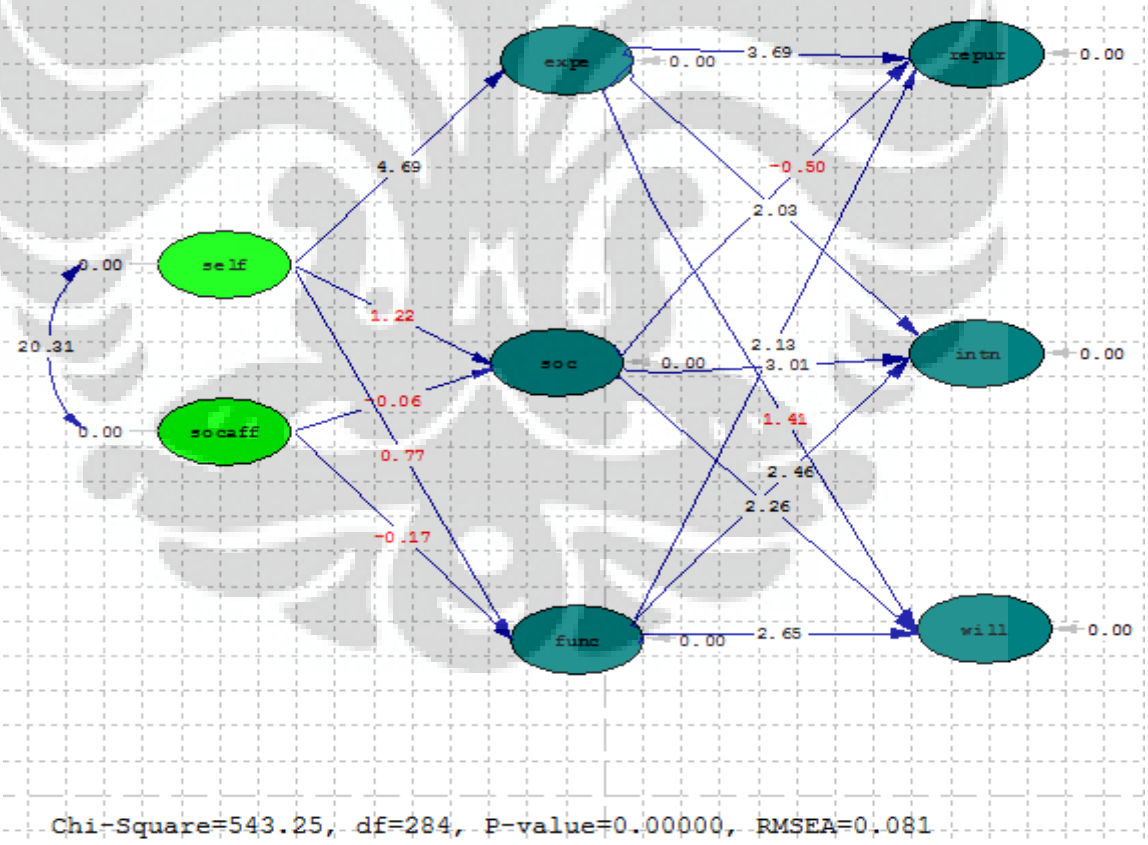


Figure 4.14 Path Diagram and t-value for the Structural Model

Source: Output from LISREL 8.5 Conducted by Researcher

Based on the structural model obtained from the LISREL output above, the researcher can know whether a latent variable has a significant effect on other latent variables by looking at the t-value. If the t-value ≥ 1.645 for a hypothesis that predicts a positive effect, it can be concluded that the relationship between the latent variables is significant and the hypothesis can be accepted (Division of Statistics and Scientific Computation, The University of Texas).

Table 4.24 T-value for the Structural Model

No.	Path	T-value	Description
1-1	Self-directed Values --> Experiential Needs	4.69	Significant
1-2	Self-directed Values --> Social Needs	1.22	Not Significant
1-3	Self-directed Values --> Functional Needs	0.77	Not Significant
1-4	Social Affiliation Values --> Social Needs	-0.06	Not Significant
1-5	Social Affiliation Values --> Functional Needs	-0.17	Not Significant
2-1	Experiential Needs --> Repurchase Intentions	3.69	Significant
2-2	Experiential Needs --> Intention of WOM	2.03	Significant
2-3	Experiential Needs --> Willingness to Pay	1.41	Not Significant
2-4	Social Needs --> Repurchase Intentions	-0.50	Not Significant
2-5	Social Needs --> Intention of WOM	3.01	Significant
2-6	Social Needs --> Willingness to Pay	2.26	Significant
2-7	Functional Needs --> Repurchase Intentions	2.13	Significant
2-8	Functional Needs --> Intention of WOM	2.46	Significant
2-9	Functional Needs --> Willingness to Pay	2.65	Significant

Source: LISREL output conducted by the Researcher

It can be seen that the hypothesis 1-1, 2-1, 2-2, 2-5, 2-6, 2-7, 2-8, and 2-9 were accepted for Indonesian who buy new smartphone questionnaire as the t-value exceeded 1.645. Self-directed values had significant effect towards experiential needs as the value was 4.69. Self-directed values had not significant effect towards social needs as the value was 1.22. Self-directed values had not significant effect towards functional needs as the value was 0.77. Social affiliation values had not significant effect towards social needs as

the value was -0.06. Social affiliation values had not significant effect towards functional needs as the value was -0.17.

Experiential needs had significant effect towards repurchase intentions as the value was 3.69. Experiential needs had significant effect towards intention of WOM as the value was 2.03. Experiential needs had not significant effect towards willingness to pay as the value was 1.41. Social needs had not significant effect towards repurchase intentions as the value was -0.50. Social needs had significant effect towards intention of WOM as the value was 3.01. Social needs had significant effect towards willingness to pay as the value was 2.26. Functional needs had significant effect towards repurchase intentions as the value was 2.13. Functional needs had significant effect towards intention of WOM as the value was 2.46. Functional needs had significant effect towards willingness to pay as the value was 2.65.

4.6.5 Coefficient Determinant for the Both Countries Consumers' Buying New Smartphone Structural Model (Indonesia)

Joreskog (1999) was quoted in Wijanto (2008) that the R^2 in the structural equation does not have a clear interpretation. Therefore, the interpretation of the R^2 is taken from the reduced form equation.

expe = -12745.86*self + 12746.30*socaff, Errorvar.= -5.09, R≤ = 6.09

(1204675.56) (1204675.56)

-0.011 0.011

soc = - 1308.28*self + 1308.71*socaff, Errorvar.= 0.75, R≤ = 0.25

(123610.65) (123610.65)

-0.011 0.011

func = 399.15*self - 398.84*socaff, Errorvar.= 0.90, R≤ = 0.10

(37693.92) (37693.92)

0.011 -0.011

repur = - 7276.46*self + 7276.69*socaff, Errorvar.= -0.98, R≤ = 1.98

(687828.51) (687828.51)

-0.011 0.011

intn = - 3920.92*self + 3921.22*socaff, Errorvar.= 0.35, R≤ = 0.65

(370587.86) (370587.86)

-0.011 0.011

will = - 2346.64*self + 2346.89*socaff, Errorvar.= 0.96, R≤ = 0.22

(221795.49) (221795.49)

-0.011 0.011

Based on the reduced form equations output, the researcher can interpret the following:

1. Self-directed Values and Social Affiliation Values can explain 609 percent of the variance in experiential needs.

2. Self-directed Values and Social Affiliation Values can explain 25 percent of the variance in social needs.

3. Self-directed Values and Social Affiliation Values can explain 10 percent of the variance in functional needs.

4. Self-directed Values and Social Affiliation Values can explain 198 percent of the variance in repurchase intentions.

5. Self-directed Values and Social Affiliation Values can explain 65 percent of the variance in intention of WOM.

6. Self-directed Values and Social Affiliation Values can explain 22 percent of the variance in willingness to pay.

4.6.6 Coefficient Determinant for the Both Countries Consumers' Buying New Smartphone Structural Model (Korea)

The interpretation of the R^2 is taken from the reduced form equation.

expe = 0.59*self + 0.0*socaff, Errorvar.= 1.00, R≤ = 0.26
(0.13)
4.69

soc = 0.58*self - 0.029*socaff, Errorvar.= 1.00, R≤ = 0.23
(0.48) (0.46)
1.22 -0.064

func = 0.39*self - 0.085*socaff, Errorvar.= 1.00, R≤ = 0.088
(0.50) (0.49)
0.77 -0.17

repur = 0.29*self - 0.019*socaff, Errorvar.= 1.20, R≤ = 0.057
(0.14) (0.12)
2.01 -0.16

intn = 0.41*self - 0.033*socaff, Errorvar.= 1.22, R≤ = 0.10
(0.22) (0.20)
1.86 -0.16

will = 0.30*self - 0.030*socaff, Errorvar.= 1.14, R≤ = 0.060
(0.18) (0.17)
1.61 -0.18

Based on the reduced form equations output, the researcher can interpret the following:

1. Self-directed Values and Social Affiliation Values can explain 23 percent of the variance in social needs.

2. Self-directed Values and Social Affiliation Values can explain 8.8 percent of the variance in functional needs.

3. Self-directed Values and Social Affiliation Values can explain 5.7 percent of the variance in repurchase intentions.

4. Self-directed Values and Social Affiliation Values can explain 10 percent of the variance in intention of WOM.

5. Self-directed Values and Social Affiliation Values can explain 6 percent of the variance in willingness to pay.

4.6.7 Hypothesis Test

The analysis to test the hypothesis was used with a significance level of 5% and a one-tailed test, thus the t-value used is 1.645. A hypothesis will be accepted of the t-value is >1.645 and rejected if the t-value is <1.645. The following is the table that shows the t-values and whether the hypothesis is accepted or not.

Table 4.25 Hypothesis Test Results For Indonesia

Hypothesis	Hypothesis Statement	T-value	Hypothesis Type	Description
H3-1	Self-directed values influence experiential needs differently in Indonesia and Korea	-0.01	Negative Effect	Data Supports the Hypothesis
H3-2	Self-directed values influence social needs differently in Indonesia and Korea	-0.01	Negative Effect	Data Supports the Hypothesis
H3-3	Self-directed values influence functional needs differently in Indonesia and Korea	0.01	Negative Effect	Data Supports the Hypothesis
H3-4	Social affiliation values influence experiential needs differently in Indonesia and Korea	0.01	Negative Effect	Data Supports the Hypothesis
H3-5	Social affiliation values influence social needs differently in Indonesia and Korea	0.01	Negative Effect	Data Supports the Hypothesis
H3-6	Social affiliation values influence functional needs differently in Indonesia and Korea	-0.01	Negative Effect	Data Supports the Hypothesis

Table 4.25 Hypothesis Test Results For Indonesia (Continued)

H4-1	Experiential needs influence repurchase intention differently in Indonesia and Korea	2.85	Positive Effect	Data Supports the Hypothesis
H4-2	Experiential needs influence intention of WOM differently in Indonesia and Korea	1.56	Negative Effect	Data Supports the Hypothesis
H4-3	Experiential needs influence willingness to pay differently in Indonesia and Korea	0.88	Negative Effect	Data Supports the Hypothesis
H4-4	Social needs influence repurchase intention differently in Indonesia and Korea	-1.40	Negative Effect	Data Supports the Hypothesis
H4-5	Social needs influence intention of WOM differently in Indonesia and Korea	0.89	Negative Effect	Data Supports the Hypothesis
H4-6	Social needs influence willingness to pay differently in Indonesia and Korea	0.99	Negative Effect	Data Supports the Hypothesis
H4-7	Functional needs influence repurchase intention differently in Indonesia and Korea	2.46	Positive Effect	Data Supports the Hypothesis
H4-8	Functional needs influence intention of WOM differently in Indonesia and Korea	2.70	Positive Effect	Data Supports the Hypothesis
H4-9	Functional needs influence willingness to pay differently in Indonesia and Korea	2.56	Positive Effect	Data Supports the Hypothesis

Source: LISREL Output Conducted by the Researcher

Table 4.26 Hypothesis Test Results For Korea

Hypothesis	Hypothesis Statement	T-value	Hypothesis Type	Description
H3-1	Self-directed values influence experiential needs differently in Indonesia and Korea	4.69	Positive Effect	Data Supports the Hypothesis
H3-2	Self-directed values influence social needs differently in Indonesia and Korea	1.22	Negative Effect	Data Supports the Hypothesis
H3-3	Self-directed values influence functional needs differently in Indonesia and Korea	0.77	Negative Effect	Data Supports the Hypothesis
H3-5	Social affiliation values influence social needs differently in Indonesia and Korea	-0.06	Negative Effect	Data Supports the Hypothesis
H3-6	Social affiliation values influence functional needs differently in Indonesia and Korea	-0.17	Negative Effect	Data Supports the Hypothesis

Table 4.26 Hypothesis Test Results For Korea (Continued)

H4-1	Experiential needs influence repurchase intention differently in Indonesia and Korea	3.69	Positive Effect	Data Supports the Hypothesis
H4-2	Experiential needs influence intention of WOM differently in Indonesia and Korea	2.03	Positive Effect	Data Supports the Hypothesis
H4-3	Experiential needs influence willingness to pay differently in Indonesia and Korea	1.41	Negative Effect	Data Supports the Hypothesis
H4-4	Social needs influence repurchase intention differently in Indonesia and Korea	-0.50	Negative Effect	Data Supports the Hypothesis
H4-5	Social needs influence intention of WOM differently in Indonesia and Korea	3.01	Positive Effect	Data Supports the Hypothesis
H4-6	Social needs influence willingness to pay differently in Indonesia and Korea	2.26	Positive Effect	Data Supports the Hypothesis
H4-7	Functional needs influence repurchase intention differently in Indonesia and Korea	2.13	Positive Effect	Data Supports the Hypothesis
H4-8	Functional needs influence intention of WOM differently in Indonesia and Korea	2.46	Positive Effect	Data Supports the Hypothesis
H4-9	Functional needs influence willingness to pay differently in Indonesia and Korea	2.65	Positive Effect	Data Supports the Hypothesis

Source: LISREL Output Conducted by the Researcher

Based on the outputs from the table above, the results will be further discussed in the next section.

4.6.7.1 Consumers' Values has Correlation with Consumers' Needs

H1: There is a positive relationship between Consumers' Values and Consumers' Needs.

H1-1: There is a positive relationship between self-directed values and experiential needs.

H1-2: There is a positive relationship between self-directed values and social needs.

H1-3: There is a positive relationship between self-directed values and functional needs.

H1-4: There is a positive relationship between social affiliation values and experiential needs.

H1-5: There is a positive relationship between social affiliation values and social needs.

H1-6: There is a positive relationship between social affiliation values and functional needs.

In order to examine the relationship among constructs which were hypothesized in this research, the hypothesis was tested through structural equation modeling. Based on the data above, hypothesis 1 assumed a positive relationship between Consumers' Values and Needs. It was proved that Self-directed Values positively

influenced Experiential Needs as the t-value is 4.69 in Korea. However, the other relationship proposed in the hypothesis 1 was not supported.

4.6.7.2 Consumers' Needs has Correlation with Consumers' Behavioral Intentions

H2: There is a positive relationship between Consumers' Needs and Consumers' Behavioral Intentions.

H2-1: There is a positive relationship between experiential needs and repurchase intention.

H2-2: There is a positive relationship between experiential needs and intention of WOM.

H2-3: There is a positive relationship between experiential needs and willingness to pay.

H2-4: There is a positive relationship between social needs and repurchase intention.

H2-5: There is a positive relationship between social needs and intention of WOM.

H2-6: There is a positive relationship between social needs and willingness to pay.

H2-7: There is a positive relationship between functional needs and repurchase intention.

H2-8: There is a positive relationship between functional needs and

intention of WOM.

H2-9: There is a positive relationship between functional needs and willingness to pay.

