

## The Effect of Social, Individual, and Materialism Factors on the Purchase of Purchasing Luxury Mixed Bags and Consumer Attitudes as a Mediation Variable (Behavior Study in Career Women in Denpasar)

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### Abstract:

Social factors include normative vulnerability and information on social influences. Social influence reflects the judgment of others on individual consumer behavior. Purchasing decisions are also influenced by personal factors such as age and stages of the life cycle, work, economic situation, lifestyle, and personality and self-concept of the buyer. Materialism is the consumer belief that valuing worldly assets is very important. Attitude is an expression of someone's feelings that reflects their joy or dislike of an object. Buying intention can be defined as the intention of someone to buy a certain brand that they have chosen for themselves after evaluating.

The purpose of this study is to examine the effect of social factors, individual factors and materialism on purchase intentions and consumer attitudes as mediating variables. The sampling technique used is proportional random sampling. The sample in this study was 95 buyers and then the determination of the sample was determined by proportional random sampling in 5 predetermined stores. The data analyst method used is SEM (Structural Equation Modeling) based on component or variance, namely PLS (Partial Least Square). The results of the study stated that social factor variables, individual factors, and materialism had a positive and significant effect on purchase intention. And individual factors and materialism have a positive and significant effect on consumer attitudes, while social factors have a positive but not significant effect on consumer attitudes.

**Keywords:** Social Factors, Individual Factors, Materialism, Consumer Attitudes, Purchase Intentions

### I. Introduction:

The development of fashion trends in Indonesia is strongly influenced by Western culture. Observing the development of fashion in Indonesia is also inseparable from the interference of the era of globalization which makes it easier for the Indonesian people to access the development of

fashion models and adapt them in Indonesia. For the people of Indonesia, following the development of overseas fashion models as such has become a necessity that must be met. Following trends will improve their social status and increase their level of self-confidence. Not to mention the trend changes

that are getting faster, sometimes only less than a year, a new trend has emerged. Technological developments are highly utilized by "creative" producers in Indonesia. Capitalized creatively looking for products that are popular from well-known brands through the internet, in a short time podusen made counterfeit products from these brands and quickly spread widely in the community.

The most widely used fashion products are artificial clothing, shoes, watches, bags and jewelry. Some of the brands that are most often associated with imitation cases are Louis Vuitton, Gucci, Burberry, Prada, Hermes, Chanel, Dior, and Yves St Laurent (Yoo and Lee, 2009). Moreover, along with the development of increasingly sophisticated technology, the difference between original and fake products is increasingly invisible, of course this makes it easier to falsify luxury branded products and increase sales of these counterfeit products.

According to Check and Easterling (2008), consumer purchasing behavior is indeed a unique and interesting discussion. One phenomenon that is quite interesting is the phenomenon of circulating imitation products or counterfeit products, as a new alternative in consumer consumption choices.

Buyers of counterfeit products give reasons that they buy counterfeit products, because they do not have a direct adverse effect on them. The price of counterfeit products is so much cheaper that they feel as if they are wise shoppers (Hartanto, 2012). According to Shultz et al., In Trisdiarto (2012), luxury goods brands are easily imitated because they are easy to sell and do not create high production costs. Previous research also shows that the more a product achieves success and fame on behalf of its brand, the more opportunities will arise for the emergence of counterfeit products in the community (Nia and Zaichkowsky, 2000).

According to Huang et al. (2004), attitudes are predisposing to learning to respond to situations in a way that is profitable or unfavorable. Attitude factors are often used as predictors of consumer intentions and behavior. Because attitudes cannot be observed directly, researchers must rely on

determining consumer attitudes through measurement (Huang et al., 2004).

(Kotler and Armstrong, 2009) Consumer behavior is influenced by external factors and internal factors. One external factor is the desire of consumers to look the same as their role models. Like for example, a woman who has a role model of a celebrity who often uses luxury fashion items, the woman also wants to have the same luxury fashion items, but if her purchasing ability is low, buying artificial fashion items is the solution. Considering the consumer's attitude towards counterfeiting products can be influenced by a number of antecedents. Based on previous research evidence, antecedents of attitudes can be divided into two groups, namely social factors and personality factors.

