

# The Effect Ethnocentrism, Product Knowledge, Social Influence on Purchase Intention Through Attitude in Samarinda, Indonesia

1<sup>st</sup> Prapdopo

Business Administration Department  
Polytechnic State of Samarinda  
Samarinda, Indonesia  
prapdopo1977@gmail.com

2<sup>nd</sup> Armini Ningsih

Business Administration Department  
Polytechnic State of Samarinda  
Samarinda, Indonesia

3<sup>th</sup> Andi Syarifuddin

Business Administration Department  
Polytechnic State of Samarinda  
Samarinda, Indonesia

4<sup>th</sup> Rahayu Pramesti Lelana

Business Administration Department  
Polytechnic State of Samarinda  
Samarinda, Indonesia

**Abstract** *The purpose of this paper is to analyze the impact of ethnocentrism, product knowledge, and social influence toward purchase intention through attitude to wardah cosmetic in Samarinda City. This paper used quantitative method. Structural Equation Modeling (SEM) was performed to test the measurement. Total participants are 102 participant were domicile in Samarinda City completed a questionnaire were used Likert Scale with 1-5 score. The result, ethnocentrism have significant impact on attitude and product knowledge and social influence have no significant impact on attitude; ethnocentrism, product knowledge, social influence, and attitude have a significant impact on purchase intention*

**Keywords**— *Ethnocentrism, Product Knowledge, Social Influence, Attitude, Purchase Intention, Wardah Cosmetic, Samarinda City*

## I. INTRODUCTION

Purchase intention is an important thing in a company because interest is one of the final processes of purchasing decisions from consumers. Purchase intention is obtained from a learning process and thought processes that form a perception. The interest that arises in making a purchase creates a motivation that continues to be recorded in his mind and becomes a very strong activity, which in the end when a consumer must fulfill his needs will actualize what is in the consumer's mind.

Purchase intention can be triggered by several factors, as proven by [14] research that ethnocentrism is one of the factors that influence purchase intention. Then research [2] which proves that the attitude factor also influences purchase intention. In addition, research from [23] proved that product knowledge, subjective norm, perceived behavioral control are some of the factors that influence purchase intention. Then [13] research proves that past experience and social influence are the factors that influence purchase intention. And finally the research conducted by [16] proves that social identity and perceived value are the two factors that influence purchase intention.

Ethnocentrism is the tendency to view and assume that the cultural group is the best. And create and foster a sense of love and loyalty to domestic products. With the love of domestic products unwittingly will create jobs, and increase the growth of the domestic economy, besides that it can increase domestic income. The Indonesian government is

trying to foster a sense of love for domestically made products. In the 1980s the "I Love Indonesian Products" movement was made. But in the current era of globalization, loving domestic-made products is not enough, it takes a movement to use domestically-made products to create jobs, encourage the growth of national economy and increase state revenues. The true love of domestically-made products influences the purchase intention of these local products, so ethnocentrism influences consumer decision making processes. The influence of ethnocentrism on purchase intention is also supported by previous research conducted by [14].

Furthermore, [17] states that product knowledge is all information contained in a product/service that is interpreted by consumers. [17] revealed that consumer understanding of a product/service is influenced by three basic aspects, namely product attributes, benefits of using products/services (both from functional benefits and psychological benefits), as well as values that consumers will get from consuming products/the service. Consumers are interested in a product for various reasons, for example because of product features, in this case consumers are interested in a product because of its attractive appearance. Then because of product benefits, in this case consumers are interested in a product because of the benefits provided by the product. In addition, it is also due to information about products that arrive at consumers from several recommendations and others. There are still many circulating in Indonesia dangerous cosmetics or fake cosmetics and most people do not understand this. In addition, the majority of the population in Indonesia is Muslim. So it must be more careful to increase knowledge about the allowed ingredients of cosmetic products. Because not all products list in full the composition of the constituent products on the packaging label. The relationship between product knowledge to purchase intention is also supported by previous research conducted by [23] which revealed that product knowledge variables significantly influence the purchase intention variable.