Based on the data above, hypothesis 2 proposed that there was a positive relationship between Consumers' Needs and Behavioral Intentions. It was proved that in Indonesia, Experiential Needs positively influenced Repurchase Intention as the t-value is 2.85, Functional Needs positively influenced Repurchase Intention as the t-value is 2.46, Functional Needs positively influenced Intention of WOM as the t-value is 2.70, and Functional Needs positively influenced Willingness to Pay as the t-value is 2.56.

Besides, it was proved that in Korea, Experiential Needs positively influenced Repurchase Intention as the t-value is 3.69, Experiential Needs positively influenced Intention of WOM as the t-value is 2.03, Social Needs positively influenced Intention of WOM as the t-value is 3.01, Social Needs positively influenced Willingness to Pay as the t-value is 2.26, Functional Needs positively influenced Repurchase Intention as the t-value is 2.13, Functional Needs positively influenced Intention of WOM as the t-value is 2.46, and Functional Needs positively influenced Willingness to Pay as the t-value is 2.65. However, the other relationship proposed in the hypothesis 1 was not supported.

4.6.7.3 Effect of Consumers' Values towards Consumers' Needs Differently in Indonesia and Korea

H3: Consumers' Values influence Consumers' Needs differently in Indonesia and Korea.

H3-1: Self-directed values influence experiential needs differently in Indonesia and Korea.

H3-2: Self-directed values influence social needs differently in Indonesia and Korea.

H3-3: Self-directed values influence functional needs differently in Indonesia and Korea.

H3-4: Social affiliation values influence experiential needs differently in Indonesia and Korea.

H3-5: Social affiliation values influence social needs differently in Indonesia and Korea.

H3-6: Social affiliation values influence functional needs differently in Indonesia and Korea.

The last and the most important objective of this research is to investigate the difference of the relationships among consumers' values, needs, and behavioral intentions in two different countries.

Hypothesis 3 proposed that Consumers' Values influenced Consumers Needs differently in Indonesia's and Korea's markets. Based on the data from the table above, it is proved that Consumers' Values have no influence on the Experiential Needs and Social Needs when purchasing new smartphones. Interesting that Self-directed Values and Social Affiliation Values in Indonesia are not related to any kinds of Consumers' Values. While, Self-directed Values in Korea have significantly influenced Experiential Needs. This can be explained by the fact that culture and people's mentality do have an influence on consumption behavior. Thus, Indonesian

consumers do not consider their personal values and social values when they buy a new smartphone. On the other hand, Korean consumers consider their personal values based on their experiential needs when they buy a new smartphone.

4.6.7.4 Effect of Consumers' Needs towards Consumers' Behavioral Intention Differently in Indonesia and Korea

H4: Consumers' Needs influence Consumers' Behavioral Intentions differently in Indonesia and Korea.

H4-1: Experiential needs influence repurchase intention differently in Indonesia and Korea.

H4-2: Experiential needs influence intention of WOM differently in Indonesia and Korea.

H4-3: Experiential needs influence willingness to pay differently in Indonesia and Korea.

H4-4: Social needs influence repurchase intention differently in Indonesia and Korea.

H4-5: Social needs influence intention of WOM differently in Indonesia and Korea.

H4-6: Social needs influence willingness to pay differently in Indonesia and Korea.

H4-7: Functional needs influence repurchase intention differently in Indonesia and Korea.

H4-8: Functional needs influence intention of WOM differently in Indonesia and Korea.

H4-9: Functional needs influence willingness to pay differently in Indonesia and Korea.

Hypothesis 4 assumes that Consumers' Needs influence Behavioral Intentions differently in Indonesia's and Korea's markets. The first difference is about how the Experiential Needs are related with Behavioral Intentions. In Indonesia, Experiential Needs influence upon Repurchase Intentions only but in Korea it has positive connection with the Repurchase Intention and the Intention of WOM. Moreover, Experiential Needs are more influence in Korea than in Indonesia. Therefore, Korean consumers are more significantly influenced than Indonesian consumers on repurchase with the same brand and spreading and believing word-of-mouth when they buy a new smartphone. The reason of this difference can be the fact that according to L.E.K Consulting (2013), Korea is the world's best IT infrastructure, with exceptionally wide use of high-speed Internet and smartphones. Consumers tend to be tech-savvy, and this has strongly influenced the way they shop. Many use social media to search for information about potential purchases and to share their own product review.

The second difference appears in the relationship between Social Needs and Behavioral Intention in the two countries. Social Needs influence Intention of WOM and Willingness to Pay in Korea. Interestingly, Korean consumers are more influence on Intention of WOM (3.01) than Willingness to Pay (2.26). Thus, Korean consumers are more significantly influenced on word-of-mouth from their friends, families, or acquaintances than Willingness to Pay when they need to buy a new smartphone.

Finally the last difference can be found in the relationship between Functional Needs and Behavioral Intentions. Although the relationship pattern is exactly the same in both countries, the magnitude of the relationship is slightly different. The Functional Needs influence on the Repurchase Intention with weight estimates 2.46 in Indonesia and 2.13 in Korea. Also, the Functional Needs influence on the Intention of WOM with weight estimates 2.70 in Indonesia and 2.46 in Korea. Meanwhile, the Functional Needs influence on the Willingness to Pay with weight estimates 2.56 in Indonesia and 2.65 in Korea. The positive connection of Functional Needs with Repurchase Intention and Intention of WOM within the biggest weight estimates 2.70 in Indonesia is better expressed than in Korea. On the other hand, the positive connection between Functional Needs and Willingness to Pay within the biggest weight estimates 2.65 in Korea is more influence than in Indonesia. This means that Indonesian consumers are tend to repurchase better functioned new smartphone and pay attention on word-of-mouth and Korean consumers are willing to pay a price premium in order to get a better functioned new smartphone. According to McKinsey (2013), traditional media has the broadest appeal but word-of-mouth has greater bearing on decision making. Family orientation and influence is evident when Indonesian people consider that word-of-mouth recommendations are stated as the most credible source for endorsements.

CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

Based on the results of the processing and analysis of the data that was discussed in previous chapters, several conclusions were made to answer the research questions. The following conclusions can be made from this research:

1. There is a positive relationship between Consumers' Values and Consumers' Needs.

   It can be concluded that the results in this research supports the findings by Mozgovaia (2012) that confirms the existence of such relationship between these two variables. Therefore, in the context of this research, only South Korean respondents have positive relationship between Self-directed Values and Experiential Needs. Moreover, the results of this hypothesis show that the positive relationship between these two variables can also be applied to the trendy products such as camera, TV, cosmetics and so on.

2. There is a positive relationship between Consumers' Needs and Consumers' Behavioral Intentions

   It can be concluded that the results in this research supports the findings by Mozgovaia (2012). The results of this research conclude that there are positive relationship between Experiential Needs and Repurchase Intention,

between Functional Needs and Repurchase Intention, and between Functional Needs and Willingness to Pay in Indonesia. Besides, there are positive relationship between Experiential Needs and Intention of WOM, between Social Needs and Willingness to Pay, between Functional Needs and Repurchase Intention, between Functional Needs and Intention of WOM, and between Functional Needs and Willingness to Pay. Moreover, all the results of this variable have more significantly positive relationships in the Korean respondents than the Indonesian respondents. Therefore, the positive relationship between Consumers' Needs and Consumers' Behavioral Intention that Indonesia and South Korea enjoy in some of perspective of consumers based in Greater Jakarta (*JaBoDeTaBek*) area can be used to the advantage of marketers.

3. Consumers' Values influence Consumers' Needs differently in Indonesia and Korea.

   It can be concluded that the results in this research supports the findings by Mozgovaia (2012). The results of this research have shown that there is positive relationship in South Korea between Self-directed Values and Experiential Needs. Therefore, it can be concluded that the Self-directed Values are significantly influence to the Experiential Needs.

4. Consumers' Needs influence Consumers' Behavioral Intentions differently in Indonesia and Korea

   It can be concluded that the results in this research

supports the findings by Mozgovaia (2012). The results of this research have shown that Experiential Needs influence upon Repurchase Intentions and Functional Needs upon all of Consumers' Behavioral Intention indicators do positively influence in Indonesia. While in Korea, Experiential Needs upon Repurchase Intention and Intention of WOM, Social Needs upon Intention of WOM and Willingness to Pay, and Functional Needs upon all of Consumers' Behavioral Intention indicators do positively influence. Based on the results, it can be concluded that this variable had more significant effect in influencing Korean consumers compared to Indonesian consumers, as the t-value results were significantly higher for Korea compare to Indonesia.

5.2 Research Implications

5.2.1 Managerial Implications

In this research, it was found out that smartphone companies can establish their market strategy that increase and maintain consumers' repurchasing, by pressing on this or that factor of the model. According to the result of the research model, only Korean respondents have a significantly positive influence from self-directed value to experiential needs. It can apply to the trendy products such as camera, TV, cosmetics and so on because based on the questionnaire in experiential needs section, it mentioned about up-to-date technology trend and buy the newest smartphone.

Besides, according to the result of the research model, both Indonesian and Korean respondents have many positive influences between consumer's needs and consumer's behavioral. First of all,

there are positive influents from experiential needs to repurchase intentions in both countries. Moreover, there is a positive influence from experiential needs to intention of word-of-mouth in Korea. Therefore, firstly, both countries smartphone makers should more focus on the novelty when developing a marketing strategy and especially in Korea, smartphone companies should pay more attention to developing not only focus on novelty but also focus on the ways of raising the consumers' satisfaction so that people will say positive information to the others.

In addition, according to the result of the research model, only Korean respondents have a significantly positive influence from social needs to intention of word-of-mouth and willingness to pay. This means that smartphone's companies should pay more attention to developing on the ways of raising the consumers' social status by possessing the product of this company or to develop ways of getting the prestige by having this brand smartphone. The goal can be reached by developing a special design which would distinguish this brand smartphone from another's.

Lastly, it was proven that in both countries functional needs have the biggest regression weight estimates based on the research model, influencing all the three factors of the behavioral intentions. So smartphone makers should first of all concentrate on the functional characteristics of the smartphones in order to get repurchases, to make consumers say positive information about the smartphone's brand, and to make consumers paying more for the particular brand of the smartphones.

As a conclusion, therefore, the positive relationship between consumers' needs and consumers' behavioral intentions that both Indonesian and South Korean respondents enjoy in some of

perspective of consumers based in Greater Jakarta (*JaBoDeTaBek*) area can be used to the advantage of marketers.

5.2.2 Academic Implications

The research framework model used in this research may be used for future research in the topic of consumer behavior comparison between two countries as the results suggested a significant positive relationship existed between all of the proposed hypotheses. Moreover, as some of the proposed hypotheses were accepted, it show that other similar research framework model that shows the operationalization of the research variables could be used in the context of consumers' values, needs, and behavioral intentions towards buying new smartphone, especially Indonesia and South Korea. However, as it was reported that some of the model fit indices in this research reported many marginal fit, some adjustments might be needed in future researches in order to report better results on the model fir indices. The recommendations that could be implemented for further research in this topic will be discussed further in the recommendation section.

5.3 Research Limitations

The results of this research have some limitations, which are the following:

1. Convenience sampling was used, thus the results may not be representative of the behavior of consumers in the Greater Jakarta (*JaBoDeTaBek*) area.

2. There was a limited variance in the demographic profile of the respondents, such as the overwhelming majority of the

respondents were between 17 and 41 above years old. Hence, due to the majority of respondents being in the same age range, the views and opinions given may not be varied enough.

3. Due to time constraints, this research was conducted only in the Greater Jakarta (*JaBoDeTaBek)* area.

4. Although the researcher collects the data though traditional way, the researcher cannot help the respondents who produce unreliable information whether they randomly fill in the questionnaires or manipulate the answers of questionnaires.

5.4 Recommendation for Future Research

Due to the research limitations that mentioned earlier, further improvement and refinement is needed in the future. For future research, the researcher recommends the followings:

1. Increase the number of the respondents for each country and finding respondents coming from a more diverse background as the majority of the respondents in this study is between 17-20 years old (73%) in Indonesia and between 21-30 years old (69%) in South Korea. Hence, due to the majority of respondents being in the same age range, the views and opinions given may not be varied enough.

2. Distribution of the questionnaire can use more diversified methods. For example, the questionnaire can be physically distributed to customers in smartphone stores. In addition, purchasing access to a sampling panel from a market

research provider for the online survey could minimize non-response error and increase the sample size.

3. As this research only analyzed smartphones in general, for future research, breaking down smartphones into different categories such as brands or model could be recommended. This is to see whether consumer behavior of buying new smartphone will differ in different product categories.

4. The primary data used in this questionnaire was only sourced from a questionnaire and future research in this study could include qualitative data methods such as an in-depth interview or a focus group discussion in order for the researcher to get more information to be used to support the research. A focus group discussion, for example, can be used towards different groups that have different experiences when buying new smartphones. For example, one group can consist of respondents who rarely purchase smartphones from a particular country and another group with respondents who are familiar with those smartphones.

5. The differences in the behavior of consumers living in different parts of the Greater Jakarta (*JaBoDeTaBek*) region can be compared to provide more specific information for designing marketing and promotional campaigns.

List of References

Ahn, S.-H. (1999). A test of "motivation-self-expansion-behavior" model: Collectivism in Korea. *Korean Journal of Social Psychology*, 13(1), 121–164.

Ajay Sohoni, Mohit Das & Rohit Razdan (November 2013). Asia Consumer Insights Center: The evolving Indonesian consumer.

Allen M.W. The direct and indirect influences of human values on product ownership; *Journal of Economic Psychology*, Volume 20, Issue 1, February 1999, Pages 5-39.

Anderson, E. W. & Sullivan M. W. (1993). The antecedents and consequences of customer satisfaction for firms. Marketing Science, 12, 125-143.

Beatty L. The product- specific nature of impulse buying tendency; *Journal of Business Research*, Volume 56, Issue 7, July 2003, Pages 505-511.

Beatty, S. E., Homer, P.M., & Kahle, L.R. (1991). Personal values and gift giving behavior. A study across cultures. *Journal of Business Research*, 20, 183-190.

Blackwell, R.D., Miniard, P. W., & Engel, J. F. (2001). Consumer behavior. Ft. Worth, Tex: Harcourt College Publishers.

Bloemer, J., Odekerken-Sschroder G., & Leen K. (2003), The Impact of Need for Social Affiliation and Consumer Relationship Proneness on Behavioral Intentions: An Empirical Study in a Hairdresser's Context. *Journal of Retailing and Consumer Services*, 10 (4), 231-240.

Brady, M. K., Cronin, J. J., Brand R. R. (2002). Performance-only measurement of service quality: A replication and extension. *Journal of Business Research*, 55: 17-31.

Business Insider. (2013, June 27). Ultra-Wired South Korea Is Battling Smartphone Addiction. Retrieved April 10, 2015,

from http://www.businessinsider.com/ultra-wired-south-korea-is-battling-smartphone-addiction-2013-6?IR=T&

BusinessKorea. (2013, October 15). Korea's Smartphone Market Forecast for Negative Growth This Year. Retrieved April 10, 2015, from http://www.businesskorea.co.kr/article/1687/local-market-saturation-korea%E2%80%99s-smartphone-market-forecast-negative-growth-year

Digitaltrand. (2015, February 24). 'Made in Indonesia' Smartphone Law Could Put APPLE, HTC, and Others in Qutie the Bind. Retrieved April 10, 2015, from http://www.digitaltrends.com/mobile/made-in-indonesia-smartphone-law-will-likely-put-the-squeeze-on-htc-samsung-and-others/

Fornell, C. Johnson M.D., Anderson E. W., Cha J., & Bryant B.E. (1996), "The American Customer Satisfaction Index: Nature, Purpose, and Findings," *Journal of Marketing*, 60 (4), 7-18.

Fransisca Ratna Ning Arti (2013), "Enhancing Indonesia's Competitiveness And Growth Through Infrastructure Development: Challenges And Strategies," *Journal of Marketing*, 50(3), 57-67.

Freeman (2003), "Finding Social Groups: A Meta-Analysis of the Southern Women Data." In Ronald Breiger, Kathleen Carley and Philippa Pattison (eds.) Dynamic Social Network Modeling and Analysis. Washington, D.C.: The National Academies Press, 2003.