Social factors consist of information and normative vulnerability to social influence. Social influence reflects what other people value the behavior of individual consumers (Ang et al., 2001). Two different forms of consumer vulnerability are information vulnerability and normative vulnerability (Wang et al., 2005).

Information vulnerability refers to purchasing decisions made by consumers based on the opinions of other people (Ang et al., 2001; Wang et al., 2005), while normative vulnerable people can make decisions based on expectations of what will impress others.

Bearden et al. (1989) also presented two forms of vulnerability. First, consumers may be vulnerable to information, where products are purchased based on the opinions of other people. In such cases, the views of others about quality and whether wise purchases are very important. Usually, information vulnerability occurs when consumers do not know the product category. Certainty of the opinions of others plays an important role as a reference point, especially if consumers only have a little knowledge about the product category in question. Second, consumers may be normatively vulnerable. Normative vulnerability involves purchasing decisions that are not based on the opinions of other

experts, but based on the expectations of other people's impressions.

Research on the relationship of social factors with consumer attitudes has been done before. Ian Phau and Min Teah (2009) mention social factors negatively affect consumer attitudes. However, research from Celso Augusto de Matos, Cristiana Trindade Ituassu, Carlos Alberto Vargas Rossi (2007) states that normative vulnerability has a positive effect as well as research from Swee Hoon Ang, Peng Sim Cheng, Elison A.C. Lim, Siok Kuan Tambyah (2001) states that normative vulnerability and information vulnerability have a positive effect

Individual factors consist of awareness of value, integrity, personal satisfaction, new search, and consumption status. Value awareness is defined as paying attention to lower prices, depending on some quality constraints (Lichtenstein et al., 1990). It has been observed that consumers are involved in prohibited buying behavior when there is price pressure. Dodge et al. (1996) report that economic consequences influence behavior tolerance that is questioned by consumers. As counterfeiting provides tremendous cost savings to consumers, although with some compromise in quality, the perceived value is high. Evidence also shows that when a forgery has a different price advantage than the original product, consumers will choose counterfeit goods (Bloch et al., 1993).

Integrity is the level of individual consideration for ethics and compliance with law (Wang et al, 2005). The influence of values such as integrity will influence judgment towards succumbing to unethical activities (Steenhaut and van Kenhove, 2006). The level of integrity greatly influences the selection of products to be consumed. Research also shows that more law-minded consumers are less willing to buy counterfeit goods (Cordell et al., 1996). Those who have high ethical standards tend to feel responsible for deliberately buying counterfeit goods. Conversely, there are consumers rationalizing their behavior and not seeing their duplicate purchases as unethical.

Personal satisfaction concerns the need for achievement, social recognition, and enjoying better

things in life. Most forgery does not give the same level of quality to the original product. The sound quality of an artificial CD, for example, is not comparable in quality; and the stitches on the fake brand name clothes are not as good as the original. However, consumers who buy counterfeit goods are willing to sacrifice that quality and release product guarantees related to the original product. They don't appreciate the pleasure of having better quality products and also they have the same sense of accomplishment by owning original items such as consumers who buy original labels. The curiosity of consumers who are very interested in products with a low risk of purchase causes an increase in artificial products.

Early research that expanded the theory of constructivist consumption by Veblen (1899, 1953) showed that people often consume products to show their superior status (Packard, 1959; Mason, 1981). This raises consumption status, which is the individual's goal of generating superior social position through open consumption of products to achieve respect and envy from others (Eastman et al., 1999; Csikszentmihalyi and Rochberg-Halton, 1981). The status of goods is obtained for their symbolic values and less for their functional values (Barnett, 2005). Individuals who want to be seen as higher social classes but do not have the income to support them, will buy artificial alternatives rather than the original, regardless of ethical stance (Wee et al., 1995).

Husic and Cicic (2009) assert that by using status items as symbols, individuals can communicate impressively about themselves to their reference groups.

Research on the relationship of individual factors with consumer attitudes has also been done previously. Like Ian Phau and Min Teah (2009) in the Prada Devilwears (Counterfeit) journal: A Study of Antecedents and Outcomes of Attitudes Towards Counterfeits of Luxury Brands states that individual factors with values of awareness, integrity and consumption status have a positive effect. Research by Ian Phau, Marishka Sequeira and Steve Dix

(2009) and Celso Augusto de Matos research, Cristiana Trindade Ituassu, Carlos Alberto Vargas Rossi (2007) also consider integrity to have a positive effect. But Lan Phau, Marishka Sequeira and Steve Dix (2009) in Consumer's journal willingness to knowingly purchase counterfeit products integrity has no effect on the attitude of the purchase.