Consumers decide on a purchase influenced by social factors such as reference or reference groups, family and social roles and status. This indicates that often someone

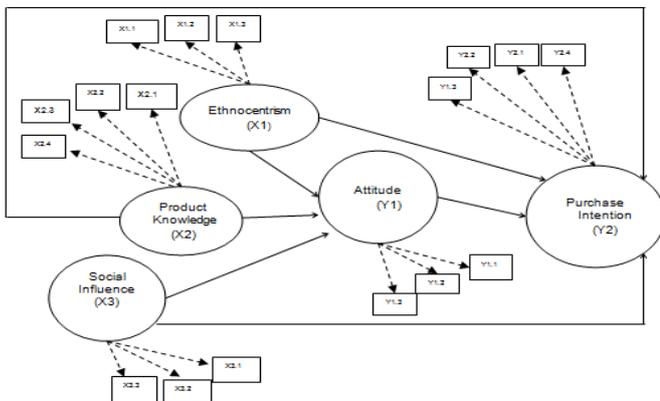
chooses a product because of the influence of the social or the surrounding community. In accordance with the nature of women who always want to look beautiful in front of the public, so that requires them to use cosmetics to become part of the social. The women are very enthusiastic in doing skincare treatments such as cleaning, brightening, moisturizing, and protecting the skin from the sun. This is supported by previous research proving the relationship between social influence on purchase intention. Research conducted by [13] and research by [16] show that there is a significant effect of social influence on purchase intention.

Attitude is defined as an individual's internal evaluation of an object such as a branded product and has become an important concept in marketing research in the last 20 years. Attitude or attitude has a tendency often considered as something stable. As a result, attitude or influence of attitude can be a predictor for consumer behavior towards a product or service [15]. The influence of attitudes toward purchase intentions was put forward by [1] who stated that the intention to behave was influenced by two fundamental things, namely the attitude to behave and social influence, which is called subjective norms. [1] also revealed that one's attitude is shaped by trust, while subjective norms arise from the existence of normative beliefs. The relationship between attitude and purchase intention was also expressed by [10] which states that attitudes that are in the evaluation stage determine a person's purchase intention.

**II. RESEARCH METHOD**

In accordance with the analysis tool that will be used, namely Structural Equation Modeling (SEM), the determination of representative sample sizes according to [4] is dependent on the number of indicators multiplied by five to ten. In this study there were 17 indicators, the recommended sample size was 100 to 200 samples. In this study researchers used number 10 as a multiplication number with the number of indicators obtained: 17 x 6 = 102 samples for this study. The characteristics of the respondents used as samples in this study were female consumers domiciled in Samarinda City, aged 15 to 60 years, Wardah users and cosmetic enthusiasts.

The research model is as follows:



Ethnocentrism (X1) in this study is the response of Wardah cosmetics users about their partisanship as citizens of Indonesia for Wardah cosmetics products that are created in the country, for those who abstain from buying foreign-made products. To measure the Ethnocentrism variable in this study using only 3 of the 6 indicators of CETSCALE

owned by [19] and modified by [9], due to the First, Purchase and Rich.

The product knowledge (X2) in this research is the knowledge that is owned by consumers, which is about all information contained in Wardah cosmetic products. This variable is measured by 4 indicators revealed by [17] which consists of Product Attributes, Physical Benefits, Psychological Benefits and Values

Social Influence (X3) in this study is the influence of other people or the social environment on consumer behavior to decide whether to buy Wardah cosmetic products or not. This variable is measured by 4 indicators taken from several indicators according to [12] and [19] which consist of Family, Friend and Group Reference

Attitude (Y1) in this case is the attitude shown by consumers who intend to buy Wardah cosmetic products. The positive attitude of consumers towards Wardah cosmetics has an influence or a future influence on consumers' desire to buy Wardah cosmetic products. The indicators of the Attitude variable according to [22] consist of 3 indicators, namely are Affective component, Behavioral Intention and cognitive component.

Purchase Intention (Y2) is a person's behavior where they tend to want to take a purchase action on a product, in this study Wardah cosmetic products. The indicators used to measure buying interest in Wardah cosmetics are indicators according to [11], [23] and according to [5] are Interest, Consider to purchase, Easy to find and Would Recommend.

Sampling technique is done by accidental sampling, which is a form of sampling based on coincidence where and who happens to meet the researcher and is considered to be a suitable source of data that will be the sample of this study, this was stated by [6]. The reason for using Accidental Sampling is because of the very large population in Samarinda City which is a Wardah user and cosmetic enthusiast.

The data collection technique carried out in this study is by distributing a list of questions in the form of statements, or written questionnaires whose answers are closed. The scale used in preparing the questionnaire is the Likert Scale.