Gebotys, R. (1999), *Handout on Validity*. Retrieved June 14, 2015, from Wilfrid Laurier University : http://web.wlu.ca/bgebotys/book/newvalidity.pdf

Giddens N. "Brand Loyalty" File C5-54.

Gutman, J. (1982). A Mean-End Chain Model Based on Consumer Categorization Processes. *Journal of Marketing*, 46(2), 60-72.

Han, G., & Shin, S.-J. (1999). A cultural profile of Korean society: From vertical collectivism to horizontal individualism. Korean *Journal of Social and Personality Psychology*, 13(2), 293–310.

Hellier, P.K., Geursen, G.M., Carr, R.A., Rickard, J.A. (2003), "Customer repurchase intention, a general structural equation model", European Journal of Marketing, Vol. 37 No.11/12, pp.762-800. Retrieved from http://dx.doi.org/10.1108/03090560310495456

Hensehl A.M. The relationship between values and behavior: A development hypothesis. Child Development, 42, 1997-2007.

Homer, P. M., & Kahle, L. R. (1988). A structural equation test of the value-attitude-behavior hierarchy, *Journal of Personality & Social Psychology*, 54(4), 638-646.

Huntington S. (1993) The Clash of Civilizations? Foreign Affairs, 72(3), 22-49.

Jajak Pendapat App (2015, January 23). Top of Mind Brand Smartphone in Indonesia. Retrieved April 10, 2015, from http://blog.jakpat.net/top-of-mind-brand-smartphone-in-indonesia/

Jakarta Post. (2014, March 24).Indonesia, new frontier for consumer goods companies. Retrieved April 10, 2015, from http://www.thejakartapost.com/news/2014/03/24/indonesia-new-frontier-consumer-goods-companies.html

Jakarta Post. (2014, June 05). Indonesians spend most time on smartphones in the world. Retrieved April 10, 2015, from http://www.thejakartapost.com/news/2014/06/05/indonesians-spend-most-time-smartphones-world.html

Jakarta Post. (2014, August 28). Chinese smartphone makers strengthen foothold in RI market. Retrieved April 10, 2015, from http://www.thejakartapost.com/news/2014/08/28/chinese-

smartphone-makers-strengthen-foothold-ri-market.html

Jakarta Post. (2015, January 31). New smartphone regulation may boost smuggling. Retrieved April 10, 2015 from http://www.thejakartapost.com/news/2015/01/31/new-smartphone-regulation-may-boost-smuggling.html

Kahle, L. R. (1980). Stimulus condition self-selection by males in the interaction of locus of control and skill-chance situations. *Journal of Personality and Social Psychology*, 38)1, 50-56.

Kahle, L. R. (1983). Social Values and Social Change: Adaptation to Life in America. New York: Praeger.

Kahle, L. R. (1994). Values and behaviors: Can you get there from here? In M. Lynn & J. M. Jackson (Ed.), Proceedings of the Society for Consumer Psychology (pp. 43-47).

Kahle, L. R. (1996). Social values and consumer behavior. Research from the List of Values. In C. Seligman, J. M. Olson & M.P. Zanna (Ed.), The Psychology of Values: The Ontario Symposium (Vol. 8, pp. 135-151). Mahwah, New Jersey: Lawrence Erlbaum Associates.

Kahle, L. R., Betty, S. E., & Homer, P. M. (1989). Consumer values in Norway and the United States: A comparison. *Journal of International Consumer Marketing*, 1, 81-92.

Kahle, L. R., & Kennedy, P. (1989). Using the List of Values (LOV) to Understand Consumers, *Journal of Consumer Marketing*, 6, 5-12.

Kahle, L. R., Rose, G., & Shoham, A. (1999). Findings of LOV throughout the world, and other evidence of cross-national consumer psychographics: Introduction. *Journal of Euro Marketing*, 8(1/2), 1-13.

Kahle, L. R., & Timmer, S. G. (1983). A Theory and a Method for Studying Values, In L. R.

Kahle, Social Values and Social Change: Adaptation to Life in America, New York: Praeger.., Dalakas, V., & Aikon, D.

(2001). The social values of fans for men`s versus women`s university basketball, Sport Marketing Quarterly, 10, 156-162.

Kim, J-O., Forsythe, S., Gu, Q., & Moon, S. J. (2002). Cross-cultural consumer values, needs and purchase behavior. *The Journal of Consumer Marketing*, *19*(6), 481-502.

Kirby, J. & Marsden, P. (2006). Connected Marketing: The Viral, Buzz and Word of Mouth Revolution, Oxford: Butterworth-Heinemann. *Journal of Marketing, 56(5), 225-234.*

Lance, A. B. (1997). Customer Voluntary Performance: Customers as Partners in Service Delivery. *Journal of Retailing*, 73(3), 383-406.

Lankoski, L. (2000). Determinant of environmental profit: An analysis of the firm-level relationship between environmental performance and economic performance. Helsinki University of Technology, Institute of Strategy and International Business, Doctoral Dissertations. Retrieved April 9, 2015 from http://lib.tkk.fi/Diss/2000/isbn9512280574.

L.E.K. Consulting (2013). Spotlight on South Korea. *Journal of Consumer Behavior*, 2(1), 7-8.

Malhotra, N. K. (1993). *Marketing research: An applied orientation*. Englewood Cliffs, NJ: Prentice Hall.

Markus, H. R., & Kitayama, S. (1991). Culture and the self: Implications for cognition, emotion, and motivation. Psychological Review, 98(2), 224–253.

Maslow, A. H. (1954). Motivation and personality. New York: Harper.

McFarlane, B. L., & Boxall, P.C. (2003). The role of social psychological and social structural variables in environmental activism: An example of the forest sector. *Journal of Environmental Psychology*, 23(1), 79-87. Methods of Psychological Research Online 2003, Vol.8, No.2,

pp. 23-74

Mckinsey&Company (2013). Asia Consumer Insights Center: The evolving Indonesian consumer. *Indonesian Journal of Consumer Behavior* 3(1) 8

Mikheyev D. (1987) The Soviet Mentality. Political Psychology, 8, (4).

Na, E.Y., & Min, K.H. (1998). Discrepancies between formal / explicit and informal /implicit norms in Korea and generational gaps: Theoretical points and evidence from existing survey data. *Korean Journal of Psychology*: Social Issues, 4(1), 75–93.

Oliver H. M. Yau (1994). Consumer behavior in China. *Chinese Journal of Consumer Behavior*, 7(110), 58-62.

Pamela M. Homer M. A structural Equation Test of the Value-Attitude- Behavior Hierarchy, 1988.

Park, C.W., B.J. Jaworski & D.J. Macinnis (1986). Strategic brand concept image management. *Journal of Marketing,* 50: 135-145.

Park, Y.S., & Kim, U. (2006). Family, parent-child relationship, and academic achievement in Korea: Indigenous, cultural and psychological analysis. In U. Kim, K.-S. Yang, & K.-K. Hwang (Eds.), Indigenous and cultural psychology: Understanding people in context (pp. 421–443). New York, NY: Spring Science + Business Media.

Piaget, J. (1952). The origins of intelligence in children. New York: International University Press.

Pitts, R. E., & Woodside, A. G. (1984). Personal values and Market segmentation: Applying the value construct. In R. E. Pitts & A. G. Woodside (Eds.), Personal values and consumer psychology (pp. 55-75). Lexington, MA: Lexington Books.

Pitts A./ Woodside G. Examining the structure of personal values and consumer decision making. *Journal of Business Research*,

Volume 22, Issue 2, March 1991.

Reuters. (2015, February 24). U.S. raises concerns over 'made in Indonesia' smartphone law. Retrieved April 10, 2015 from http://www.reuters.com/article/2015/02/24/us-indonesia-manufacturers-idUSKBN0LS0CV20150224

Reynolds, T. J., & Gutman, J. (1988). Laddering theory, method, analysis and interpretation. *Journal of Advertising Research*, 28(1), 11-31.

Rokeach, M. The nature of human values. New York Basic Books, 1973.

Rotter, J. B. (1955). The role of the psychological situation in determining the direction of human behavior. In M. R. Jones (Ed.), Nebraska Symposium on Motivation (Vol. III). Lincoln: University of Nebraska Press.

Rotter, J. B., Seeman, M., & Liverant, S. (1962). Internal versus external control of reinforcements: A major variable in behavior theory. In N. F. Washburne (ed.), Decision, Values, and Groups (Vol. 2). London: Pergamon Press.

Shim and Eastlick M.A., The hierarchical influence of personal values on mall shopping attitude and behavior. *Journal of Retailing*, Volume 74, Issue 1, Spring 1998, Pages 139-160.

Schultz, P. W., & Zelezny, L. (1999). Values as predictors of environmental attitudes: Evidence for consistency across 14 countries. *Journal of Environmental Psychology*, 19(2), 255-265.

Singelis, T. M. (1994). The measurement of independent and interdependent self-construals. Personality and Social Psychology Bulletin, 20(5), 580–591.

Sirohi, N., McLaughlin, E. W., & Wittink D. R. (1998). A model of consumer perceptions and store loyalty intentions for a supermarket retailer. *Journal of Retailing*, 74(2): 223-245.

Srern, P. C., Dietz, T., & Guagnano, G. A. (1995). The new

ecological paradigm in socialpsychological context. Environment and Behavior, 27(6), 723-743.

Statista (2015). Number of smartphone users in Indonesia from 2011 to 2018. Retrieved April 8, 2015 from http://www.statista.com/statistics/266729/smartphone-users-in-indonesia/

The Boston Consulting Group. (2013, March 05). Indonesia's Rising Middle-Class and Affluent Consumers. Retrieved April 10, 2015, from https://www.bcgperspectives.com/content/articles/center_consumer_customer_insight_consumer_products_indonesias_rising_middle_class_affluent_consumers/

Thosrsten Henning-Thurau, Kevin P. Gwinner, Gianfranco Walsh, & Dwayne D. Gremler (2004). Electronic word-of-mouth via consumer-opinion platform: What motivates consumers to articulate themselves on the Internet? *Journal of Interactive Marketing*, volume 18, 38-52

Triandis, H. C., & Gelfand, M. J. (1998). Converging measurement of horizontal and vertical individualism and collectivism. *Journal of Personality and Social Psychology*, 74(1), 118–128.

Triandis, H. C., McCusker, C., Betancourt, H., Iwao, S., Leung, K., Salazar, J. M., Zaleski, Z. (1993). An etic-emic analysis of individualism and collectivism. *Journal of Cross- Cultural Psychology*, 24(3), 366–383.

Tse, D., Wong, J., & Tan, C. T. (1988). Towards Some Standardized Cross-Cultural Consumption Values. *Advances in Consumer Research, 15*(1), 387-395.

Vinson, D. E., & Gutman, J. (1978). Personal values and consumer discontent. In R. J/ Ebert, R. J. Monroe, & K. J. Roering (Eds.), Proceedings of the American institute for decision sciences, (pp. 201-203). November 2.

Yang, Z. & Peterson, R. T. (2004). Customer perceived value, satisfaction, and loyalty: The role of switching costs. *Journal of Psychology and marketing*, 21(10), 799-822.

Yaya Cheriya (2011). Are Indonesian and South Korean Smartphone User's Behavior Different? *Journal of Consumer Behavior*, 20(9), 87-92.

Zeithaml, V.A., (1988). Customer perceptions of price, quality and value: a means-end model and synthesis of evidence. *Journal of Marketing* 52 (3), 2-22.

Appendix 1 Research Questionnaire in English

A Research on Behavior Intentions When Purchasing a New Smartphone

Dear participant:

I am a student currently enrolled in the Bachelor's Program of Department of the Fakultas Ekonomi Universitas Indonesia, Depok, Indonesia. I am now working on my final project for graduation. In order to fulfill my thesis requirements, I need to conduct a market survey and would greatly appreciate your participation. Please answer every question honestly and mark the answer of your choice accordingly on the answer sheet. All data collected will be analyzed statistically and will not be shared with third parties. Please make sure to answer every question. Thank you again for your cooperation.

Best Regards,

Universitas Indonesia,
Depok, Indonesia
Department of International Management FEUI
Advisor: Sri Rahayu Hijrah Hati, M,Si.
Researcher: Kim Tae Young
E-mail: kty1312@naver.com

1. Below is a list of values that people all over the world live by. Give a rating for each value based on the importance in your life.

	SELF-DIRECTED VALUES:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	**Self-respect:**	①	②	③	④	⑤
2	**Self-fulfillment:**	①	②	③	④	⑤
3	**Warm relationship with others:**	①	②	③	④	⑤
4	**Fun and enjoyment in life:**	①	②	③	④	⑤
5	**Excitement:**	①	②	③	④	⑤
6	**Sense of accomplishment:**	①	②	③	④	⑤

	SOCIAL AFFILIATION VALUES:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	**Sense of belonging:**	①	②	③	④	⑤
2	**Being well respected:**	①	②	③	④	⑤
3	**Security:**	①	②	③	④	⑤

2. Please answer the following questions.

	EXPERIENTIAL NEEDS:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	I stay up-to-date on technology trends in the smartphone industry and want to buy the latest model.	①	②	③	④	⑤
2	I always try to be the first among consumers who buy the latest smartphone.	①	②	③	④	⑤
3	When I purchase a smartphone, I always buy the newest model.	①	②	③	④	⑤

	SOCIAL NEEDS:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	I believe that owning a well-known brand of smartphone provides prestige.	①	②	③	④	⑤
2	I believe that having a particular model of smartphone reflects my social status.	①	②	③	④	⑤
3	I enjoy the feeling of exclusivity when I purchase a new model of smartphone.	①	②	③	④	⑤

	FUNCTIONAL NEEDS:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	I believe that the functionality of a smartphone is more important than its design.	①	②	③	④	⑤
2	I believe the easier a smartphone is to use, the better.	①	②	③	④	⑤
3	I value the functionality of a smartphone more than its price.	①	②	③	④	⑤

3. Please answer the following questions.

	REPURCHASE INTENTION:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	I would buy the same brand of smartphone again.	①	②	③	④	⑤
2	I usually buy the same brand of smartphones.	①	②	③	④	⑤
3	I will keep buying smartphones of the same brand in future.	①	②	③	④	⑤

	INTENTION OF WOM:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	I will say positive information about this smartphone to others.	①	②	③	④	⑤
2	I suggest this smartphone to others who seek for my advice.	①	②	③	④	⑤
3	I will suggest friends to buy the same smartphone.	①	②	③	④	⑤

	WILLINGNESS TO PAY:	Extremely unimportant ① Unimportant ② Neutral ③ Important ④ Extremely important ⑤				
1	When I buy a smartphone, I'm willing to pay an expensive price.	①	②	③	④	⑤
2	I'm willing to pay higher price for the smartphone which I like, than to buy another one.	①	②	③	④	⑤
3	If you need to purchase the new smartphone in future, how much would you be willing to pay for the latest model?	10-25%	26-50%	51-75%	76-100%	101% or more

4. Please answer the following questions.

Ⅰ. Your Gender:
1) Male 2) Female

Ⅱ. Your Age:
1) 17-20 2) 21-30 3) 31-40 4) more than 41

Ⅲ. Marital Status:
1) Single 2) Married

Ⅳ. Your Education:
1) High School 2) Undergraduate 3) Graduate and Higher

Ⅴ. Your Occupation:
1) Student
2) Government Official (Teacher, Police, Officer, etc.)
3) Company Employee
4) Business Owner
5) House Wife
6) Retired
7) None of the above, please specify _____

Ⅵ. Your average monthly income:
1) Below $500 2) $500-2000 3) $2000-4000 4) $4000-6000 5) Above $6000

Appendix 2 Research Questionnaire in Bahasa Indonesia

A Research on Behavior Intentions When Purchasing a New Smartphone

Responden yang terhormat,

Saya adalah seorang mahasiswa S1 Manajemen Internasional Fakultas Ekonomi Universitas Indonesia. Saya sedang melakukan penelitian tentang Perilaku konsumen dalam membeli *smartphone* baru untuk tugas akhir kelulusan saya. Untuk itu, saya membutuhkan bantuan Anda untuk mengetahui sikap konsumen dalam memilih smartphone baru.