Materialism is the consumer belief that assessing worldly assets is very important (Belk, 1985). Materialism sees the acquisition of wealth as a means of achieving happiness (Richins and Rudmin, 1994). Materialists place wealth and power as the center of life and see it as important for satisfaction and prosperity in life (Yoo and Lee, 2009: 282). Predicted materialism can affect both the purchase of the original product and the purchase of counterfeit products because both provide the same image through the appearance effect even though there are significant quality differences. Materialists are encouraged to consume products in abundance, so that materialism can affect the attitudes and purchase intentions of artificial luxury brand products. When consumers try to improve their social status in the future to be higher, they will become less price sensitive and prefer to buy original products that cost even ten times more than similar counterfeit products (Yoo and Lee, 2009: 282).

Research by Ian Phau, Marishka Sequeira and Steve Dix (2009) considers materialism to have a positive effect on consumer attitudes. But research from Ian Phau, Marishka Sequeira and Steve Dix (2009) in the journal *To Buy or Not To Buy A "Counterfeit" Rolphlauren Polo Shirt The Role of Lawfulness and Legality Toward Purchasing Counterfeits* states the materialism has a negative effect on the attitude of buying.

Bags are one of the most noticed by women in general. Can be seen from the many famous brands that we meet on the market, such as Gucci, LV, Victoria Beckham, Hermes, Prada, Valentino and Chanel. The world-class designers launch bags to answer the needs of consumers. The prices offered

by world-class designers vary from tens of millions of rupiah to hundreds of millions of rupiah. The bag not only supports the appearance of the user but also affects the image of the user of the bag. This is because the price of the original brand bag is very expensive, so only high-income executive women can afford it, consequently those who are able to buy world-class bags will be more prestigious in their circles.

High prices cause many women who cannot buy bags with the original brand. But lately a lot of bags have emerged with fake brands. An artificial brand is a bag that uses a name or brand with the same product physically similar to the original brand but not issued by the original designer. Artificial brands have several levels, ranging from inexpensive imitations to expensive imitations with super quality. The price offered by the manufacturers of bags with artificial brands is much lower than the original brand.

Research has also been conducted in 2003 which revealed that women often buy luxury products because the purchase is able to provide a sense of comfort to themselves (Strategic Travel Action Resource, 2003). Seeing the high level of fashion development and the number of bags with counterfeit brands that are sold in the market, of course consumers are abundant in Indonesia, especially among career women who reside in Denpasar. In addition, the number of sellers of counterfeit products, especially bags, is very easy to find in the city of Denpasar. From the results of the survey I did in November 2017, there are 5 bag shops that sell local brand bags and sell fake branded bags. The results according to the survey, sales of artificial branded bags are more in demand and are in demand by customers, especially women compared to local products.

This study aims to analyze the factors that influence attitudes and purchase intentions of artificial luxury brand products. This research also seeks to understand the intent of consumer behavior that is consciously and actively looking for counterfeit products. This research tries to explore the mindset

of Indonesian consumers in relation to the purchase of luxury brand counterfeit goods.

The results and previous research models have conclusions that might not be appropriate to apply to the current conditions in Indonesia, precisely in the City of Denpasar. Research conducted by previous researchers is different in location, object, subject, time and or analysis and is generally carried out abroad which has a different economic and cultural environment with Indonesia. This study uses the reference of international journals from research by Lan Phau and Min Teah (2009), which discuss the Social Factors and Personality Factors that influence consumer attitudes and purchase intentions. This study was then modified by combining the research conducted by Ian Phau, Marishka Sequeira and Steve Dix (2009) which discussed Materialism as well as influencing consumer buying behavior. By doing a combination of these two studies will provide more specific results regarding the buying behavior of counterfeit products.

Based on the above reasons and supported by the existing data, the researchers determined the title of this study were: "The Influence of Social Factors, Individual Factors, and Materialism on the Intention of Purchasing Luxury Branded Artificial Bags and Consumer Attitudes as Mediating Variables Behavioral Studies in Career Women in Denpasar".