The analysis technique testing the research model uses a regression model with the following equation:

$$Y1 = \alpha1 X1 + \alpha2 X2 + \alpha3 X3 + e1$$

$$Y2 = \beta1 X1 + \beta2 X2 + \beta3 X3 + \beta4 Y1 + e2$$

**III. RESULT**

The detailed test results of validity and reliability research can be seen in the table, following table 1 which contains a summary of validity and reliability tests:

**Table 1 Validity and Reliability Test**

Variable	Code	Coefficient Correlation	Inf.	Coefficient Cronbach Alpha (Item)	Inf.
Ethnocentrism	X <sub>1,1</sub>	0,756	Valid	0,815	Reliable
	X <sub>1,2</sub>	0,717		0,848	
	X <sub>1,3</sub>	0,785		0,815	
Product Knowledge	X <sub>2,1</sub>	0,763	Valid	0,883	Reliable
	X <sub>2,2</sub>	0,774		0,880	
	X <sub>2,3</sub>	0,814		0,866	
	X <sub>2,4</sub>	0,788		0,874	
	X <sub>3,1</sub>	0,787	Valid	0,789	Reliable

Variable	Code	Coefficient Correlation	Inf.	Coefficient Cronbach Alpha (Item)	Inf.
<i>Social Influence</i>	X <sub>3,2</sub>	0,750	Valid	0,828	Reliabel
	X <sub>3,3</sub>	0,740		0,825	
<i>Attitude</i>	Y <sub>1,1</sub>	0,770	Valid	0,749	Reliabel
	Y <sub>1,2</sub>	0,706		0,813	
	Y <sub>1,3</sub>	0,703		0,813	
<i>Purchase Intention</i>	Y <sub>2,1</sub>	0,615	Valid	0,802	Reliabel
	Y <sub>2,2</sub>	0,661		0,782	
	Y <sub>2,3</sub>	0,688		0,770	
	Y <sub>2,4</sub>	0,661		0,782	

The results of the analysis are shown ethnocentrism has a significant effect on attitude, but product knowledge and social influence has no significant effect on attitude.

Furthermore, ethnocentrism has a significant effect on purchase intention, as well as product knowledge and social influence. The results of the analysis are shown in the following table:

**IV. DISCUSSION**

**Table 2. Hypothesis Testing Results**

Variabel	Koef. Jalur Standardize	C.R	Prob.	Ket
<i>Ethnocentrism (X<sub>1</sub>)</i> ⇒ <i>Attitude (Y<sub>1</sub>)</i>	0,287	2,686	0,007	Signifikan
<i>Product Knowledge (X<sub>1</sub>)</i> ⇒ <i>Attitude (Y<sub>2</sub>)</i>	0,063	0,613	0,540	No Signifikan
<i>Social influence (X<sub>2</sub>)</i> ⇒ <i>Attitude (Y<sub>1</sub>)</i>	0,085	0,808	0,419	No Signifikan
<i>Ethnocentrism (X<sub>2</sub>)</i> ⇒ <i>Purchase Intention (Y<sub>2</sub>)</i>	0,260	2,733	0,006	Signifikan
<i>Product Knowledge (X<sub>3</sub>)</i> ⇒ <i>Purchase Intention (Y<sub>1</sub>)</i>	0,169	1,965	0,049	Signifikan
<i>Social Influence (X<sub>3</sub>)</i> ⇒ <i>Purchase Intention (Y<sub>2</sub>)</i>	0,731	5,620	<0,001	Signifikan
<i>Attitude (Y<sub>1</sub>)</i> ⇒ <i>Purchase Intention (Y<sub>2</sub>)</i>	0,181	2,027	0,043	Signifikan

The Ethnocentrism variable has a significant effect on the Attitude variable. The higher Ethnocentrism perceived not to buy foreign products, the more significant their positive attitude towards Wardah cosmetics will be. The effect of the rich indicator on the affective indicator component is very strong. This result show that consumers with job characteristics of students, monthly income <2 million, senior high school education, unmarried status at a young age of 21-30 years of course still have the spirit of high patriotism with the perception that buying domestic products can increasing domestic economic growth causes them to feel confident that choosing Wardah cosmetics means that they have participated in increasing their country's wealth. The results of this study support the theory by [24] which states that individuals who have a high level of ethnocentrism will have a more impartial attitude towards products from their own country compared to products from other countries. Previous researchers have also stated in their research that if the perception of Ethnocentrism of a consumer is strong, consumers will tend to respond to his attitude through the domestic product. This is consistent with the research conducted by [2] proves that Ethnocentrism has a significant effect on Attitude. Likewise, the research conducted by [18] proved that ethnocentrism had a significant effect on attitude.

Based on the results of the analysis it can be stated that product knowledge has no significant effect on attitude. The effect of product knowledge on indicators of psychological

benefits of attitude on affective indicators Wardah Cosmetics user components in Samarinda City is low. Because the benefits of psychology such as a person's self-confidence and a reflection of an honest and gentle personality are not displayed from the cosmetic products used but seen from behavior, speech and politeness when acting in society, not always influenced by the use of cosmetics, so consumers who feel confident about Cosmetics Wardah is only a little if it is caused by perceived psychological benefits. The results of this study contradict the theory of the relationship between product knowledge and attitude, and purchase intention can be based on the theory proposed [3]. This study also does not support the research conducted by [23] which proves that product knowledge has a significant effect on attitude due to differences in objects, number of samples, and location of research.