Mohon jawablah setiap pertanyaan dengan jujur dan tolong tandai jawaban pilihan Anda sesuai yang tertera pada lembar jawaban. Semua data yang terkumpul akan dianalisis secara statistik, dan perlu diketahui bahwa informasi dan pendapat Anda akan dijaga kerahasiaannya. Sekali lagi, saya ucapkan terima kasih untuk partisipasi dan kerjasama Anda.

Salam Hormat,

Kim Tae Young

Advisor: Sri Rahayu Hijrah Hati, M,Si.
Researcher: Kim Tae Young
E-mail: kty1312@naver.com

1. Berikut ini adalah daftar nilai-nilai dalam kehidupan orang-orang di seluruh dunia. Berikanlah tanda pada masing-masing nilai yang sesuai dengan tingkat kepentingannya dalam kehidupan Anda.

	SELF-DIRECTED VALUES:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	**Kepercayaan Diri:**	①	②	③	④	⑤
2	**Pemenuhan Diri:**	①	②	③	④	⑤
3	**Hubungan yang hangat dengan orang lain:**	①	②	③	④	⑤
4	**Kesenangan dan kenikmatan dalam hidup:**	①	②	③	④	⑤
5	**Kegembiraan:**	①	②	③	④	⑤
6	**Rasa prestasi:**	①	②	③	④	⑤

	SOCIAL AFFILIATION VALUES:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	**Rasa memiliki:**	①	②	③	④	⑤
2	**Menjadi dihormati:**	①	②	③	④	⑤
3	**Keamanan:**	①	②	③	④	⑤

2. Silahkan jawab pertanyaan-pertanyaan berikut ini.

	EXPERIENTIAL NEEDS:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	Saya tetap *up-to-date* pada tren teknologi dalam hal *gadget* dan ingin membeli model terbaru.	①	②	③	④	⑤
2	Saya selalu mencoba untuk menjadi yang pertama/terdepan di antara konsumen yang membeli smartphone terbaru.	①	②	③	④	⑤
3	Ketika saya membeli sebuah *smartphone*, saya selalu membeli model terbaru.	①	②	③	④	⑤

	SOCIAL NEEDS:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	Saya percaya bahwa memiliki *smartphone* dengan merek terkenal, memberikan rasa prestise.	①	②	③	④	⑤
2	Saya percaya bahwa memiliki *smartphone* dengan model khusus akan mencerminkan status sosial saya.	①	②	③	④	⑤
3	Saya merasa eksklusif ketika saya membeli *smartphone* model terbaru.	①	②	③	④	⑤

	FUNCTIONAL NEEDS:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	Saya percaya bahwa fungsi dari *smartphone* lebih penting daripada desainnya.	①	②	③	④	⑤
2	Saya percaya bahwa semakin mudah *smartphone* tersebut digunakan, maka semakin baik.	①	②	③	④	⑤
3	Saya lebih mementingkan fungsi *smartphone* daripada harganya.	①	②	③	④	⑤

3. Silahkan jawab pertanyaan-pertanyaan berikut ini.

	REPURCHASE INTENTION:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	Saya akan membeli lagi *smartphone* dengan merek yang sama.	①	②	③	④	⑤
2	Saya biasanya membeli *smartphone* dengan merek yang sama.	①	②	③	④	⑤
3	Saya kedepannya akan terus membeli *smartphone* dengan merek yang sama.	①	②	③	④	⑤

	INTENTION OF WOM:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	Saya akan menyampaikan informasi positif tentang *smartphone* ini kepada orang lain.	①	②	③	④	⑤
2	Saya akan menyarankan *smartphone* ini kepada orang lain yang membutuhkan saran saya.	①	②	③	④	⑤
3	Saya akan menyarankan teman-teman untuk membeli *smartphone* yang sama.	①	②	③	④	⑤

	WILLINGNESS TO PAY:	Sangat Tidak Penting ① Tidak Penting ② Netral ③ Penting ④ Sangat Penting ⑤				
1	Ketika saya membeli sebuah *smartphone*, saya bersedia membayarnya dengan harga yang mahal.	①	②	③	④	⑤
2	Saya bersedia membayar harga yang lebih tinggi untuk *smartphone* yang saya sukai, daripada harus membeli *smartphone* lain.	①	②	③	④	⑤
3	Jika Anda nantinya harus membeli *smartphone* baru, seberapa besar Anda bersedia membayar untuk model terbaru?	10-25%	26-50%	51-75%	76-100%	101% atau lebih

4. Silahkan jawab pertanyaan-pertanyaan berikut ini.

Ⅰ. Jenis Kelamin:
1) Pria 2) Wanita

Ⅱ. Umur:
1) 17-20 2) 21-30 3) 31-40 4) lebih dari 41

Ⅲ. Status :
1) Belum Menikah 2) Sudah Menikah

Ⅳ. Pendidikan Terakhir:
1) SMA 2) S1(Sarjana) 3) S2 dan seterusnya

Ⅴ. Pekerjaan :
1) Mahasiswa
2) PNS (Pegawai Negri)
3) Pegawai Swasta
4) Pengusaha
5) Ibu Rumah Tangga
6) Pensiunan
7) Tidak ada di atas, sebutkan _____

Ⅵ. Pendapatan rata-rata perbulan :
1) di bawah $500 2) $500-2000 3) $2000-4000 4) $4000-6000 5) di atas $6000

Appendix 3 Research Questionnaire in Korean

스마트 폰 구매에 관한 소비자 연구

안녕하십니까?

바쁘신 중에도 본 연구에 참여해 주신 데 진심으로 감사 드립니다. 본 설문은 인도네시아 국립 대학교 (Universitas Indonesia)에 국제 경영학과 학사학위 논문을 위해 작성된 것입니다. 각 질문은 정답이 없으므로 귀하께서 느끼시는 대로 솔직하게 답변해 주시면 됩니다. 본 설문에 대한 응답은 전적으로 학술적인 목적으로만 사용될 것이며, 응답하신 분의 비밀은 절대 보장됩니다. 연구에 협조하시는 마음으로 한 문항도 빠짐 없이 응답해 주시면 많은 도움이 되겠습니다.

감사합니다.

인도네시아 국립 대학교 국제 경영학과

지도교수: Sri Rahayu Hijrah Hati, M,Si

연구자: 김태영

E-mail: kty1312@naver.com

1. 다음은 인생에서 사람들이 추구하는 가치들을 나열하고 있습니다. 그러나 사람마다 이러한 가치의 상대적인 중요도는 다릅니다. 귀하의 경우 가치가 귀하의 인생에서 얼마나 중요한지 적당한 번호에 체크하여 대답해 주십시오.

	SELF-DIRECTED VALUES:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	자기존중:	①	②	③	④	⑤
2	자기실현:	①	②	③	④	⑤
3	타인과의 따뜻한 인간관계:	①	②	③	④	⑤
4	인생에 있어서의 재미와 즐거움:	①	②	③	④	⑤
5	흥분되고 신나는 일:	①	②	③	④	⑤
6	성취감:	①	②	③	④	⑤

	SOCIAL AFFILIATION VALUES:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	소속감:	①	②	③	④	⑤
2	존중 받는 것:	①	②	③	④	⑤
3	안전보장:	①	②	③	④	⑤

2. 다음의 질문에 응답해 주시기 바랍니다.

	EXPERIENTAL NEEDS:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	나는 스마트 폰 최신 경향을 알고자 노력한다.	①	②	③	④	⑤
2	나는 주변사람들보다 최신 스마트 폰을 먼저 구매하려고 노력한다.	①	②	③	④	⑤
3	나는 스마트 폰을 교체할 때마다 항상 최신 모델을 구매한다.	①	②	③	④	⑤

	SOCIAL NEEDS:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	나는 잘 알려진 브랜드의 스마트 폰을 사용하는 것이 품격있는 가치를 (prestige) 제공해 준다고 생각한다.	①	②	③	④	⑤
2	스마트 폰이 나의 사회적 지위를 나타낸다고 생각한다.	①	②	③	④	⑤
3	새로운 모델의 스마트 폰을 가질 때, 나는 소수만 누릴 수 있는 고급스러움을 즐기게 된다.	①	②	③	④	⑤

	FUNCTIONAL NEEDS:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	나는 스마트 폰의 디자인보다 기능이 중요하다고 생각한다.	①	②	③	④	⑤
2	나는 스마트 폰을 쉽게 사용할 수 있는 것이 매우 중요하다고 생각한다.	①	②	③	④	⑤
3	나는 스마트 폰의 가격보다 기능이 중요하다고 생각한다.	①	②	③	④	⑤

3. 다음의 질문에 응답해 주시기 바랍니다.

	REPURCHASE INTENTION:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	나는 같은 브랜드의 스마트 폰을 다시 구입할 것이다.	①	②	③	④	⑤
2	나는 일반적으로 같은 브랜드의 제품을 구매한다.	①	②	③	④	⑤
3	나는 앞으로도 같은 브랜드의 스마트 폰을 구입할 것이다.	①	②	③	④	⑤

	INTENTION OF WOM:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	나는 다른 사람들에게 내가 사용하고 있는 스마트 폰에 대한 긍정적인 정보들을 말할 것이다.	①	②	③	④	⑤
2	나의 조언을 원하는 사람들에게 나는 내가 사용하고 있는 스마트 폰을 권할 것이다.	①	②	③	④	⑤
3	나는 친구들에게 나와 같은 스마트 폰을 구매하라고 권할 것이다.	①	②	③	④	⑤

	WILLINGNESS TO PAY:	매우 중요하지 않다 ① 중요하지 않다 ② 보통이다 ③ 중요하다 ④ 매우 중요하다 ⑤				
1	스마트 폰을 구매할 때, 나는 비싼 것을 선택할 의사가 있다.	①	②	③	④	⑤
2	나는 내가 좋아하는 스마트 폰이 있다면 다른 것을 구매하지 않고 내가 좋아하는 스마트 폰을 위해 기꺼이 더 많은 비용을 지불 할 수 있다.	①	②	③	④	⑤
3	향후 당신이 새로운 스마트 폰을 구매해야 할 때, 최근 구매한 스마트 폰의 가격보다 얼마나 더 지불 할 수 있습니까?	10-25%	26-50%	51-75%	76-100%	101% 이상

4. 다음의 질문에 응답해 주시기 바랍니다.

Ⅰ. 귀하의 성별은?
1) 남 2) 여

Ⅱ. 귀하의 만 나이는?
1) 17-20세 2) 21-30세 3) 31-40세 4) 41세 이상

Ⅲ. 귀하의 결혼여부는?
1) 미혼 2) 기혼

Ⅳ. 귀하의 최종 학력은?
1) 고졸 2) 대학교 재학 3) 대학졸업 이상

Ⅴ. 귀하의 직업은?
1) 학생
2) 공무원
3) 회사원
4) 사업가
5) 주부
6) 퇴직자
7) 기타 _____

Ⅵ. 귀하의 월 평균 수입은 어느 정도이십니까?
1) 50만원 이하 2) 50-200만원 3) 200-400만원 4) 400-600만원 5) 600만원 이상

Appendix 4 SPSS 17.0 Output for the Pre-test

Consumers' Values – Self-directed Values Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.773	.770	6

Item Statistics

	Mean	Std. Deviation	N
SDV1	4.41	.646	140
SDV2	4.22	.710	140
SDV3	4.44	.702	140
SDV4	4.37	.752	140
SDV5	4.51	.704	140
SDV6	4.29	.771	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
SDV1	21.83	7.107	.322	.159	.783
SDV2	22.02	6.309	.509	.301	.742
SDV3	21.81	6.488	.462	.284	.753
SDV4	21.87	6.070	.538	.452	.734
SDV5	21.73	5.911	.649	.503	.706
SDV6	21.96	5.710	.632	.429	.708

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
26.24	8.631	2.938	6

Consumers' Values – Social Affiliation Values Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.764	.765	3

Item Statistics

	Mean	Std. Deviation	N
SAV1	4.15	.795	140
SAV2	4.02	.885	140
SAV3	4.58	.700	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
SAV1	8.60	1.882	.629	.406	.646
SAV2	8.73	1.638	.646	.426	.630
SAV3	8.17	2.273	.532	.284	.754

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
12.75	3.887	1.971	3

Consumers' Needs – Experiential Needs Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.807	.814	3

Item Statistics

	Mean	Std. Deviation	N
EN1	3.19	.845	140
EN2	2.69	1.079	140
EN3	3.06	1.101	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
EN1	5.76	3.797	.661	.442	.749
EN2	6.25	3.081	.645	.416	.750
EN3	5.88	2.899	.687	.477	.705

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
8.94	6.687	2.586	3

Consumers' Needs – Social Needs Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.866	.866	3

Item Statistics

	Mean	Std. Deviation	N
SN1	3.36	1.018	140
SN2	3.26	1.050	140
SN3	3.16	1.027	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
SN1	6.42	3.656	.735	.571	.820
SN2	6.51	3.360	.804	.649	.755
SN3	6.62	3.733	.697	.501	.854

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
9.78	7.555	2.749	3

Consumers' Needs – Functional Needs Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.708	.708	3

Item Statistics

	Mean	Std. Deviation	N
FN1	4.01	.873	140
FN2	4.06	.812	140
FN3	3.83	.865	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
FN1	7.89	2.016	.535	.287	.605
FN2	7.84	2.191	.523	.273	.622
FN3	8.07	2.067	.519	.270	.625

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
11.90	4.105	2.026	3

Consumers' Behavioral Intentions – Repurchase Intentions Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.882	.884	3

Item Statistics

	Mean	Std. Deviation	N
RN1	3.35	.929	140
RN2	3.33	1.062	140
RN3	3.06	1.009	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
RN1	6.39	3.634	.793	.631	.819
RN2	6.41	3.207	.780	.616	.827
RN3	6.68	3.471	.748	.562	.853

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
9.74	7.304	2.703	3

Consumers' Behavioral Intentions – Intention of WOM Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.822	.827	3

Item Statistics

	Mean	Std. Deviation	N
IOW1	3.64	.807	140
IOW2	3.69	.795	140
IOW3	3.29	.931	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
IOW1	6.98	2.381	.693	.509	.741
IOW2	6.92	2.361	.722	.538	.714
IOW3	7.33	2.165	.629	.398	.815

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
10.61	4.757	2.181	3

Consumers' Behavioral Intentions – Willingness to Pay Reliability Test (Indonesian)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.688	.695	3

Item Statistics

	Mean	Std. Deviation	N
WTP1	3.16	.895	140
WTP2	3.27	1.058	140
WTP3	2.76	.994	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
WTP1	6.04	2.625	.671	.514	.394
WTP2	5.93	2.427	.553	.476	.527
WTP3	6.44	3.226	.324	.129	.810

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
9.20	5.370	2.317	3

Consumers' Values – Self-directed Values Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.774	.771	6

Item Statistics

	Mean	Std. Deviation	N
SDV1	4.49	.725	140
SDV2	4.46	.772	140
SDV3	4.59	.698	140
SDV4	4.49	.800	140
SDV5	4.22	.945	140
SDV6	4.61	.695	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
SDV1	22.38	7.460	.563	.504	.731
SDV2	22.41	7.092	.614	.556	.716
SDV3	22.28	8.404	.326	.141	.783
SDV4	22.39	7.275	.533	.460	.737
SDV5	22.65	6.315	.633	.520	.709
SDV6	22.26	7.933	.459	.339	.755

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
26.87	10.214	3.196	6

Consumers' Values – Social Affiliation Values Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.739	.743	3

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.739	.743	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
SAV1	8.79	2.237	.623	.421	.583
SAV2	8.49	2.784	.610	.403	.613
SAV3	8.58	2.778	.479	.229	.752

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
12.93	5.175	2.275	3

Consumers' Needs – Experiential Needs Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.849	.854	3