## **II. Literature Review:**

### ***Theory of Planned Behavior:***

The theory which is a further development of the Theory of Reasoned Action (TRA) by Fishbein and Ajzen (1985) was first coined by Icek Ajzen in his article entitled "From intentions to actions: A theory of planned behavior" (. In TRA it is said that one's intention to conduct a behavior determines whether or not the behavior will be carried out. Furthermore, the intention to do or not to do certain behavior is influenced by two considerations, namely relating to attitudes (attitude towards behavior) and related to social influences, namely subjective norms (subjective norms).

In an effort to express the influence of subjective attitudes and norms on the intention to do or not to do a behavior, Fishbein and Ajzen complement it with beliefs. It is stated that attitudes originate from behavioral beliefs while subjective norms come from normative beliefs (Ramdhani, 2007).

IT Use Behavior Model "NR-2007" Development of Technology Acceptance Model (TAM). As a development of TRA, Ajzen added a new construct namely perceived behavioral control in the Theory of Planned Behavior (TPB) which has not been included in the previous theory. This construct is added with the consideration that doing or not doing a behavior is not only determined by mere attitudes or subjective norms, but also by the individual's perception of control that can be done based on the belief in the control (control belief) (Ramdhani, 2007).

### ***Conceptual framework:***

This study has five latent variables (constructs), namely social factor (X1), personal factor (X2), materialsme (X3), attitude towards counterfeiting of goods (Y1), and purchase intention (Y2). This study analyzes how the first social factor (which has 2 indicators, namely Information susceptibility indicator, Normative Susceptibility indicator), the two personal factors (which have 5 indicators namely value consciousness, integrity, personal gratification, novel seeking, and consumption status) and the three materialsme (possessiveness, non-porosity, envy, preservation) influence consumer attitudes towards counterfeiting of goods (which have 3 indicators, namely attitudes toward purchase intention of counterfeit goods, attitudes toward counterfeit goods, and attitudes towards social and legal consequences) and how consumer attitudes influence purchase intention . From this conceptual framework, it also explains the influence of Social factors (X1)

H1: Social factors have a positive effect on the purchase intention of imitation fashion items

H2: Individual factors have a positive effect on the purchase intention of imitation fashion items

- H3: Materialism has a positive influence on the purchase intention of imitation fashion items
- H4: Social factors have a positive effect on consumer attitudes to counterfeiting of goods
- H5: Individual factors have a positive effect on consumer attitudes to counterfeiting of goods
- H6: Materialism has a positive influence on consumer attitudes to counterfeiting goods.

### III. Method:

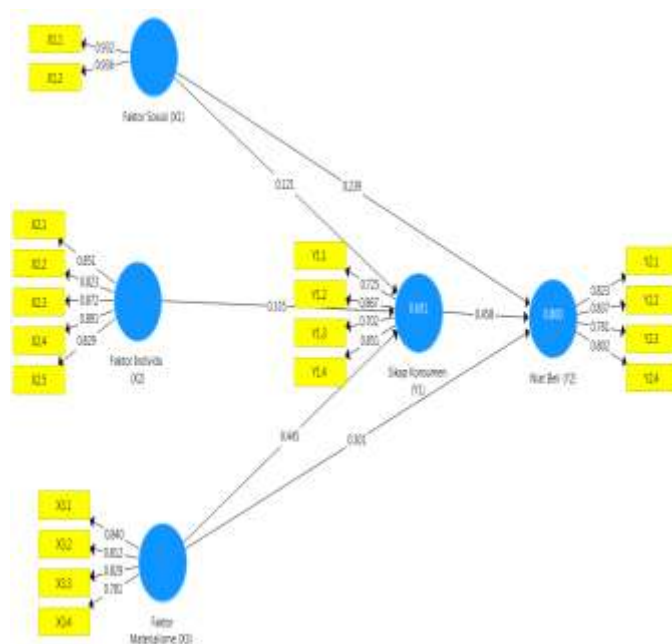
Based on the background and formulation of existing problems, the design of this study uses explanatory research which explains a relationship between variables through testing hypotheses. As expressed in the hypothesis, each of them will be described in the appropriate indicator and then derived into question items in the research instrument. The sampling technique used is proportional random sampling, this technique is used because the population is not homogeneous. Sugiyono (2014: 82) says that, proportional random sampling is used if the population has members or elements that are not homogeneous and have proportional strata. With population size = 1835 and  $e = 10\%$ , so that the sample size (n) of 94.8 is rounded up to 95 samples of buyers and then the determination of the sample is determined by proportional random sampling in 5 predetermined stores. Data collection techniques in the form of interviews and dissemination questionnaire followed by validity and reliability tests. The data analyst method used is SEM (Structural Equation Modeling) based on component or variance, namely PLS (Partial Least Square). The results of the analysis are then interpreted and discussed so that the results can be concluded from the study.