Social Influence has no significant effect on Attitude. The influence of social influences on the family indicator has no significant effect on attitude on the affective indicator. This indicates that family influence is not enough to trigger feelings of confidence. Consumers who feel confident about Wardah Cosmetics are not always caused by family influence, but because of personal beliefs. The results of this study contradict the previous research conducted by [13] which proved that social influence had a significant effect on attitude because the number of samples and locations studied were also different so the results obtained different.

Ethnocentrism has a significant effect on purchase intention. The effect of rich indicators on the consider to purchase indicator is very strong. The results of this study support the theory that the level of consumer ethnocentrism in each individual is very diverse, the high or low levels of consumer ethnocentrism influence their attitudes and desires to buy foreign products [8]. [7]revealed that socio-cultural and demographic factors influence the level of consumer ethnocentrism, consumers with high ethnocentricity will prefer domestic products. [19]stated that consumers who have an ethnocentrism attitude play an important role in consuming domestically-made products and contribute low to the consumption of imported products. In addition, it also supports research conducted by [14], proving that ethnocentrism has a significant effect on purchase intention.

Product knowledge has a significant effect on purchase intention. This indicates that the perception of knowledge of psychological benefits triggers consumers to consider buying Wardah cosmetics. Wardah products can steal the interest of respondents to consider buying because Wardah products are cosmetics with good quality and image but can be reached by all people. The results of this study support the theory of [23] quoted from [13], concluding that consumers with high product knowledge will evaluate products based on their quality because they are confident in their product knowledge. Thus, they will become aware of the value of the product and consequently develop interest in purchasing. The results of this study are also supported by previous research conducted by [23] proving that product knowledge has no significant effect on purchase intention.

Social influence has a significant effect on purchase intention. The influence of social influence on the family indicator on purchase intention on the consider to purchase indicator is very strong. The influence of the family is when

one family member recommends because the results have been proven in advance that is satisfying according to needs, then consumers will be affected by these recommendations and then want to use it too so consider buying consider to purchase. The results of this study support the theory of [10] saying "In addition to cultural factors, social factors such as reference groups, family, and social roles and status affect our buying behavior" which proves that social influences influence interest buy consumers. Also supporting the research conducted by [16] proves that social influence has a significant effect on purchase intention.

Attitude has a significant effect on purchase intention. The effect of attitude on the component's affective indicators on intention to purchase the consider to purchase indicators is very strong. This indicates that when consumers feel confident about Wardah cosmetics such as being sure of BPOM certificates and the halal labels owned by Wardah Cosmetics, consumers will generate interest by considering buying. The results of this study support the theory proposed by [3] and [1]. The relationship between attitude and purchase intention was also expressed by [10] which states that attitudes that are in the evaluation stage determine a person's purchase intention. The results of this study also support previous research conducted by [18] to prove that attitude has a significant effect on purchase intention.

#### V. RECOMMENDATION

Wardah Cosmetics company to maintain and always maintain something that can trigger the perception of the same ethnocentrism variable has a strong enough effect on Attitude variables and purchase intention variables. Dominated by the rich indicator because it is the highest indicator of ethnocentrism with loading factors which means more dominant reflects, or can be increased by adding the label "100% I love Indonesia" on product packaging so as to increase awareness of Indonesian consumers to prioritize buying and using Indonesian products so that domestic consumers are increasingly aware that they must support and help improve the fate of the country's economic growth.

The company is advised to improve the appearance of Wardah cosmetic product attributes so as to make consumers bring a positive attitude towards the product. For example, by adding a touch of design and color to Wardah packaging that is still simple so that it looks more modern and elegant. Change the shape of lipstick and powder packaging into a more unique shape such as the form of Ice Cream or modern dolls, then choose a more Cheer-up color.

Companies must increase customer satisfaction and product image so consumers always recommend products to their friends. Such as innovating from various things so that consumers feel a positive difference that the respondent does not find in other cosmetics and build a universal image which is that initially the communities thought Wardah products were only intended for Muslim communities. Wardah companies must change public opinion about their products which of course can be used by various groups such as encouraging more inclusive campaigns that include models without hijab which are published in all television and print media advertisements and provide understanding to the public that cosmetics marketed are Halal products so safe to use for various groups and various types of skin.

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