Item Statistics

	Mean	Std. Deviation	N
EN1	3.06	1.133	140
EN2	2.70	1.377	140
EN3	3.23	1.461	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
EN1	5.93	6.801	.703	.517	.815
EN2	6.29	5.374	.778	.610	.728
EN3	5.76	5.376	.698	.497	.817

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
8.99	12.237	3.498	3

Consumers' Needs – Social Needs Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.901	.901	3

Item Statistics

	Mean	Std. Deviation	N
SN1	3.21	1.329	140
SN2	2.73	1.377	140
SN3	2.79	1.381	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
SN1	5.52	6.899	.757	.577	.897
SN2	6.01	6.252	.842	.718	.825
SN3	5.94	6.371	.814	.685	.850

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
8.74	13.951	3.735	3

Consumers' Needs – Functional Needs Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.701	.694	3

Item Statistics

	Mean	Std. Deviation	N
FN1	3.47	1.014	140
FN2	3.97	.865	140
FN3	3.77	1.062	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
FN1	7.74	2.437	.627	.436	.462
FN2	7.24	3.538	.358	.131	.782
FN3	7.44	2.378	.594	.421	.507

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
11.21	5.450	2.335	3

Consumers' Behavioral Intentions – Repurchase Intentions Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.911	.912	3

Item Statistics

	Mean	Std. Deviation	N
RN1	3.36	1.132	140
RN2	3.49	1.089	140
RN3	3.33	1.214	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
RN1	6.81	4.598	.857	.736	.843
RN2	6.69	4.994	.793	.636	.896
RN3	6.84	4.392	.821	.687	.876

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
10.17	10.042	3.169	3

Consumers' Behavioral Intentions – Intention of WOM Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.872	.876	3

Item Statistics

	Mean	Std. Deviation	N
IOW1	3.52	.909	140
IOW2	3.39	1.103	140
IOW3	3.08	1.200	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
IOW1	6.46	4.711	.704	.510	.872
IOW2	6.60	3.637	.823	.678	.754
IOW3	6.91	3.452	.768	.616	.816

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
9.99	8.316	2.884	3

Consumers' Behavioral Intentions – Willingness to Pay Reliability Test (Korean)

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.775	.781	3

Item Statistics

	Mean	Std. Deviation	N
WTP1	3.44	1.242	140
WTP2	3.77	1.140	140
WTP3	2.60	1.403	140

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
WTP1	6.37	4.825	.656	.447	.645
WTP2	6.04	5.351	.626	.415	.687
WTP3	7.21	4.587	.565	.320	.760

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
9.81	9.951	3.155	3

Consumers' Values – Self-directed Values Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.744
Bartlett's Test of Sphericity	Approx. Chi-Square	221.024
	df	15
	Sig.	.000

Component Matrix[a]

	Component
	1
SDV1	.468
SDV2	.673
SDV3	.635
SDV4	.722
SDV5	.798
SDV6	.780

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Values – Social Affiliation Values Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.680
Bartlett's Test of Sphericity	Approx. Chi-Square	109.278
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
SAV1	.843
SAV2	.856
SAV3	.776

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Needs – Experiential Needs Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.714
Bartlett's Test of Sphericity	Approx. Chi-Square	140.726
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
EN1	.852
EN2	.840
EN3	.869

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Needs – Social Needs Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.713
Bartlett's Test of Sphericity	Approx. Chi-Square	206.612
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
SN1	.884
SN2	.920
SN3	.860

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Needs – Functional Needs Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.676
Bartlett's Test of Sphericity	Approx. Chi-Square	75.044
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
FN1	.802
FN2	.792
FN3	.790

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Behavioral Intentions – Repurchase Intentions Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.743
Bartlett's Test of Sphericity	Approx. Chi-Square	226.682
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
RN1	.911
RN2	.905
RN3	.887

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Behavioral Intentions – Intention of WOM Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.708
Bartlett's Test of Sphericity	Approx. Chi-Square	157.735
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
IOW1	.872
IOW2	.887
IOW3	.827

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Behavioral Intentions – Willingness to Pay Validity Test (Indonesian)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.564
Bartlett's Test of Sphericity	Approx. Chi-Square	107.557
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
WTP1	.899
WTP2	.856
WTP3	.596

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Values – Self-directed Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.680
Bartlett's Test of Sphericity	Approx. Chi-Square	264.121
	df	15
	Sig.	.000

Component Matrix[a]

	Component
	1
SDV1	.747
SDV2	.790
SDV3	.458
SDV4	.686
SDV5	.767
SDV6	.634

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Values – Social Affiliation Values Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.658
Bartlett's Test of Sphericity	Approx. Chi-Square	100.793
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
SAV1	.856
SAV2	.843
SAV3	.738

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Needs – Experiential Needs Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.714
Bartlett's Test of Sphericity	Approx. Chi-Square	188.226
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
EN1	.868
EN2	.910
EN3	.861

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Needs – Social Needs Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.737
Bartlett's Test of Sphericity	Approx. Chi-Square	266.856
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
SN1	.888
SN2	.933
SN3	.919

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Needs – Functional Needs Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.600
Bartlett's Test of Sphericity	Approx. Chi-Square	92.134
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
FN1	.868
FN2	.634
FN3	.852

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Behavioral Intentions – Repurchase Intentions Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.747
Bartlett's Test of Sphericity	Approx. Chi-Square	288.034
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
RN1	.939
RN2	.907
RN3	.921

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Behavioral Intentions – Intention of WOM Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.716
Bartlett's Test of Sphericity	Approx. Chi-Square	224.184
	df	3
	Sig.	.000

Component Matrix[a]

	Component
	1
IOW1	.863
IOW2	.926
IOW3	.897

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Consumers' Behavioral Intentions – Willingness to Pay Validity Test (Korean)

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.690
Bartlett's Test of Sphericity	Approx. Chi-Square	118.296
	df	3
	Sig.	.000

Component Matrix[a]

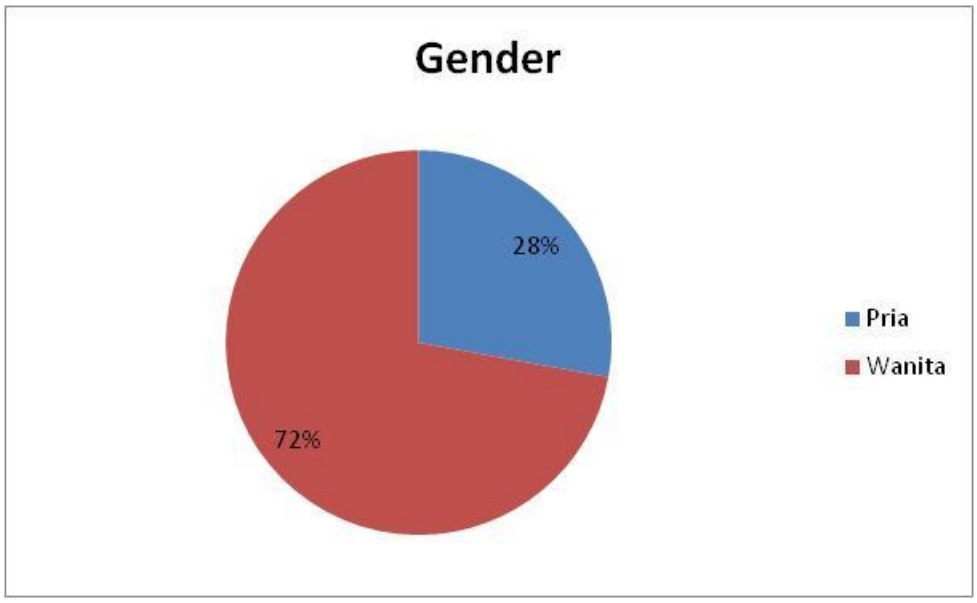
	Component
	1
WTP1	.863
WTP2	.844
WTP3	.795

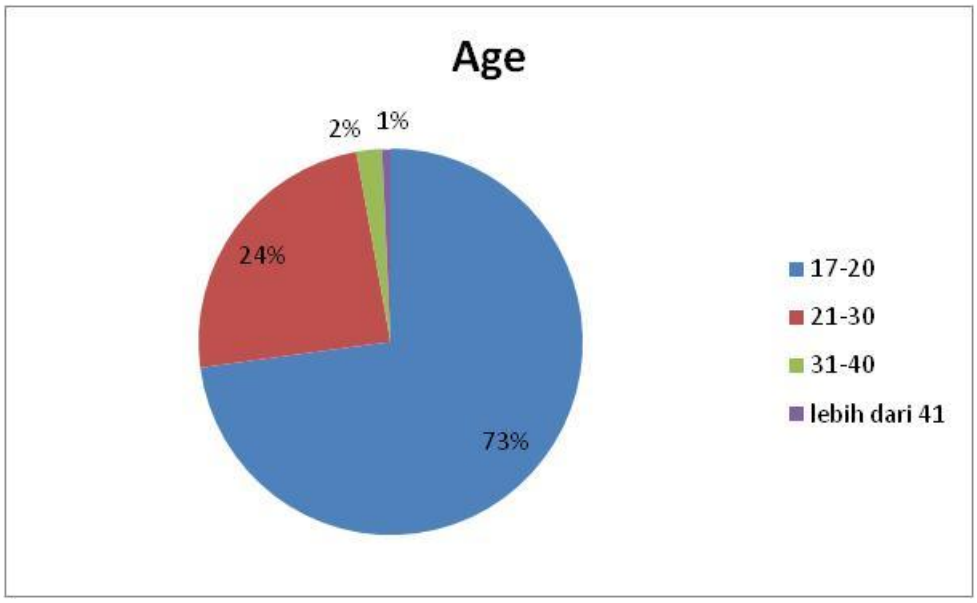
Extraction Method: Principal Component Analysis.

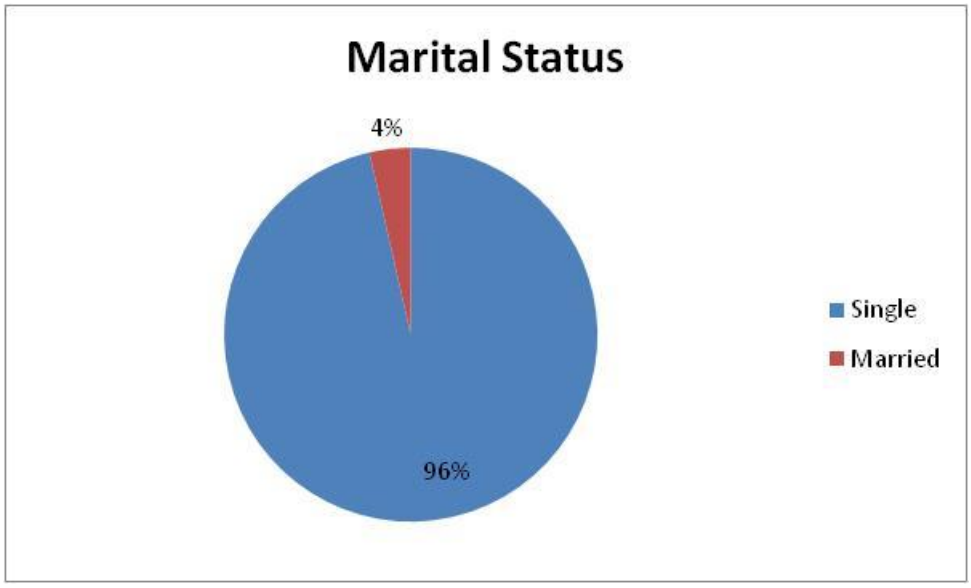
a. 1 components extracted.