### IV. Result And Discussion:

#### Inner Model Testing

Testing the inner model or structural model is done to see the relationship between variables, significance values and R-square of the research model. The structural model was evaluated using the R-square for the dependent variable t test and the

significance of the structural path parameter coefficients. Changes in the value of R-square can be used to assess the effect of certain exogenous latent variables on endogenous latent variables that have substantive effects.



**Picture 1 Structural Model (Inner Model)**

From Figure 1, it can be explained that the covariance of indicator measurements is influenced by latent constructs or reflects variations of unidimensional constructs which are represented by an ellipse with several arrows from construct to indicator. This model hypothesizes that changes in latent constructs affect changes in indicators. In the model there are three exogenous variables, namely social factors, individual factors and materialism. And two endogenous variables, namely consumer attitudes and purchase intentions. Assessment of the model with PLS begins by looking at the R-square for each dependent latent variable. Changes in the value of R-square can be used to assess the effect of certain exogenous latent variables on endogenous latent variables that have substantive effects. The structural model is evaluated by considering the Q2 predictive relevance model that measures how well the observation value is generated by the model. Q2 is based on the coefficient of determination of all dependent variables. The magnitude of Q2 has a

value with a range of  $0 < Q^2 < 1$ , the closer to the value of 1, the better the model.

R-square value variable consumer attitudes 0.691 and variable purchase intention 0.800. The higher the R-square value, the greater the ability of the exogenous variable can be explained by endogenous variables so that the structural resistance is better. In addition to using the R-square, goodness of fit models are also measured using Q-Square predictive relevance for structural models, measuring how well the observation value is generated by the model and also its parameter estimates. Q-square value  $> 0$  indicates the model has predictive relevance; conversely if the value of Q-Square  $\leq 0$  indicates the model lacks predictive relevance.

The results of the Q Square Predictive Relevance (Q<sup>2</sup>) calculation show a value of 0.938, which means the model shows good observations, where 93.8% of relationships between variables can be explained by the model, while the rest (6.2%) is a factor error or other factors that do not enter in the research model. Evaluation of the inner model measured by Q Square Predictive Relevance (Q<sup>2</sup>) and Goodness of Fit (GoF) above shows that the model formed by constructs has a very good model category.

### ***Hypothesis testing:***

Hypothesis testing is done by t-statistics by sorting for testing direct and indirect effects or testing mediating variables. In the next section, the results of the test are directly described and the mediation variables are examined.

### ***Testing of Direct Influence:***

The significance of the estimated parameters provides very useful information about the relationship between the research variables. The basis used in testing hypotheses is the value found in the result for inner weight output.

Hypothesis Testing 1: There is a positive influence between social factors and purchase intention. The results of the hypothesis test show that social factors have a positive and significant effect on purchase

intention. These results can be seen in the coefficient of 0.239 with the value of t-statistics of 3.261. The t-statistics value is above the 1.96 value. Based on this, hypothesis 1 is accepted.

Hypothesis Testing 2: There is a positive influence between individual factors and purchase intention. Hypothesis test results show that individual factors have a positive and significant effect on purchase intention. This result can be seen in the coefficient of 0.458 with the value of t-statistics of 5.667. The t-statistics value is above the 1.96 value. Based on this, hypothesis 2 is accepted.