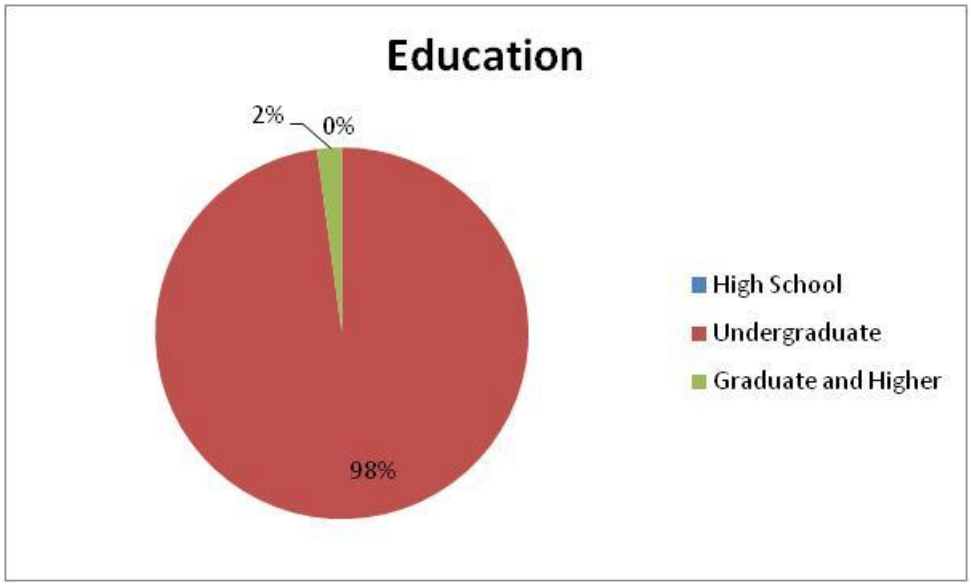
Appendix 5 Respondents' Profile

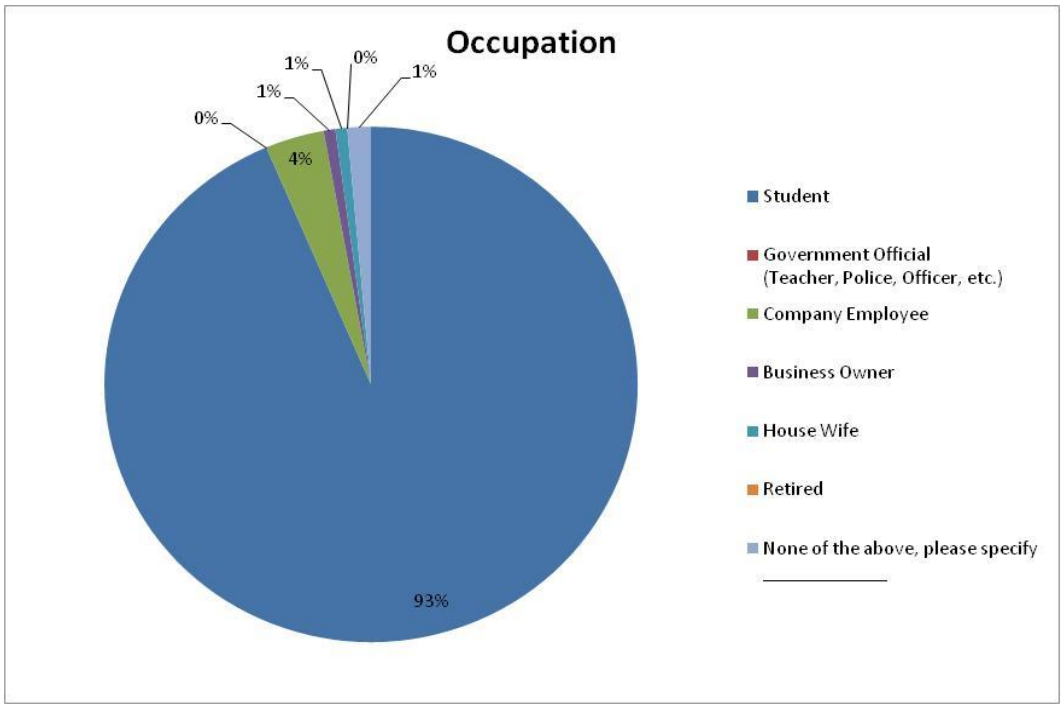
1. Indonesia

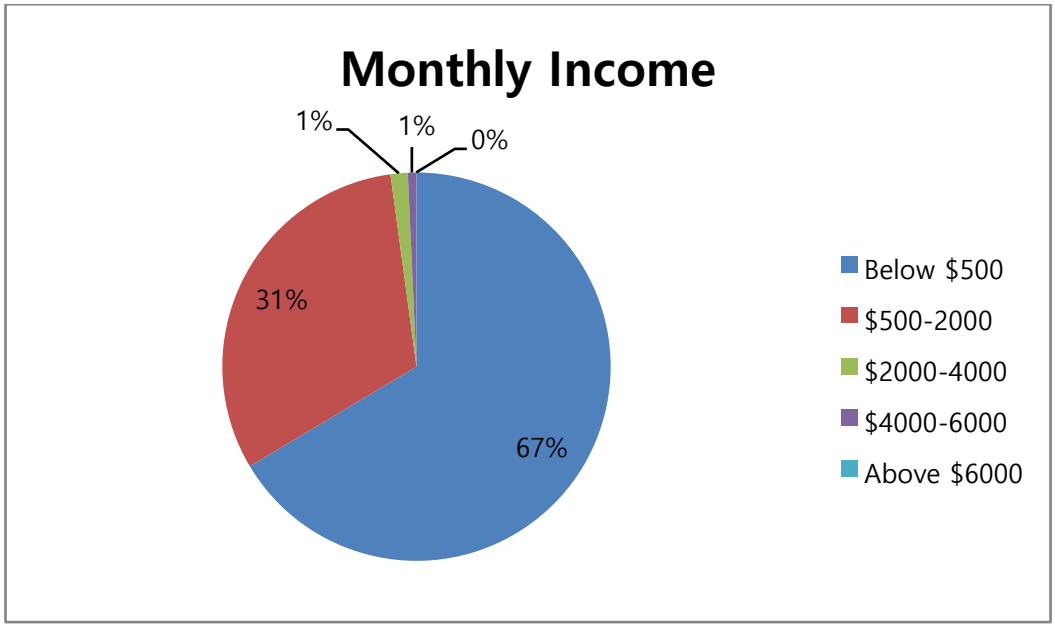




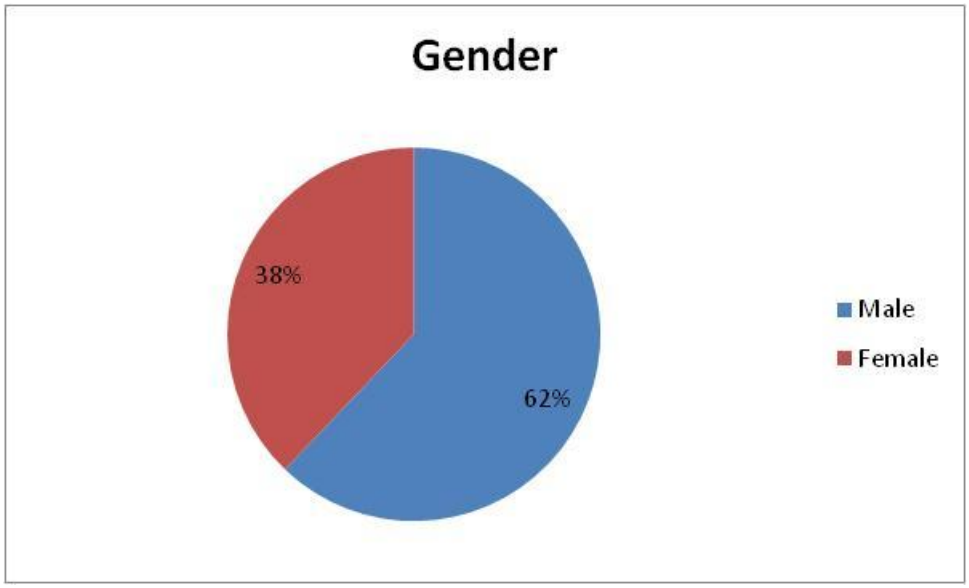


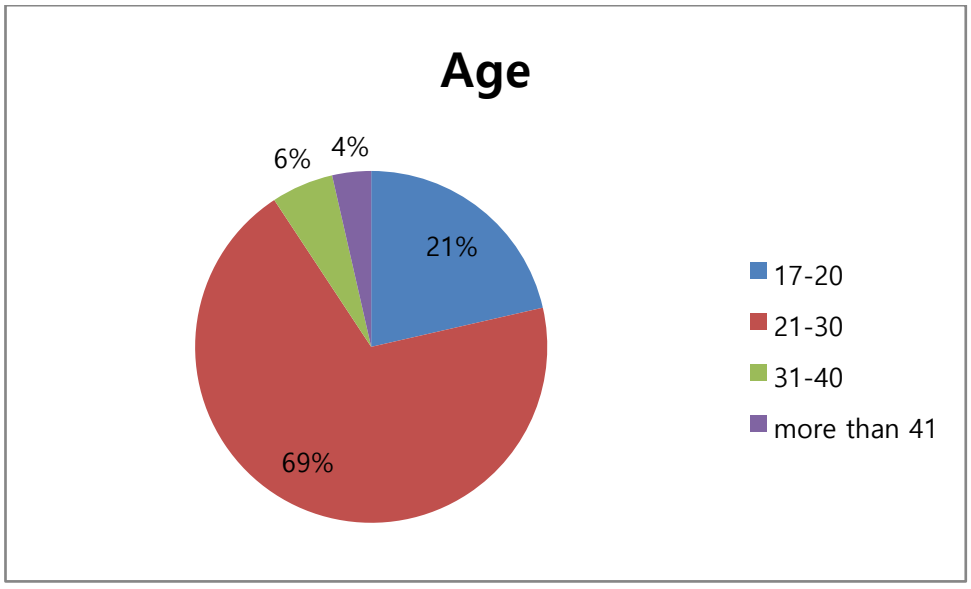


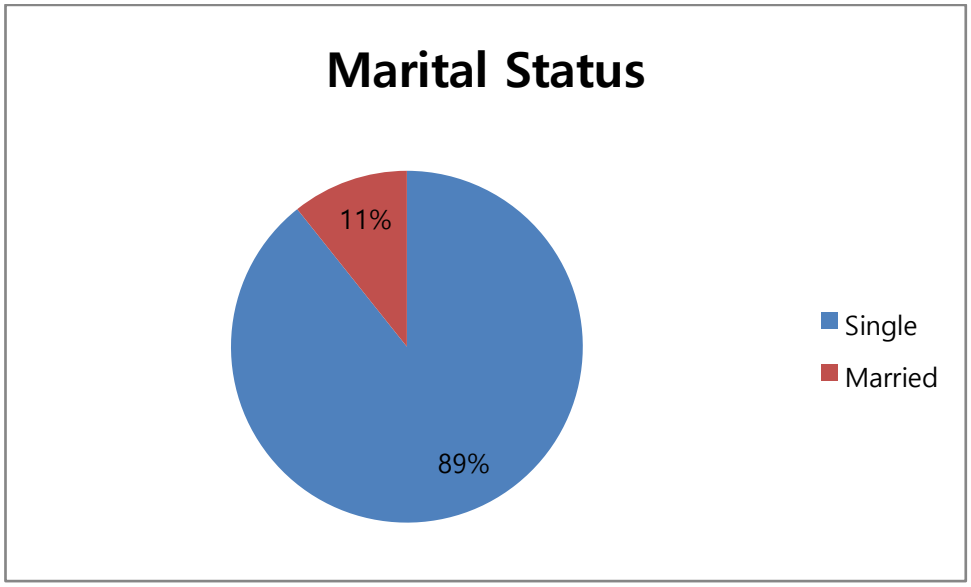

Occupation
1%
0%
1%
1%
0%
4%
93%
Student
Government Official (Teacher, Police, Officer, etc.)
Company Employee
Business Owner
House Wife
Retired
None of the above, please specify

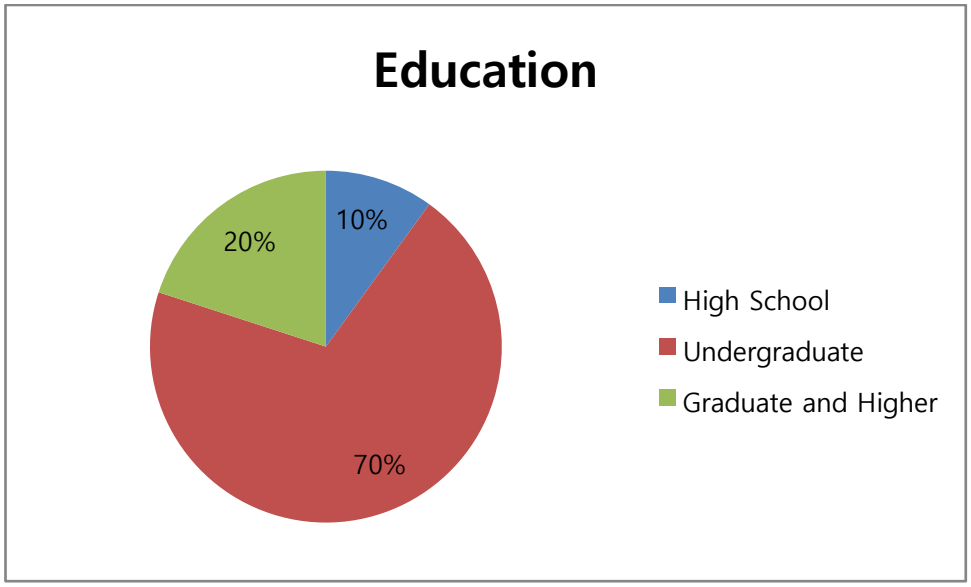

Monthly Income
1%
1%
0%
31%
67%
Below $500
$500-2000
$2000-4000
$4000-6000
Above $6000

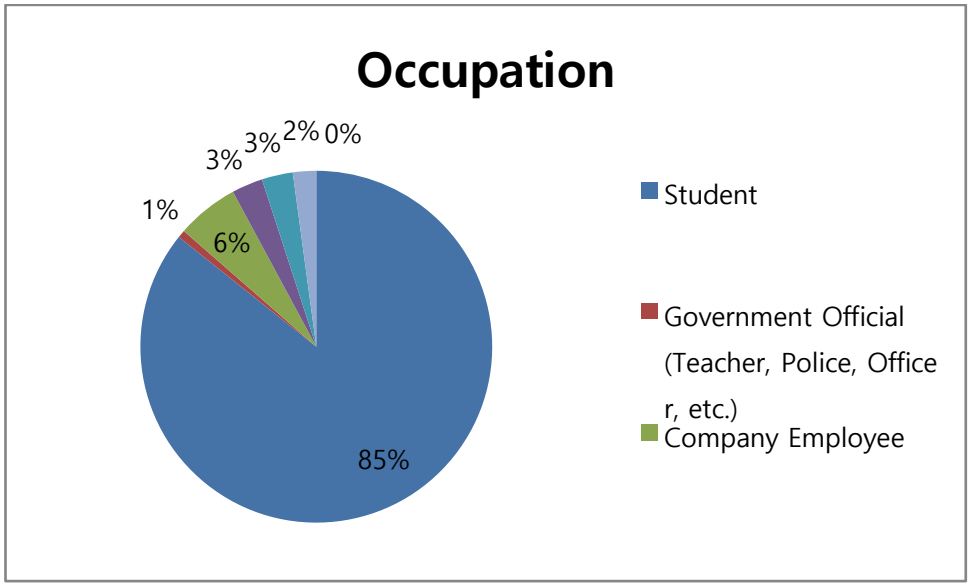
2. Korea

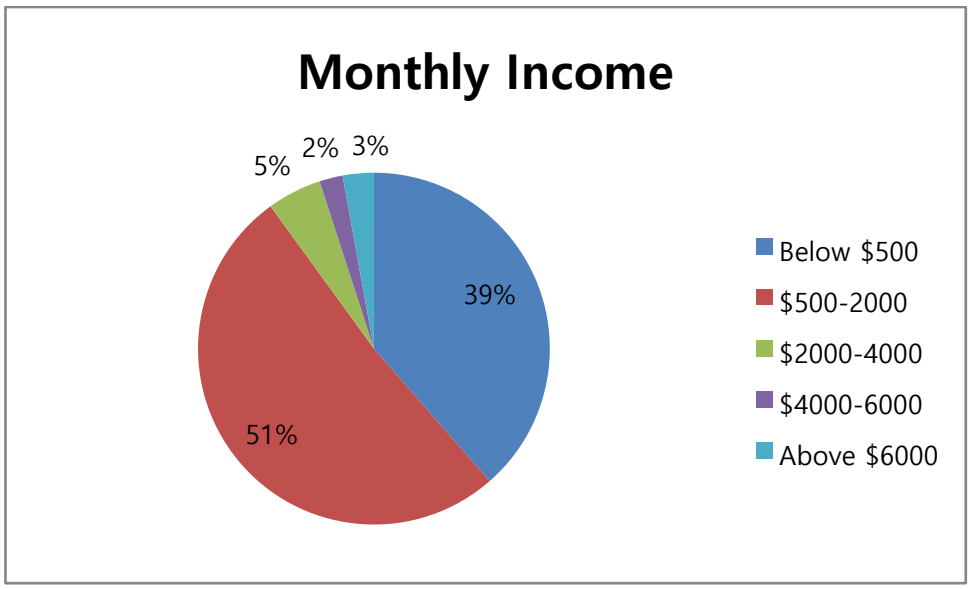

Gender
38%
62%
Male
Female


Age
6%
4%
21%
69%
17-20
21-30
31-40
more than 41


Marital Status
11%
89%
Single
Married


Education
10%
20%
70%
High School
Undergraduate
Graduate and Higher


Occupation
3%
3%
2%
0%
1%
6%
85%
Student
Government Official (Teacher, Police, Office r, etc.)
Company Employee


Monthly Income
5%
2%
3%
39%
51%
Below $500
$500-2000
$2000-4000
$4000-6000
Above $6000

Appendix 6: Descriptive Statistics Results

Descriptive Analysis for Consumers' Values (Indonesia)

Indicator	N	Min	Max	Sum	Mean	Total Mean
SDV1	140	1	5	618	4.41	4.33
SDV2	140	1	5	591	4.22	
SDV3	140	1	5	621	4.44	
SDV4	140	1	5	612	4.37	
SDV5	140	1	5	632	4.51	
SDV6	140	1	5	600	4.29	
SAV1	140	1	5	581	4.15	
SAV2	140	1	5	563	4.02	
SAV3	140	1	5	641	4.58	

Source: SPSS Output Conducted by the Researcher

Descriptive Analysis for Consumers' Values (Korea)

Indicator	N	Min	Max	Sum	Mean	Total Mean
SDV1	140	1	5	629	4.49	4.42
SDV2	140	1	5	625	4.46	
SDV3	140	1	5	643	4.59	
SDV4	140	1	5	628	4.49	
SDV5	140	1	5	591	4.22	
SDV6	140	1	5	646	4.61	
SAV1	140	1	5	579	4.14	
SAV2	140	1	5	622	4.44	
SAV3	140	1	5	609	4.35	

Source: SPSS Output Conducted by the Researcher

Descriptive Analysis for Consumers' Needs (Indonesia)

Indicator	N	Min	Max	Sum	Mean	Total Mean
EN1	140	1	5	446	3.19	3.40
EN2	140	1	5	377	2.69	
EN3	140	1	5	429	3.06	
SN1	140	1	5	470	3.36	
SN2	140	1	5	457	3.26	
SN3	140	1	5	442	3.16	
FN1	140	1	5	562	4.01	
FN2	140	1	5	568	4.06	
FN3	140	1	5	536	3.83	

Source: SPSS Output Conducted by the Researcher

Descriptive Analysis for Consumers' Needs (Korea)

Indicator	N	Min	Max	Sum	Mean	Total Mean
EN1	140	1	5	429	3.06	3.22
EN2	140	1	5	378	2.70	
EN3	140	1	5	452	3.23	
SN1	140	1	5	450	3.21	
SN2	140	1	5	382	2.73	
SN3	140	1	5	391	2.79	
FN1	140	1	5	486	3.47	
FN2	140	1	5	556	3.97	
FN3	140	1	5	528	3.77	

Source: SPSS Output Conducted by the Researcher

Descriptive Analysis for Consumers' Behavioral Intentions (Indonesia)

Indicator	N	Min	Max	Sum	Mean	Total Mean
RN1	140	1	5	469	3.35	
RN2	140	1	5	466	3.33	
RN3	140	1	5	428	3.06	
IOW1	140	1	5	509	3.64	
IOW2	140	1	5	517	3.69	3.28
IOW3	140	1	5	460	3.29	
WTP1	140	1	5	443	3.16	
WTP2	140	1	5	458	3.27	
WTP3	140	1	5	387	2.76	

Source: SPSS Output Conducted by the Researcher

Descriptive Analysis for Consumers' Behavioral Intentions (Korea)

Indicator	N	Min	Max	Sum	Mean	Total Mean
RN1	140	1	5	470	3.36	
RN2	140	1	5	488	3.49	
RN3	140	1	5	466	3.33	
IOW1	140	1	5	493	3.52	
IOW2	140	1	5	474	3.39	3.32
IOW3	140	1	5	431	3.08	
WTP1	140	1	5	482	3.44	
WTP2	140	1	5	528	3.77	
WTP3	140	1	5	346	2.47	

Source: SPSS Output Conducted by the Researcher

Appendix 7: LISREL 8.5 Output

1. Syntax used for the Confirmatory Factor Analysis (Indonesia)

Raw data from file DATAINDONESIA.psf
Sample Size = 140
Latent Variables self socaff expe soc func repur intn will

Relationships
SDV2 SDV3 SDV4 SDV5 SDV6 = self
SAV1 SAV2 SAV3 = socaff
EN1 EN2 EN3 = expe
SN1 SN2 SN3 = soc
FN1 FN2 FN3 = func
RN1 RN2 RN3 = repur
IOW1 IOW2 IOW3 = intn
WTP1 WTP2 WTP3 = will

expe = self socaff
soc = self socaff
func = self socaff
repur = expe soc func
intn = expe soc func
will = expe soc func

Set the Variance of will to 1.00

Options AD=OFF IT=10000
Path Diagram
Method of Estimation: Maximum Likelihood
End of Problem

2. Confirmatory Factor Analysis Output (Indonesia)

Sample Size = 140

Covariance Matrix

	EN1	EN2	EN3	SN1	SN2	SN3
EN1	0.71					
EN2	0.51	1.16				
EN3	0.58	0.71	1.21			
SN1	0.43	0.51	0.68	1.04		
SN2	0.42	0.57	0.63	0.80	1.10	
SN3	0.38	0.52	0.64	0.63	0.75	1.05
FN1	-0.03	-0.15	-0.05	-0.01	-0.01	0.06
FN2	0.02	-0.07	0.04	0.06	0.09	0.07
FN3	0.02	-0.03	0.05	0.06	0.08	0.14
RN1	0.14	0.15	0.19	0.16	0.13	0.07
RN2	0.20	0.27	0.25	0.11	0.21	0.11
RN3	0.23	0.36	0.38	0.21	0.27	0.21
IOW1	0.18	0.16	0.25	0.17	0.29	0.28
IOW2	0.10	0.09	0.24	0.23	0.24	0.23
IOW3	0.18	0.33	0.33	0.29	0.38	0.32
WTP1	0.13	0.13	0.28	0.29	0.22	0.28
WTP2	0.05	0.14	0.22	0.20	0.17	0.18
WTP3	0.07	-0.28	-0.03	0.00	-0.07	-0.10
SDV2	0.19	0.23	0.24	0.22	0.24	0.19
SDV3	0.05	0.03	0.09	0.07	0.10	0.06
SDV4	0.19	0.16	0.18	0.21	0.18	0.18
SDV5	0.11	0.06	0.11	0.12	0.09	0.06
SDV6	0.18	0.19	0.25	0.20	0.22	0.16
SAV1	0.18	0.24	0.25	0.31	0.26	0.21

SAV2	0.17	0.32	0.29	0.28	0.30	0.30
SAV3	0.05	0.01	0.06	0.03	0.03	0.12

Covariance Matrix

	FN1	FN2	FN3	RN1	RN2	RN3
FN1	0.76					
FN2	0.32	0.66				
FN3	0.34	0.30	0.75			
RN1	0.02	0.11	0.18	0.86		
RN2	0.02	0.10	0.20	0.74	1.13	
RN3	-0.07	0.05	0.10	0.66	0.74	1.02
IOW1	0.11	0.11	0.09	0.20	0.31	0.24
IOW2	0.12	0.17	0.07	0.22	0.17	0.22
IOW3	0.00	0.08	-0.07	0.25	0.24	0.42
WTP1	0.12	0.14	0.17	0.19	0.15	0.13
WTP2	0.13	0.21	0.12	0.20	0.21	0.17
WTP3	0.22	0.16	0.02	-0.10	-0.14	-0.23
SDV2	0.10	0.09	0.06	-0.01	0.07	0.08
SDV3	0.09	0.16	0.14	0.08	0.11	0.13
SDV4	0.02	0.09	0.04	0.16	0.27	0.21
SDV5	0.02	0.11	0.05	0.10	0.14	0.09
SDV6	0.10	0.13	0.11	0.12	0.16	0.22
SAV1	0.05	0.09	0.06	0.06	0.08	0.14
SAV2	0.05	0.09	0.10	0.10	0.17	0.20
SAV3	0.17	0.07	0.08	0.01	0.05	0.05

Covariance Matrix

	IOW1	IOW2	IOW3	WTP1	WTP2	WTP3
IOW1	0.65					
IOW2	0.44	0.63				
IOW3	0.42	0.44	0.87			
WTP1	0.16	0.18	0.10	0.80		
WTP2	0.14	0.17	0.11	0.65	1.12	
WTP3	-0.02	0.08	-0.08	0.32	0.26	0.99
SDV2	0.08	0.07	0.10	0.11	0.18	0.00
SDV3	0.09	0.09	0.10	0.01	0.07	-0.07
SDV4	0.09	0.09	0.14	0.07	0.09	-0.08
SDV5	0.04	0.12	0.10	0.10	0.08	0.01
SDV6	0.14	0.18	0.23	0.06	0.10	-0.14
SAV1	0.15	0.22	0.22	0.14	0.10	-0.07
SAV2	0.12	0.16	0.22	0.17	0.15	-0.21
SAV3	0.08	0.12	0.07	0.09	0.16	-0.05

Covariance Matrix

	SDV2	SDV3	SDV4	SDV5	SDV6	SAV1
SDV2	0.50					
SDV3	0.13	0.49				
SDV4	0.23	0.15	0.57			
SDV5	0.18	0.20	0.33	0.50		
SDV6	0.25	0.27	0.22	0.26	0.59	
SAV1	0.30	0.23	0.25	0.23	0.37	0.63
SAV2	0.32	0.16	0.30	0.18	0.33	0.43
SAV3	0.19	0.16	0.19	0.16	0.21	0.26

Covariance Matrix

	SAV2	SAV3
SAV2	0.78	
SAV3	0.30	0.49

Number of Iterations =***

LISREL Estimates (Maximum Likelihood)

Measurement Equations

EN1 = 0.62*expe, Errorvar.= 0.33 , R^2 = 0.54
(0.049)
6.76

EN2 = 0.79*expe, Errorvar.= 0.54 , R^2 = 0.54
(0.098) (0.080)
8.05 6.75

EN3 = 0.91*expe, Errorvar.= 0.38 , R^2 = 0.69
(0.10) (0.072)
8.93 5.31

SN1 = 0.85*soc, Errorvar.= 0.31 , R^2 = 0.70
(0.053)
5.88

SN2 = 0.92*soc, Errorvar.= 0.26 , R^2 = 0.77
(0.077) (0.052)
11.90 4.88

SN3 = 0.80*soc, Errorvar.= 0.42 , R^2 = 0.61
(0.078) (0.062)
10.30 6.76

FN1 = 0.57*func, Errorvar.= 0.44 , R^2 = 0.43
(0.074)
5.88

FN2 = 0.56*func, Errorvar.= 0.35 , R^2 = 0.47
(0.10) (0.064)
5.41 5.44

FN3 = 0.55*func, Errorvar.= 0.44 , R^2 = 0.41
(0.10) (0.073)
5.29 6.08

RN1 = 0.80*repur, Errorvar.= 0.22 , R^2 = 0.75
(0.044)
4.89

RN2 = 0.91*repur, Errorvar.= 0.30 , R^2 = 0.74
(0.077) (0.058)
11.78 5.07

RN3 = 0.83*repur, Errorvar.= 0.34 , R^2 = 0.67
(0.074) (0.056)
11.22 6.06

IOW1 = 0.65*intn, Errorvar.= 0.22 , R^2 = 0.66
(0.044)
5.08

IOW2 = 0.67*intn, Errorvar.= 0.18 , R^2 = 0.71
(0.072) (0.042)
9.25 4.35

IOW3 = 0.66*intn, Errorvar.= 0.44 , R^2 = 0.50
(0.080) (0.064)
8.19 6.80

WTP1 = 0.82*will, Errorvar.= -0.014, R^2 = 1.02
(0.090) (0.12)
9.06 -0.12

WTP2 = 0.65*will, Errorvar.= 0.60 , R^2 = 0.47
(0.081) (0.11)
8.08 5.65

WTP3 = 0.32*will, Errorvar.= 0.86 , R^2 = 0.13
(0.076) (0.10)
4.23 8.21

SDV2 = 0.47*self, Errorvar.= 0.28 , R^2 = 0.44
(0.056) (0.038)
8.34 7.40

SDV3 = 0.36*self, Errorvar.= 0.36 , R^2 = 0.27
(0.059) (0.045)
6.20 7.89

SDV4 = 0.46*self, Errorvar.= 0.35 , R^2 = 0.38

(0.061) (0.046)

7.63 7.60

SDV5 = 0.42*self, Errorvar.= 0.32 , R^2 = 0.35

(0.058) (0.042)

7.26 7.68

SDV6 = 0.57*self, Errorvar.= 0.27 , R^2 = 0.54

(0.059) (0.039)

9.61 6.90

SAV1 = 0.63*socaff, Errorvar.= 0.24 , R^2 = 0.62

(0.059) (0.038)

10.55 6.37

SAV2 = 0.63*socaff, Errorvar.= 0.39 , R^2 = 0.51

(0.069) (0.055)

9.15 7.11

SAV3 = 0.41*socaff, Errorvar.= 0.32 , R^2 = 0.34

(0.057) (0.042)

7.09 7.72

Structural Equations

expe = - 12745.86*self + 12746.30*socaff, Errorvar.= -5.09 , R^2 = 6.09

(1204675.56) (1204675.56) (28.34)

-0.011 0.011 -0.18

soc = - 1308.28*self + 1308.71*socaff, Errorvar.= 0.75 , R^2 = 0.25
(123610.65) (123610.65) (0.33)
-0.011 0.011 2.29

func = 399.15*self - 398.84*socaff, Errorvar.= 0.90 , R^2 = 0.10
(37693.92) (37693.92) (0.26)
0.011 -0.011 3.49

repur = 0.61*expe - 0.29*soc + 0.28*func, Errorvar.= 0.78 , R^2 = 0.22
(0.21) (0.20) (0.11) (0.14)
2.85 -1.40 2.46 5.46

intn = 0.30*expe + 0.17*soc + 0.30*func, Errorvar.= 0.71 , R^2 = 0.29
(0.19) (0.19) (0.11) (0.14)
1.56 0.89 2.70 4.92

will = 0.17*expe + 0.19*soc + 0.31*func, Errorvar.= 1.00, R^2 = 0.18
(0.20) (0.20) (0.12)
0.88 0.99 2.56

Reduced Form Equations

expe = - 12745.86*self + 12746.30*socaff, Errorvar.= -5.09, R^2 = 6.09
(1204675.56) (1204675.56)
-0.011 0.011

soc = - 1308.28*self + 1308.71*socaff, Errorvar.= 0.75, R^2 = 0.25
(123610.65) (123610.65)
-0.011 0.011

func = 399.15*self - 398.84*socaff, Errorvar.= 0.90, R^2 = 0.10
(37693.92) (37693.92)
0.011 -0.011

repur = - 7276.46*self + 7276.69*socaff, Errorvar.= -0.98, R^2 = 1.98
(687828.51) (687828.51)
-0.011 0.011

intn = - 3920.92*self + 3921.22*socaff, Errorvar.= 0.35, R^2 = 0.65
(370587.86) (370587.86)
-0.011 0.011

will = - 2346.64*self + 2346.89*socaff, Errorvar.= 0.96, R^2 = 0.22
(221795.49) (221795.49)
-0.011 0.011

Correlation Matrix of Independent Variables

	self	socaff
self	1.00	
socaff	1.00	1.00
	(0.00)	
	291951.44	

Covariance Matrix of Latent Variables

	expe	soc	func	repur	intn	will
expe	1.00					
soc	0.80	1.00				

func	-0.05	0.11	1.00			
repur	0.37	0.23	0.22	1.00		
intn	0.42	0.44	0.30	0.21	1.00	
will	0.31	0.37	0.32	0.18	0.25	1.22
self	0.44	0.43	0.31	0.24	0.30	0.26
socaff	0.45	0.43	0.31	0.24	0.30	0.26

Covariance Matrix of Latent Variables

	self	socaff
	--------	--------
self	1.00	
socaff	1.00	1.00

Goodness of Fit Statistics

Degrees of Freedom = 283

Minimum Fit Function Chi-Square = 474.39 (P = 0.00)

Normal Theory Weighted Least Squares Chi-Square = 456.31 (P = 0.00)

Estimated Non-centrality Parameter (NCP) = 173.31

90 Percent Confidence Interval for NCP = (118.86 ; 235.67)

Minimum Fit Function Value = 3.41

Population Discrepancy Function Value (F0) = 1.25

90 Percent Confidence Interval for F0 = (0.86 ; 1.70)

Root Mean Square Error of Approximation (RMSEA) = 0.066

90 Percent Confidence Interval for RMSEA = (0.055 ; 0.077)

P-Value for Test of Close Fit (RMSEA < 0.05) = 0.010

Expected Cross-Validation Index (ECVI) = 4.26

90 Percent Confidence Interval for ECVI = (3.87 ; 4.71)

ECVI for Saturated Model = 5.05

ECVI for Independence Model = 14.46

Chi-Square for Independence Model with 325 Degrees of Freedom = 1957.36

Independence AIC = 2009.36

Model AIC = 592.31

Saturated AIC = 702.00

Independence CAIC = 2111.84

Model CAIC = 860.34

Saturated CAIC = 2085.52

Normed Fit Index (NFI) = 0.76

Non-Normed Fit Index (NNFI) = 0.87

Parsimony Normed Fit Index (PNFI) = 0.66

Comparative Fit Index (CFI) = 0.88

Incremental Fit Index (IFI) = 0.89

Relative Fit Index (RFI) = 0.72

Critical N (CN) = 100.99

Root Mean Square Residual (RMR) = 0.068

Standardized RMR = 0.082

Goodness of Fit Index (GFI) = 0.80

Adjusted Goodness of Fit Index (AGFI) = 0.75

Parsimony Goodness of Fit Index (PGFI) = 0.64

The Modification Indices Suggest to Add the

Path to	from	Decrease in Chi-Square	New Estimate
RN3	expe	9.3	0.21
WTP3	repur	9.1	-0.26

repur	intn	9.0	0.35
intn	repur	9.0	0.32

The Modification Indices Suggest to Add an Error Covariance

Between	and	Decrease in Chi-Square	New Estimate
intn	repur	9.0	0.25
IOW1	SN1	9.0	-0.09
IOW1	RN2	19.4	0.14
IOW2	RN1	9.3	0.08
IOW3	RN3	18.0	0.17
WTP3	EN1	11.3	0.17
WTP3	EN2	11.9	-0.22
WTP3	FN1	8.2	0.17
SDV5	SDV4	28.9	0.17
SAV2	WTP3	10.8	-0.17
SAV2	SDV5	9.5	-0.11
SAV3	FN1	9.2	0.11