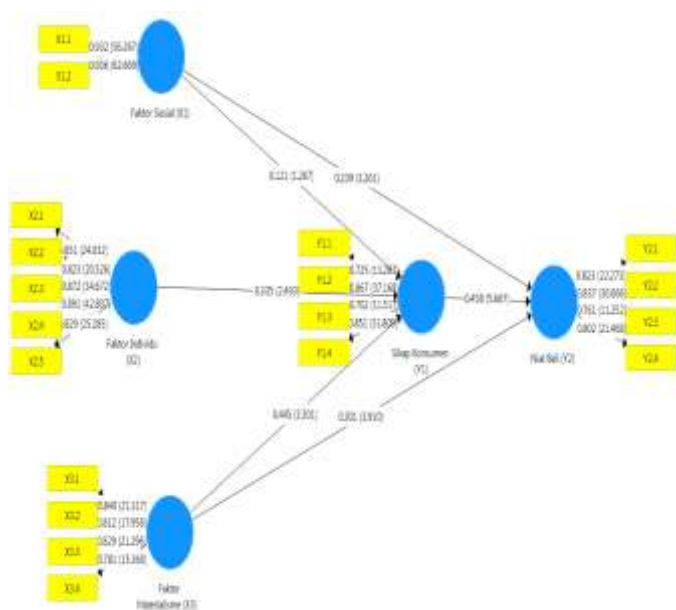
Testing Hypothesis 3: There is a positive influence between materialism and purchase intention. Hypothesis test results show that materialism has a positive and significant effect on purchase intention. This result can be seen in the coefficient value of 0.301 with t-statistics value of 3.910. The t-statistics value is above the critical value of 1.96. Based on this, hypothesis 3 is accepted.

Hypothesis Testing 4: There is a positive influence between social factors and consumer attitudes. Hypothesis test results show that social factors have a positive but not significant effect on consumer attitudes. This result can be seen in the coefficient value of 0.121 with t-statistics value of 1.267. The t-statistics value is below the value of 1.96. Based on this, hypothesis 4 is rejected.

Hypothesis Testing 5: There is a positive influence between individual factors and consumer attitudes. The results of hypothesis testing show that individual factors have a positive and significant effect on consumer attitudes. This result can be seen in the coefficient of 0.335 with the value of t-statistics of 2.493. The t-statistics value is above the 1.96 value. Based on this, hypothesis 5 is accepted.

Testing of Hypothesis 6: There is a positive influence between materialism and consumer attitudes. Hypothesis test results show that materialism has a positive and significant effect on consumer attitudes. This result can be seen in the coefficient of 0.445 with the value of t-statistics of 3.301. The t-statistics value is above the 1.96 value. Based on this, hypothesis 6 is accepted.

Based on the results of testing carried out using the SmartPLS 3.0 application, the following research model images can be presented:]



**Figure 2 Full Model Structural (PLS Bootstrapping)**

### Testing of Indirect Effects Through Mediation Variables

The significance of the mediating variables in the model can be examined from the results of the indirect effects test. From this test, the level of intervention of mediating variables can be examined, whether full mediation (partial mediation), partial mediation or partial mediation. The testing methods of the mediating variables used are as follows (Hair et al., 2010):

- Check the direct effect of the independent variable on the dependent variable on the model by involving mediating variables.
- Check the influence of independent variables on the dependent variable on the model without involving mediating variables.
- Check the influence of independent variables on mediating variables.
- Check the effect of mediating variables on the dependent variable.

Based on the results of the investigation of the four influences (a, b, c, and d), then the level of intervention can be determined from the mediating variable with the analysis stages as follows:

- If the path coefficient  $c'$  "from the results of the second step estimate remains significant and does not change ( $c'' = c$ ) then there is no mediating effect.
- If the path coefficient  $c'$  "value decreases ( $c'' < c$ ) but remains significant, the form of mediation is partial mediation.
- If the path coefficient  $c'$  "value decreases ( $c'' < c$ ) and becomes insignificant, the form of mediation is full mediation.

In testing the following hypothesis, the mediating role of consumer attitudes variable (Y1) between social factors (X1) on purchase intention (Y2), the role of mediating variable consumer attitudes (Y1) between individual factors (X2) on purchase intention (Y2) and role variable mediation of consumer attitude (Y1) between materialism (X3) to purchase intention (Y2).

The results of testing mediation variables that can be delivered are as follows: Consumer Attitude (Y1) is able to mediate positively and significantly on the indirect effect of Social Factor (X1) on Purchase Intentions (Y2). This result is shown from the mediation test conducted, it appears that the effects of B, C and D have a significant value. The results of this test can be proven empirically. Based on these results it can be interpreted, the higher the attitude of consumers based on social factors, the higher the purchase intention. Other information that can be conveyed, the mediating effect of the consumer attitude variable (Y1) on the direct influence of social factors (X1) on purchase intention (Y2) is full mediation. This finding provides an indication that, the mediating variable of consumer attitudes (Y1) as a key determinant of the influence of social factors (X1) on purchase intention (Y2).

The results of testing mediation variables that can be delivered are as follows: Consumer Attitudes (Y1) are able to mediate positively and significantly on the indirect effect of Individual Factors (X2) on Purchase Intentions (Y2). These results are shown from the mediation tests conducted, it appears that the effects of A, B, C and D have a significant value.



The results of this test can be proven empirically. Based on these results it can be interpreted, the higher the attitude of consumers based on individual factors, the higher the purchase intention. Other information that can be conveyed, the mediating effect of the consumer attitude variable (Y1) on the direct influence of individual factors (X2) on purchase intention (Y2) is full mediation. This finding provides an indication that, the mediating variable of consumer attitudes (Y1) as a key determinant of the influence of individual factors (X2) on purchase intention (Y2).

The mediating variables that can be conveyed are as follows: Consumer Attitudes (Y1) are able to mediate positively and significantly on the indirect influence of the variable Materialism (X3) on Purchase Intentions (Y2). These results are shown from the mediation tests conducted, it appears that the effects of A, B, C and D have a significant value. The results of this test can be proven empirically. Based on these results it can be interpreted, the higher the attitude of consumers based on materialism, the higher the purchase intention. Other information that can be conveyed, the mediating effect of the consumer attitude variable (Y1) on the direct influence of materialism (X3) on purchase intention (Y2) is partial mediation. This finding suggests that, the mediating variable of consumer attitudes (Y1) is not a key determinant of the influence of materialism (X3) on purchase intention (Y2).

The mediating effect of the consumer attitude variable (Y1) has an indirect effect on materialism (X3) on purchase intention (Y2) is greater, ie with a path coefficient of 0.445 compared to the mediating effect of the consumer attitude variable (Y1) on the indirect effect of soisal factor (X1) towards purchase intention (Y2) with the resulting path coefficient of 0.121 and consumer attitude variable (Y1) on the indirect effect of individual factors (X2) on purchase intention (Y2) with the resulting path coefficient of 0.335

Thus overall, the materialism path (X3) konsumen consumer attitude (Y1) pembelian purchase

intention (Y2) is greater with the total effect obtained at 0.438, compared to social factor path (X1) konsumen consumer attitude (Y1) pembelian purchase intention (Y2) with a total effect of 0.348 and individual factor lines (X2) konsumen consumer attitudes (Y1) pembelian purchase intentions (Y2) with a total effect of 0.224. This finding suggests that the more materialism controls and dominates consumer attitudes, the more purchase intention will be.

### **Discussion:**

Based on the results of PLS analysis, then in this section we will discuss the results of calculations that have been done. This study aims to determine the determinants of social factors, individual factors and materialism towards consumer attitudes and purchase intentions of luxury brand imitation bags. Tests are shown through existing hypotheses so that they can find out how the influence of each variable on the other variables.

#### ***Effect of social factors on purchase intentions:***

The results of statistical data analysis show that social factors have a positive and significant effect on purchase intentions on luxury brand imitation bag products (path coefficient of 0.239 with t-statistics value of 3.261) so that analysis of this research model shows that high social factors will lead to high purchase intention. The results of this study are supported by research conducted by Tommy Hendro Trisdiarto (2012) that social factors have a positive effect on purchase intention of counterfeit products and also the opinion of Nurul Hana (2012) also states that social factors have a positive influence on purchase intentions.

#### ***Effect of individual factors on purchase intentions:***

The results of data analysis statistically show that individual factors have a positive and significant effect on purchase intention on luxury branded imitation bag products (path coefficient of 0.458 with t-statistics value of 5.667) so that analysis of this research model shows that the attitude of consumers who receive counterfeit bags luxury

brands will lead to high purchase intentions. The results of the study are supported by research conducted by Vitell and Muncy (1992) stating that the individual side also influences purchasing decisions (unethically), where in this study it is said that individuals who have more positive attitudes towards business and illegal actions are more likely to do consumer activities that are not good or questionable.