Time used: 1.813 Seconds

3. Syntax used for the Confirmatory Factor Analysis (Korea)

```
Raw data from file DATAINDONESIA.psf
 Sample Size = 140
 Latent Variables self socaff expe soc func repur intn will

 Relationships
 SDV1 SDV2 SDV4 SDV5 SDV6 = self
 SAV1 SAV2 SAV3 = socaff
 EN1 EN2 EN3 = expe
 SN1 SN2 SN3 = soc
 FN1 FN2 FN3 = func
 RN1 RN2 RN3 = repur
 IOW1 IOW2 IOW3 = intn
 WTP1 WTP2 WTP3 = will

 expe = self
 soc = self socaff
 func = self socaff
 repur = expe soc func
 intn = expe soc func
 will = expe soc func

Set the Variance of soc to 1.00
Set the Variance of will to 1.00
Set the Variance of socaff to 1.00
Set the Variance of expe to 1.00
Set the Variance of self to 1.00
Set the Variance of func to 1.00
Set the Variance of repur to 1.00
Set the Variance of intn to 1.00
```

Options AD=OFF IT=10000

Path Diagram

Method of Estimation: Maximum Likelihood

4. Confirmatory Factor Analysis Output (Korea)

Sample Size = 140

Latent Variables self socaff expe soc func repur intn will

Relationships

SDV1 SDV2 SDV4 SDV5 SDV6 = self

SAV1 SAV2 SAV3 = socaff

EN1 EN2 EN3 = expe

SN1 SN2 SN3 = soc

FN1 FN2 FN3 = func

RN1 RN2 RN3 = repur

IOW1 IOW2 IOW3 = intn

WTP1 WTP2 WTP3 = will

expe = self

soc = self socaff

func = self socaff

repur = expe soc func

intn = expe soc func

will = expe soc func

Set the Variance of soc to 1.00

Set the Variance of will to 1.00

Set the Variance of socaff to 1.00

Set the Variance of expe to 1.00

Set the Variance of self to 1.00

Set the Variance of func to 1.00

Set the Variance of repur to 1.00

Set the Variance of intn to 1.00

Options AD=OFF IT=10000

Path Diagram

Method of Estimation: Maximum Likelihood

End of Problem

Sample Size = 140

Covariance Matrix

	EN1	EN2	EN3	SN1	SN2	SN3
EN1	0.71					
EN2	0.51	1.16				
EN3	0.58	0.71	1.21			
SN1	0.43	0.51	0.68	1.04		
SN2	0.42	0.57	0.63	0.80	1.10	
SN3	0.38	0.52	0.64	0.63	0.75	1.05
FN1	-0.03	-0.15	-0.05	-0.01	-0.01	0.06
FN2	0.02	-0.07	0.04	0.06	0.09	0.07
FN3	0.02	-0.03	0.05	0.06	0.08	0.14
RN1	0.14	0.15	0.19	0.16	0.13	0.07
RN2	0.20	0.27	0.25	0.11	0.21	0.11
RN3	0.23	0.36	0.38	0.21	0.27	0.21
IOW1	0.18	0.16	0.25	0.17	0.29	0.28
IOW2	0.10	0.09	0.24	0.23	0.24	0.23
IOW3	0.18	0.33	0.33	0.29	0.38	0.32
WTP1	0.13	0.13	0.28	0.29	0.22	0.28
WTP2	0.05	0.14	0.22	0.20	0.17	0.18
WTP3	0.07	-0.28	-0.03	0.00	-0.07	-0.10
SDV1	0.01	-0.05	0.05	0.02	-0.01	-0.02
SDV2	0.19	0.23	0.24	0.22	0.24	0.19
SDV4	0.19	0.16	0.18	0.21	0.18	0.18

SDV5	0.11	0.06	0.11	0.12	0.09	0.06
SDV6	0.18	0.19	0.25	0.20	0.22	0.16
SAV1	0.18	0.24	0.25	0.31	0.26	0.21
SAV2	0.17	0.32	0.29	0.28	0.30	0.30
SAV3	0.05	0.01	0.06	0.03	0.03	0.12

Covariance Matrix

	FN1	FN2	FN3	RN1	RN2	RN3
FN1	0.76					
FN2	0.32	0.66				
FN3	0.34	0.30	0.75			
RN1	0.02	0.11	0.18	0.86		
RN2	0.02	0.10	0.20	0.74	1.13	
RN3	-0.07	0.05	0.10	0.66	0.74	1.02
IOW1	0.11	0.11	0.09	0.20	0.31	0.24
IOW2	0.12	0.17	0.07	0.22	0.17	0.22
IOW3	0.00	0.08	-0.07	0.25	0.24	0.42
WTP1	0.12	0.14	0.17	0.19	0.15	0.13
WTP2	0.13	0.21	0.12	0.20	0.21	0.17
WTP3	0.22	0.16	0.02	-0.10	-0.14	-0.23
SDV1	0.17	0.11	0.01	0.04	0.06	0.00
SDV2	0.10	0.09	0.06	-0.01	0.07	0.08
SDV4	0.02	0.09	0.04	0.16	0.27	0.21
SDV5	0.02	0.11	0.05	0.10	0.14	0.09
SDV6	0.10	0.13	0.11	0.12	0.16	0.22
SAV1	0.05	0.09	0.06	0.06	0.08	0.14
SAV2	0.05	0.09	0.10	0.10	0.17	0.20
SAV3	0.17	0.07	0.08	0.01	0.05	0.05

Covariance Matrix

	IOW1	IOW2	IOW3	WTP1	WTP2	WTP3
IOW1	0.65					
IOW2	0.44	0.63				
IOW3	0.42	0.44	0.87			
WTP1	0.16	0.18	0.10	0.80		
WTP2	0.14	0.17	0.11	0.65	1.12	
WTP3	-0.02	0.08	-0.08	0.32	0.26	0.99
SDV1	0.12	0.14	0.12	0.11	0.08	0.06
SDV2	0.08	0.07	0.10	0.11	0.18	0.00
SDV4	0.09	0.09	0.14	0.07	0.09	-0.08
SDV5	0.04	0.12	0.10	0.10	0.08	0.01
SDV6	0.14	0.18	0.23	0.06	0.10	-0.14
SAV1	0.15	0.22	0.22	0.14	0.10	-0.07
SAV2	0.12	0.16	0.22	0.17	0.15	-0.21
SAV3	0.08	0.12	0.07	0.09	0.16	-0.05

Covariance Matrix

	SDV1	SDV2	SDV4	SDV5	SDV6	SAV1
SDV1	0.42					
SDV2	0.12	0.50				
SDV4	0.06	0.23	0.57			
SDV5	0.14	0.18	0.33	0.50		
SDV6	0.15	0.25	0.22	0.26	0.59	
SAV1	0.16	0.30	0.25	0.23	0.37	0.63
SAV2	0.13	0.32	0.30	0.18	0.33	0.43
SAV3	0.13	0.19	0.19	0.16	0.21	0.26

Covariance Matrix

	SAV2	SAV3
SAV2	0.78	
SAV3	0.30	0.49

Number of Iterations = 22

LISREL Estimates (Maximum Likelihood)

Measurement Equations

EN1 = 0.55*expe, Errorvar.= 0.31 , R^2 = 0.57
(0.061) (0.052)
9.02 5.92

EN2 = 0.68*expe, Errorvar.= 0.55 , R^2 = 0.53
(0.078) (0.087)
8.67 6.31

EN3 = 0.78*expe, Errorvar.= 0.40 , R^2 = 0.67
(0.079) (0.085)
9.79 4.69

SN1 = 0.73*soc, Errorvar.= 0.34 , R^2 = 0.67
(0.070) (0.058)
10.52 5.77

SN2 = 0.83*soc, Errorvar.= 0.21 , R^2 = 0.81

(0.071) (0.058)

11.66 3.53

SN3 = 0.69*soc, Errorvar.= 0.44 , R^2 = 0.58

(0.071) (0.065)

9.64 6.73

FN1 = 0.54*func, Errorvar.= 0.44 , R^2 = 0.42

(0.079) (0.075)

6.88 5.88

FN2 = 0.53*func, Errorvar.= 0.35 , R^2 = 0.47

(0.074) (0.065)

7.26 5.30

FN3 = 0.53*func, Errorvar.= 0.43 , R^2 = 0.42

(0.078) (0.073)

6.86 5.91

RN1 = 0.72*repur, Errorvar.= 0.21 , R^2 = 0.76

(0.063) (0.044)

11.57 4.88

RN2 = 0.82*repur, Errorvar.= 0.30 , R^2 = 0.74

(0.072) (0.058)

11.45 5.08

RN3 = 0.74*repur, Errorvar.= 0.34 , R^2 = 0.67

(0.069) (0.056)

10.77 6.08

IOW1 = 0.55*intn, Errorvar.= 0.22 , R^2 = 0.65

(0.056) (0.044)

9.83 5.04

IOW2 = 0.57*intn, Errorvar.= 0.18 , R^2 = 0.70

(0.056) (0.042)

10.16 4.34

IOW3 = 0.56*intn, Errorvar.= 0.44 , R^2 = 0.49

(0.066) (0.064)

8.40 6.78

WTP1 = 0.81*will, Errorvar.= -0.0067, R^2 = 1.01

(0.091) (0.12)

8.97 -0.055

WTP2 = 0.66*will, Errorvar.= 0.59 , R^2 = 0.47

(0.082) (0.11)

7.99 5.54

WTP3 = 0.32*will, Errorvar.= 0.86 , R^2 = 0.13

(0.077) (0.10)

4.20 8.20

SDV1 = 0.24*self, Errorvar.= 0.36 , R^2 = 0.14

(0.057) (0.044)

4.18 8.11

SDV2 = 0.49*self, Errorvar.= 0.27 , R^2 = 0.47

(0.057) (0.038)

8.61 7.04

SDV4 = 0.47*self, Errorvar.= 0.34 , R^2 = 0.40

(0.061) (0.046)

7.72 7.39

SDV5 = 0.42*self, Errorvar.= 0.32 , R^2 = 0.36

(0.058) (0.042)

7.28 7.52

SDV6 = 0.56*self, Errorvar.= 0.28 , R^2 = 0.52

(0.060) (0.042)

9.22 6.73

SAV1 = 0.65*socaff, Errorvar.= 0.21 , R^2 = 0.67

(0.060) (0.040)

10.79 5.24

SAV2 = 0.67*socaff, Errorvar.= 0.34 , R^2 = 0.57

(0.069) (0.053)

9.75 6.31

SAV3 = 0.41*socaff, Errorvar.= 0.32 , R^2 = 0.35

(0.058) (0.042)

7.09 7.56

Structural Equations

expe = 0.59*self, Errorvar.= 1.00, R^2 = 0.26

(0.13)

4.69

soc = 0.58*self - 0.029*socaff, Errorvar.= 1.00, R^2 = 0.23

(0.48) (0.46)

1.22 -0.064

func = 0.39*self - 0.085*socaff, Errorvar.= 1.00, R^2 = 0.088

(0.50) (0.49)

0.77 -0.17

repur = 0.38*expe - 0.046*soc + 0.24*func, Errorvar.= 1.00, R^2 = 0.21

(0.10) (0.091) (0.11)

3.69 -0.50 2.13

intn = 0.20*expe + 0.30*soc + 0.29*func, Errorvar.= 1.00, R^2 = 0.26

(0.099) (0.10) (0.12)

2.03 3.01 2.46

will = 0.12*expe + 0.20*soc + 0.29*func, Errorvar.= 1.00, R^2 = 0.17

(0.087) (0.088) (0.11)

1.41 2.26 2.65

Reduced Form Equations

expe = 0.59*self + 0.0*socaff, Errorvar.= 1.00, R^2 = 0.26

(0.13)

4.69

soc = 0.58*self - 0.029*socaff, Errorvar.= 1.00, R^2 = 0.23

(0.48) (0.46)

1.22 -0.064

func = 0.39*self - 0.085*socaff, Errorvar.= 1.00, R^2 = 0.088

(0.50) (0.49)

0.77 -0.17

repur = 0.29*self - 0.019*socaff, Errorvar.= 1.20, R^2 = 0.057

(0.14) (0.12)

2.01 -0.16

intn = 0.41*self - 0.033*socaff, Errorvar.= 1.22, R^2 = 0.10

(0.22) (0.20)

1.86 -0.16

will = 0.30*self - 0.030*socaff, Errorvar.= 1.14, R^2 = 0.060

(0.18) (0.17)

1.61 -0.18

Correlation Matrix of Independent Variables

	self	socaff
self	1.00	
socaff	0.91	1.00
	(0.04)	
	20.31	

Covariance Matrix of Latent Variables

	expe	soc	func	repur	intn	will
expe	1.35					

soc	0.32	1.30				
func	0.18	0.17	1.10			
repur	0.53	0.10	0.32	1.27		
intn	0.42	0.51	0.41	0.23	1.36	
will	0.28	0.35	0.37	0.18	0.27	1.21
self	0.59	0.55	0.31	0.27	0.37	0.27
socaff	0.54	0.50	0.27	0.24	0.34	0.24

Covariance Matrix of Latent Variables

	self	socaff
	---	---
self	1.00	
socaff	0.91	1.00

Goodness of Fit Statistics

Degrees of Freedom = 284

Minimum Fit Function Chi-Square = 548.82 (P = 0.0)

Normal Theory Weighted Least Squares Chi-Square = 543.25 (P = 0.0)

Estimated Non-centrality Parameter (NCP) = 259.25

90 Percent Confidence Interval for NCP = (197.22 ; 329.09)

Minimum Fit Function Value = 3.95

Population Discrepancy Function Value (F0) = 1.87

90 Percent Confidence Interval for F0 = (1.42 ; 2.37)

Root Mean Square Error of Approximation (RMSEA) = 0.081

90 Percent Confidence Interval for RMSEA = (0.071 ; 0.091)

P-Value for Test of Close Fit (RMSEA < 0.05) = 0.00

Expected Cross-Validation Index (ECVI) = 4.87

90 Percent Confidence Interval for ECVI = (4.43 ; 5.37)

ECVI for Saturated Model = 5.05

ECVI for Independence Model = 14.43

Chi-Square for Independence Model with 325 Degrees of Freedom = 1953.83

Independence AIC = 2005.83

Model AIC = 677.25

Saturated AIC = 702.00

Independence CAIC = 2108.31

Model CAIC = 941.34

Saturated CAIC = 2085.52

Normed Fit Index (NFI) = 0.72

Non-Normed Fit Index (NNFI) = 0.81

Parsimony Normed Fit Index (PNFI) = 0.63

Comparative Fit Index (CFI) = 0.84

Incremental Fit Index (IFI) = 0.84

Relative Fit Index (RFI) = 0.68

Critical N (CN) = 87.71

Root Mean Square Residual (RMR) = 0.096

Standardized RMR = 0.11

Goodness of Fit Index (GFI) = 0.77

Adjusted Goodness of Fit Index (AGFI) = 0.71

Parsimony Goodness of Fit Index (PGFI) = 0.62

The Modification Indices Suggest to Add the

Path to	from	Decrease in Chi-Square	New Estimate
EN3	soc	10.4	0.22
FN1	repur	8.0	-0.19
RN3	expe	9.2	0.19
WTP3	repur	8.8	-0.22
expe	soc	51.8	0.80
soc	expe	51.8	0.80
soc	repur	15.9	0.73
repur	intn	9.2	0.33
intn	repur	9.2	0.33

The Modification Indices Suggest to Add an Error Covariance

Between	and	Decrease in Chi-Square	New Estimate
soc	expe	51.8	0.80
intn	repur	9.2	0.33
IOW1	SN1	8.3	-0.09
IOW1	RN2	19.4	0.14
IOW2	RN1	9.5	0.08
IOW3	RN3	18.0	0.17
WTP3	EN1	11.0	0.16
WTP3	EN2	15.0	-0.25
WTP3	FN1	8.1	0.17
SDV1	FN1	8.1	0.11
SDV5	SDV4	29.5	0.17
SAV2	WTP3	11.1	-0.17
SAV3	FN1	10.2	0.12

Time used: 0.219 Seconds