#### ***The influence of materialism on purchase intentions:***

The results of data analysis statistically show that materialism has a positive and significant effect on purchase intentions on luxury brand imitation bag products (path coefficient of 0.301 with t-statistics value of 3.910) so that analysis of this research model shows that high materialism will lead to purchase intention tall one. The results of the study are supported by research conducted by Fitzmaurice and Comegys, (2006) stating that materialism has a direct, positive and significant effect on purchase intention.

#### ***Effect of social factors on consumer attitudes:***

The results of statistical data analysis show that social factors have a positive but not significant effect on consumer attitudes on luxury branded imitation bag products (path coefficient of 0.121 with t-statistics value of 1.267) so that analysis of this research model shows that social factors have no important role in influencing consumer attitudes towards the purchase of luxury brand imitation bag products. The results of these studies are not in line with the research conducted by Ang et al (2001) in a study entitled Spot the Difference: Consumer Responses Counterfeits Towards show that social factors including normative vulnerability and information vulnerability positively influence consumer attitudes in responding to artificial luxury products. Likewise with research from Tommy Hendro Trisdiarto (2012) social factors have a positive effect on consumer attitudes.

#### ***Effect of individual factors on consumer attitudes***

The results of data analysis statistically show that individual factors have a positive and significant effect on consumer attitudes on luxury branded

imitation bag products (path coefficient of 0.335 with t-statistics value of 2.493) so that analysis of this research model shows that high individual factors will lead to positive consumer attitudes in receiving luxury branded imitation bags. The results of this study are supported by research conducted by Bloch et al. (1993) stating that individual buyers of luxury branded imitation bag products pursue value for brand, prestige and image, but may not be willing to pay a high price for it so that it directly, positively and significant to consumer attitudes ..

#### ***The influence of materialism on consumer attitudes:***

The results of data analysis statistically show that materialism has a positive and significant effect on consumer attitudes on luxury branded imitation bag products (path coefficient of 0.445 with t-statistics value of 3.301) so that analysis of this research model shows that large mterialism will lead to consumer attitudes in purchasing high-grade luxury brand bags. The results of the study were supported by research conducted by Lan Phau, Marishka Sequeira and Steve Dix (2009) in a journal entitled To Buy or Not To Buy A "Counterfeit" Rolphlauren Polo Shirt The Role of Lawfulness and Legality of Toward Purchasing Counterfeits states that realistic and status consumption has a negative effect on consumer attitudes to artificial luxury products and purchase intentions. As well as research by Lan Phau, Marishka Sequeira and Steve Dix (2009) at Consumer's willingness to knowingly purchase counterfeit products that materialism has a positive effect on consumer purchase intentions.

#### **V. Conclusion:**

Based on the discussion of research results, it can be concluded that, the influence of social factors, individual factors, and materialism on consumer attitudes and purchase intentions are as follows:

1. Social factors have a positive and significant effect on purchase intentions on luxury brand imitation bag products. This indicates that the higher the influence of social factors, the higher the purchase intention of consumers. And vice versa, the lower the influence of

- social factors, the lower the purchase intention of the consumer
- Individual factors have a positive and significant effect on purchase intentions on luxury brand imitation bag products. This indicates that the higher the influence of individual factors, the higher the purchase intention of consumers. And vice versa, the lower the influence of individual factors, the lower the purchase intention of the consumer
  - Materialism has a positive and significant effect on purchase intentions on luxury branded imitation bag products. This indicates that the higher the influence of consumer materialism, the higher the purchase intention of consumers. And vice versa, the lower the influence of materialism, the lower the purchase intention of the consumer
  - Social factors have a positive but not significant effect on consumer attitudes toward luxury branded imitation bag products. This indicates that the influence of social factors does not affect the attitude of consumers to buy luxury brand imitation bag products.
  - Individual factors have a positive and significant effect on consumer attitudes towards luxury branded imitation bag products. This indicates that the higher the influence of individual factors, the higher the attitude of consumers. And vice versa, the lower the influence of individual factors, the lower the attitude of consumers towards the purchase of counterfeit bags
  - Materialism has a positive and significant effect on consumer attitudes toward luxury branded imitation bag products. This indicates that the higher the influence of materialism, the higher the attitude of consumers. Likewise, on the contrary, the lower the influence of materialism, the lower the consumer's attitude in the purchase of luxury branded imitation bags.

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